Journal of the History of Ideas, Vol. 34, No. 3, Jul.-Sep., 1973

J. A. HOBSON AS A NEW LIBERAL THEORIST: SOME ASPECTS OF HIS SOCIAL THOUGHT UNTIL 1914

BY MICHAEL FREEDEN

It is rather surprising that John Atkinson Hobson (1858–1940) who never received the full recognition he merited during his lifetime, should suffer the same fate after his death. He is, of course, well-known as a forerunner of modern economic thought—and was lauded as such by Keynes—and as the author of a searching and critical study of imperialism, much quoted by Lenin. But an oft neglected fact is that this prolific writer and remarkable analyst was probably the most penetrating theorist and formulator of the new brand of social-liberalism that emerged in pre-First World War Britain and, moreover, a visionary prophet of social welfare thought as we know it today. True, Hobson saw himself primarily as an economist or rather an economic heretic,[1] but he was never a purely economic thinker. He eventually found it impossible to devote himself to "an arid economic science" which took money as its final criterion of value.[2] Even Hobson's anti-imperialism was not entirely detached from internal social problems, as questions of empire were seen by him to push workingclass demands unjustly aside.[3] In concentrating, then, on what was broadly termed at the time "The Social Problem" Hobson demonstrated his ability both as scientific methodologist and as social theorist, and in a wide range of books and articles constructed a body of thought which, although somewhat repetitive, displayed a high degree of consistency.

Hobson's main concern was to create a comprehensive science of human welfare. He did not subscribe to the narrow, insulated, viewpoint which detaches science from humanism.[4] Rather, he saw the weakness of economic and political studies in their over-independence and in a methodological inability to generalize. These defects were the result of a false belief that inductive science could work alone, unaided by *a priori* deductive processes of reasoning.[5] The essential inclusion of values in any significant study of society was a clear reflection of Ruskin's great hold on Hobson's way of thinking. It was Ruskin who had intentionally reintroduced values into political economy by defining it as a science of human welfare which included all human efforts and satis-

[1] Thus the title of his autobiography *Confessions of an Economic Heretic* (London, 1938).

[2] *Ibid.*, 55.

[3] Hobson, *A Modern Outlook* (London, 1910), 304.

[4] Hobson, *Work and Wealth* (London, 1914), viii.

[5] Hobson, *The Social Problem* (London, 1902), 262.

factions. He had insisted on reform being subjected to conscious, ethical standards, and had envisaged the end of economic activity as the production of "life" or "souls of a good quality." This approach Hobson saw as furnishing the goal required to give meaning to sociology as a science and to social progress as an art.[6] Hobson's conception of sociology was therefore neither *wertfrei* nor reductionist. He pointed out that even "inductive science" began with the *a priori* step of collecting and ordering facts on the basis of external principles embodying the objects and ends of the process of investigation.[7] In the same way, one could not exclude human principles, which are part of human thought, from the study of humanity. The recognition of the centrality of principles and ideas in human life dominated Hobson's thought simply because—and here he agreed with Ruskin—man was not a human mechanism but a conscious, rational, and emotional being.[8]

Indeed, Hobson's insistence on the place of ideas in the study of society puts him outside the period's mainstream of political interpretation, though not of philosophical thought. Already in 1891 he warned against the common deception that abstract theories were not operative forces. Underneath local or temporal expediencies and chance happenings there was always a large principle which provided the key to the logic of events.[9] In a way, Hobson, by including ideas in the subject-matter of empirical scientific analysis, is a precursor of modern sociological thought. On the level of social action, too, he repeatedly criticized contemporary social reformers who saw "theory" and "principle" as awkward encumbrances to progress, which in their view could only be achieved by compromise and experiment: ". . . our practical reformer . . . sees how very apt principles are to get in the way and to clog the wheels of progress."[10]

As against these pragmatic, piecemeal reform attempts Hobson opposed the necessity of conscious, coherent ideas as guidelines and urged this upon the Liberal party. A policy of social reconstruction depended on an intelligible formulation of principles.[11]

In creating a relatively coherent body of ideas drawing upon various ideological sources and systems, Hobson epitomizes the eclectic intellectual searching of a liberalism trying to confront an increasingly inexplicable and unruly reality with an adequate theory. The result, though not flawless, turned out to be quite viable and has received the accolade of public consensus in Western democracies. To those who

[6] Hobson, *John Ruskin Social Reformer* (London, 1898), 74, 79, 87.

[7] *The Social Problem*, 65.

[8] *John Ruskin*, 75, 86.

[9] Hobson, *Problems of Poverty* (London, 1891), 196.

[10] Hobson, *The Crisis of Liberalism: New Issues of Democracy* (London, 1909), 114–15; written in 1896 and published in *The Progressive Review*.

[11] *Ibid.*, 137.

would see Hobson's eclecticism as an example of liberal intellectual compromise between borrowed systems of thought, one could only reply that it is that compromise itself which constitutes an essential part of the liberal intellectual contribution.

The two themes Hobson tried to combine with liberalism were an idealism showing affinities to Hegelian analysis, on the one hand, and a socio-biological approach to the study of human groups, on the other. The key idealist concepts of wholeness (i.e., universalism), consciousness (the centrality of thought, knowledge, and self-awareness), and rationality recur again and again. These are related to the notion of the state as a social organism.

In his critique of existing approaches to social reform Hobson singled out for attack their concrete and discrete viewpoints: "Everywhere the pressure of special concrete interests, nowhere the conscious play of organised human intelligence!"[12] At first the rising humanitarianism of the nineteenth century, as exhibited in literature, merely reacted to individual cases of suffering and failed to understand the economic causes of "the condition of the people." Then arose movements which sensed some moral defects in the functioning of the industrial system and highlighted social questions concerning factories and mines, the workings of the Poor Law, sanitation, etc. But even they could only suggest limited concrete reforms and remained distinctively sentimental in their origins. The evident failures of personal kindness and charity, and piecemeal individual treatment ". . . illustrate the final inefficacy of these forces, when unguided by larger principles of social justice."[13]

What an adequate treatment of social problems demands is, then, the over-all, total, perspective. This universalism means not only the need for a general guiding principle but a perception of the unity of the social question. Man's mental processes make this imperative, for a concomitant of his rationality is a demand for order and wholeness in thought and conduct.[14] The movement towards rationalism, which a universalistic viewpoint dictates, is, as with Hegel, coupled with an ethical transformation from egoism to altruism. The identification of individual and social aims and the strengthening of social sympathy which characterize this process are seen by Hobson as "the spirit of social reform, as distinguished from the concrete measures of reform."[15]

Actually, it is surprising to what extent Hobson, wittingly or not, echoed Hegel. Hobson's theory of the evolving rational consciousness is

[12] *Ibid.*, 115.

[13] Hobson, "The Ethics of Industrialism," *Ethical Democracy: Essays in Social Dynamics*, ed. S. Coit (London, 1900), 84, 85, 88.

[14] *The Social Problem*, 2, 3.

[15] *Work and Wealth*, 309.

almost dialectic, despite his expressed dislike of the method,[16] and he clearly endorses the idealist transcending of individualism. Thus, Hobson forsees the individual becoming aware of the interconnectedness of society, a perception that will cause him consciously to realize his personal freedom in actions that are a willing contribution to the common good.[17] Consciousness of social units is a necessary precondition for the rational adaptation and ordering of their resources and forces: "the supreme condition of social progress is for a society to 'know itself'."[18] This final stage is attained by a process not dissimilar to Hegel's threefold movement from immediate ("instinctive") altruism and universality, through mediate (differentiated) egoism and particularism, to united self-conscious rationality and universality.[19] Thus Hobson sees as the first stage of socio-economic development "a purely instinctive organic economy," based on natural functions, which "allows little scope for individuality of life." It implies a procreative unit in which the individuals are subservient to the group and achieve fullest expression by promoting the ends of the species, i.e., by successful parenthood. Then comes an actual piece of dialectic reasoning:

> It might almost be said that the dawn of reason is the dawn of selfishness. For rational economy involves a conscious realisation of the individual self, with ends of his own to be secured and with opportunities for securing them. The earliest conception of this separate self and its ends will naturally tend to be in terms of merely or mainly physical satisfaction. Thus the displacement of the instinctive by the rational economy is evidently a critical era, attended with grave risks due to the tendency towards an over-assertion of the individual self and a consequent weakening of the forces making for specific life.[20]

This is a more than adequate description of Hegel's civil society, with rationality creating and being created out of egoism, operating at first on a lower level but to be re-harnessed in full upon the emergence of the state. Finally, "Only as this animal self becomes spiritualised and socialised, does the social race-life reassert its sway upon the higher plane of human consciousness."[21]

On the subject of property, however, Hobson goes one step further than Hegel. Insofar as civil society is an economic system based on ownership of private property, property is one of the mainstays of the Hegelian social system. Indeed, property as the externalization and ob-

[16] This dislike was also attested to by a friend, who recollected that Hobson had "dismissed the dialectical method as a frivolous pedantry." H. N. Brailsford, *The Life-Work of J. A. Hobson* (Hobhouse Memorial Trust Lecture, London, 1948), 6.

[17] *Work and Wealth*, 304. [18] *The Social Problem*, 261.

[19] These are objectivized in the three stages of family, civil society, and state. Cf. Hegel, *Philosophy of Right*, paras. 157, 158, 181–85, 257–58.

[20] *Work and Wealth*, 22. [21] *Ibid.*, 23.

jectivization of self is essential for the development of a rational person.[22] Similarly, Hobson sees private property as necessary to the realization of the moral and rational ends of the individual. Yet he differs crucially from Hegel in that he would also see public property as essential to the self-realization of the community.[23] For Hobson public property is the private property of the community—regarded as an individual with moral ends set apart from those of its members. Furthermore, Hobson sensed the emergence of a rational humanitarianism which would find the egoism and competition of the existing industrial system morally reprehensive.[24] But then Hegel considered the ethical life of the state rooted in human behavior as exemplified in primary social structures, and conceived of the identity of the individual with the state, and in the state, in different terms (i.e., as a unity of opposites) than did Hobson in his model, which we shall presently deal with.

Elsewhere, when discussing the self-governing workshop, Hobson reflects Hegel's analysis of the growing universality of the economic organization of civil society.[25] The solidarity of such a group is a moral improvement on individual self-interest. On the other hand, even a federation of trade unions is a "class" solution to the demands of labor and thus still in the region of an individualism which contravenes the social good.[26] Hobson is quite clear about economic development being meaningless without attending moral and spiritual progress though, unlike Hegel, this is a matter of human choice and will being trained and exercised at every stage, and not an inevitable deterministic process. Such development depends on a "conscious and, therefore, moral" effort to marshall economic resources so as to achieve qualitative as well as quantitative improvement. It also depends on the ability of each social group to assimilate moral and intellectual opportunities created by spiritual and educational reformers.[27]

There arose, though, a more basic difference between Hobson and the school of Idealism which caused him subsequently to modify the idealist notion of spiritual progress towards an ethical state. Before the advent of the new century, during Hobson's activities in the Ethical Movement and his association with *The Progressive Review,* the influence of Oxford Idealism had made itself felt. The leaders of the Ethical Movement, a few of whom even were Oxford philosophers, preached the need for an applied social and personal ethics based on a

[22]Hegel, *Philosophy of Right,* paras. 41–51.

[23]Hobson, "The Ethics of Industrialism," 104.

[24]"Selfishness is inherent in competition; force is inherent in bargaining." *Ibid., 92.*

[25]Hegel, *Philosophy of Right,* paras. 183, 250–51.

[26]Hobson, "Of Labour," *Good Citizenship,* ed. J. E. Hand (London, 1899), 102–04.

[27]*The Crisis of Liberalism,* 190–91.

rational, not theological, conception of moral welfare. *The Progressive Review,* too, although political-economic in its outlook, was guided by a belief that progress was "cultural" in the widest human sense of the term.[28] However, in 1914 Hobson wrote:

> [Society] must be treated as a vital structure capable of working well or working ill. I say vital structure, not spiritual structure, for I hold the tendency to interpret social organisation exclusively in terms of ethical ends, and as existing simply for "the realisation of an ethical order," to be unwarranted. The men who form or constitute a Society, or who enter any sort of social organisation, enter body and soul, they carry into it the inseparable character of the organic life, with all the physical and spiritual activities and purposes it contains.[29]

This aptly summarizes the perspective that had emerged in Hobson's mind during the twenty years before the war. Economics and politics had to be harmonized by a social ethics and then brought under a broader concept of the art of human welfare.[30] Unlike the implications of idealist theory, the ethical order was not immanent in social behavior, nor was social behavior reducible to ethical life. This is central to Hobson's understanding of society. In terms of the intellectual origins of his thought this means that his idealism was tempered by an emphasis on biological processes, especially by the "organism" model and by evolutionary theory.[31] And Hobson, though differing essentially from Spencer on questions of political theory, credited him with revolutionizing modern thought in this field. Spencer had impressed on the educated world that Man was part of nature, thus refuting the traditional dualist approach. The idealists now had biological proof of the progress of Reason in the concrete world.[32]

The physical aspects of social life were never lost upon Hobson. Already in his study of Ruskin, Hobson had credited the former with perceiving that every great social question had its roots in physiology.[33] Moreover, one of Hobson's arguments against current philanthropy had been its continuous tendency to endeavor to supply higher wants before the lower wants were satisfied; to insist on moral elevation of the masses prior to environmental reforms. Even worse, this was often not only the policy of private charity but of the state. Hobson saw this refusal to regard life as an organic whole as an instance of the "mo-

[28] *Confessions of an Economic Heretic,* 54–56.

[29] *Work and Wealth,* 14.

[30] *Confessions of an Economic Heretic,* 55.

[31] *The Social Problem,* 3: "The organic conception of society and the historic conception of continuity are two chief products of modern thinking which have modified profoundly—if they have not, indeed, transformed—the conception of social progress."

[32] Hobson, "Herbert Spencer," *South Place Magazine,* **9** (Jan. 1904), 49–55.

[33] *John Ruskin,* 155.

nadist fallacy." For the practical reformer, he claimed, the satisfaction of the lower material need preceded in importance that of the higher. The latter could not exist if it had no soil out of which to grow.[34]

The term "organism" was best fitted to describe the nature of the physical and spiritual structure of society. It alone made the evolution of industry intelligible.[35] Although Hobson admitted that the organism analogy was a matter of convenience of language and conceded that the difference between society as an organism and animal organisms might make it more profitable not to use the same word, he observed that recent biological research had strengthened the tendency to regard society as an organism even on its physical side.[36] True, sometimes Hobson seems to have perceived the organic model as being more analogous to the non-physical aspects of society, because he accepted the notion that society is a moral, rational organism with a psychic life of its own.[37] But he tended more towards the view that the impulses to form societies originate in organic gregarious instincts and feelings which, although spiritualized and rationalized, carry a biological import.[38]

It appears, then, that the "organism" is a general concept adumbrating the close interdependence and connectedness of all facets of social life and is inevitably left rather loose. Indeed, Hobson adopts it in the accepted way that models are used nowadays—"it is more appropriate than any other concept, and some concept must be applied."[39] He decided against using a psychological instead of a biological term on grounds of intellectual expediency. The organic concept was simply clearer and more forceful, and could be spiritualized to cover all aspects of human life,[40] although for the time being, due to inadequacies of scientific methodology, the frontiers of physiology and psychology should be respected.[41]

Just as we saw before that Hobson tempered his idealism with the awareness of the physical roots of social life, he was now prevented from totally accepting the socio-biological theories of the period by his belief in the power of ideas, of the human spirit. He thus occupies the middle ground between these two systems of thought, and it is his concept of organism that bridges the gap. Hobson's reservations to the latter type of theory, reservations which uphold the moral and spiritual spheres of human existence (and we shall try to show below that this uncertainty manifests itself in his examination of the relation between

[34] *The Social Problem*, 82; *The Crisis of Liberalism*, 207.
[35] *Work and Wealth*, vi.
[36] *The Crisis of Liberalism*, 71.
[37] *Ibid.*, 73. Cf. *Work and Wealth*, 12.
[38] *Work and Wealth*, 14.
[39] *Ibid.*, 15.
[40] *Ibid.*, 18.
[41] *The Social Problem*, 257–58.

the individual and the social spheres), extend not only to the "organism," but to current ideas on social evolution. Hobson rejected, of course, the attempt to endow the struggle for survival with positive ethical content. But he even questioned Huxley's endeavor "to contrast social with cosmic development." Huxley, says Hobson, had wrongly urged that social progress meant replacing the cosmic process by an ethical process, the end of which was not the survival of the fittest in all aspects, but of those who were ethically fittest.[42] Hobson would appear to be more of an evolutionary than Huxley in maintaining the existence of universal processes of organic development to which human society, too, conforms. Whereas Huxley negates continuity of development by "suddenly" superimposing ethical motives on humanity, Hobson sees social and spiritual forces (although not existing from the start) as evolving during the struggle for life. Ethical fitness is itself one of the conditions that determine survival and it triumphs over other non-ethical conditions as part of the cosmic process, not in defiance of it.[43]

All this is not to deny the validity of current evolutionary and biological theory *in toto*. It is only that biology has exaggerated the physical implications of the term "organism" and distorted the true conception of social evolution by enforcing narrow interpretations of selection and survival.[44] Social evolution in general is more akin to intellectual and moral progress. It is not mechanically deterministic but a matter of exercising human intellect. Hobson even tried to fit evolution into the general mainstream of classical liberalism and of the "progress" theories. He observes that eccentric conduct, although possibly wasteful and socially injurious, is from the standpoint of race progress an experiment in life. All new steps in social progress start as individual aberrations. "Modern biology and its companion science psychology enforce most powerfully the plea of J. S. Mill."[45]

With this theoretical framework Hobson tackles the social question. This, stated in its widest form, is:

> Given a number of human beings, with a certain development of physical and mental faculties and of social institutions, in command of given natural resources, how can they best utilize these powers for the attainment of the most complete satisfaction?[46]

[42] *John Ruskin*, 104; quoted from T. H. Huxley, *Evolution and Ethics*, The Romanes Lecture (Oxford, 1893), 33.

[43] *John Ruskin*, 104–05. However, Hobson overlooked Huxley's partial retraction in a footnote(19) to his Romanes lecture, where he stated that "strictly speaking, social life and the ethical process . . . are part and parcel of the general process of evolution." Huxley, *op. cit.*, 56.

[44] *Work and Wealth*, 17, 118–20.

[45] Hobson, "Character and Society," *Character and Life*, ed. P. L. Parker (London, 1912), 94–95.

[46] *The Social Problem*, 7. This derives from Ruskin's query: "How can society consciously order the lives of its members so as to maintain the largest number of noble and happy human beings?" Quoted by Hobson, *John Ruskin*, 155.

This is ostensibly couched in utilitarian terms, though Hobson understands the concept of utility as being more qualitative than quantitative, more Mill than Bentham.[47] The use of the term "social utility" is, again, a matter of expediency. It is meant to avoid fleeting estimates of efforts and satisfactions and to substitute for them an objective standard of reference.[48] Operatively, this entails organizing a social machine which can minimize social waste, minimize costs, and maximize social satisfaction, or social welfare.[49] The human, as distinguished from the money and the "real" dividend, is the amount of vital or organic welfare conveyed in the producing and consuming processes.[50] Hobson suggests detailed "steps needed to convert 'costs' and 'utilities' from terms of cash into terms of human life,"[51] but of course such steps can only be based on subjective impressions of individuals, nor are they measurable. This is why his science of welfare is really a "superscience," or rather a science combined with an art.

Hobson is himself aware that his cardinal concept of organism is a "metaphysical" assumption. It is the expression of forces conscious and unconscious, individual and social, which compose the social personality.[52] Society is an organism in a broad, qualitative, sense of the term. Society creates values, desires, and needs, and a proper science of human welfare must be directed to upholding and satisfying them. Social reform implies redesigning society in such a way as to conform to these values; implies—and this is the original sense of the word—a return to a form of society that is considered the true and primal one.

Hobson's notion of welfare, in conjunction with his concept of organism, encompasses all human needs, "lower" and "higher," physical and spiritual, provided, of course, they comply with the demands of social utility. He rejects the idea that certain types of food and physical supports are necessary to life and work while others are superfluous: ". . . physical, moral, intellectual, are not watertight compartments of humanity," and welfare would include not only the physical necessities of life, but "Good air, large sanitary houses, plenty of wholesome, well-cooked food, adequate changes of clothing for our climate, ample opportunities of recreation . . . ," and further, ". . . art, music, travel, education, social intercourse. . . ."[53] Moreover, "routine satisfaction of the common needs of life" is not enough. Beyond a high uniform level of welfare throughout society, part of the general income

[47] *The Social Problem*, 4–5. As to the nature of Hobson's utilitarianism, see below.

[48] Either in relation to the social needs of a given populace or based on human experience and "enlightened common sense." See *The Social Problem*, 48; *Work and Wealth*, 320–22.

[49] *The Social Problem*, 64, 43–45.

[50] *Work and Wealth*, 33.

[51] *The Social Problem*, 45.

[52] *Work and Wealth*, 350.

[53] *The Social Problem*, 78–80.

must be used to stimulate the free development of individuals which is essential to social progress.[54] We shall examine below the implications of "the art of social welfare, humanism,"[55] as the means to guarantee social progress. At present it is worth mentioning a "natural" reason Hobson gives for advocating the art of social reform: the physiological demands of human nature are constant and therefore conservative, whereas only the non-physical aspects (which cannot be catered for by current scientific methods) put forward new wants and press for a fuller life.[56]

To summarize, the "super-science" of human welfare consists, on the one hand, of a quantitative science—limited, standard, and uniform—tending common human needs, to the furtherance of which machinery can be harnessed. On the other hand, it is the artistic side of human life—differentiated, value-impregnated, and creative.[57] Social progress is a collective art which does not owe its creativity to the social sciences. They must serve social progress, rather than direct it.[58] But the artistic side too must be made the subject of systematic research in order to achieve what Hobson ultimately wants—a total, action-oriented study of human well-being.

However, one must also ask: Why is *social* utility the absolute standard of reference? Here one has to turn to the causes and types of social problems Hobson sees as being at the bottom of the immediate need for social reform. Basically it is a question of production and consumption which, in the broadest sense, includes all forms of human activity.[59] The essential point is to avoid waste in both these processes. One major aspect of waste in the production process is unemployment (and added to this misemployment and underemployment). The unemployment question refers in a broad sense to unemployed productive power in labor (including the "idle" upper class),[60] land, and capital.[61] The fact that this is a source of individual suffering was not stressed by Hobson at all; after all, that facet had been highlighted enough in his time. What struck him was the lack of a comprehensive system for educating and utilizing the productive powers of members of society for social purposes.[62]

A second source of waste is that involved by the energy put into competition.[63] This is part of Hobson's complete rejection of the *laissez faire* ideology on all fronts, in the name of political, economic, and evolutionary theory. Historical fact proves there never existed real

[54] *Work and Wealth*, 137–38.
[55] *Ibid.*, 225.
[56] *The Social Problem*, 105.
[57] *Work and Wealth*, 168, 76, 330.
[58] *Ibid.*, 359.
[59] *Ibid.*, 159.
[60] "The Ethics of Industrialism," 99.
[61] *The Social Problem*, 249.
[62] *Ibid.*, 9.
[63] *The Social Problem*, 10.

freedom to work as one liked, nor does the history of factory legislation corroborate the existence of freedom of contract.[64] As economic theory, *laissez faire* never ensured the justest and the most efficient distribution of national income—i.e., the most conducive to fullest and best productive work.[65] Thirdly, Hobson denies the contention of those evolutionists who see competition as an essential and exclusive vitalizing factor in human development.[66]

Then there is the question of waste in consumption: a large part of the goods have no human or social value.[67] The largest proportion of waste is in the non-material expenditure of the well-to-do classes on recreation, education, and charity. The reason for this is, again, the "experimental" nature of social evolution. When the requirements of physical survival are no longer predominant and human life contains an increasing number of elements which have no "survival value," the possibilities of error and disutility also multiply.[68] This calls for reeducation in the arts of consumption.[69] But the other aspect of waste in consumption is that people frequently cannot make use of what is offered them because of social disutility in the distribution.

This entire discussion links up neatly with Hobson's economics and his well-known theory that "under-consumption" was responsible for the crises of the capitalist system. As it was caused by an unequal social distribution of the "power to consume," the solution was to increase that power among the underprivileged working classes. At the same time Hobson cast a grave doubt upon the scientific rationale of that great Victorian moral imperative—thrift.[70] The application of correctives to defects of the economic system would provide simultaneously a solution to the problems of mal-distribution, unemployment, and the material comfort of the working classes. But this would have to be accompanied by profound political and moral changes.

The manifestation of these social mal-functions is poverty. It perpetuates a sense of antagonism between classes and masses and could pose a threat to social stability.[71] But Hobson, in suggesting solutions, is far from recommending a socialist revolution. In fact, he would aspire to the basic ethos of a nonrevolutionary situation—a sense of justice psychological and subjective by nature and not involving "objective" class consciousness:

This sense of getting and giving his due must be regarded as the subjective basis of modern social morality, involving a recognition of substantial justice

[64] *Problems of Poverty*, 187–88.
[65] *Work and Wealth*, 176.
[66] Hobson, *The Evolution of Modern Capitalism* (London, 1926; 1894[1]), 418–20.
[67] *Work and Wealth*, 37. This obviously derives from Ruskin's "illth."
[68] *Ibid.*, 145, 117.
[69] *The Evolution of Modern Capitalism*, 406.
[70] *Ibid.*, 288, 375–76, *passim*.
[71] *The Social Problem*, 15.

embodied in the existing political and economic order . . . just in proportion as a man recognises that in his case this ideal is approximately reached does he respect himself, and, what is no less important, his fellows.[72]

Although it is plain that the thought of a social-liberal must necessarily relate to socialism, Hobson's attitude to it was not unequivocal—something not very surprising in view of the hold-all qualities of the term. Throughout his writings, Hobson exemplifies the vagueness confronting young radicals of his period. A great deal of intellectual wrestling was needed in order to decide exactly what elements of which socialism were to be assimilated into the body of rejuvenated liberal thought. What Hobson later recalled in his autobiography is most revealing. Writing of the 1890's he said:

The time for an effective general challenge of Capitalism was not yet ripe. Revelations of poverty, together with the extension of trade unionism to the unskilled workers (dramatized in the Dock Strike of 1889), were the direct stimuli of the "social reforms" of the nineties, and brought into being the Labour Party, which was soon to assume the name, if not the substance, of Socialism. But though my opinions and my feelings were beginning to move in the direction of Socialism, I was not a Socialist, Marxian, Fabian, or Christian.[73]

Although Hobson did not accept a specific socialist doctrine, he read into socialism all elements that corresponded to his composite view of society. Thus, admitting "the different grades of loose meaning attached to the term Socialism," he related it as a philosophical term to organic theory and saw it implying an organic view of social life and imposing a unifying common end on the members of a society.[74] At first, Hobson came out strongly in favor of factory legislation and the like, which he saw as the yet unconscious manifestation of the spirit of socialism. This was what Harcourt had meant when declaring "we are all socialists now."[75] In later writings Hobson explicitly rejected the doctrines of theoretic socialism and offered instead his version of "practicable Socialism": ". . . equal opportunity of self-development and social aid, so as to live a good and happy life." This meant supplying all workers at cost price with economic conditions necessary to educate and employ their personal powers.[76] Still, he increasingly relied on socialist principles when working out such radical demands for equality. Thus, his singling out of mal-distribution as the root of all social evil was reflected in his repeated echoing of the old socialist slogan: "From each according to his powers, to each according to his needs."[77]

[72]"Character and Society," 66.

[73]*Confessions of an Economic Heretic*, 29.

[74]*John Ruskin*, 176.

[75]*Problems of Poverty*, 191, 199.

[76]*The Crisis of Liberalism*, 172–73.

[77]Hobson, "The Re-Statement of Democracy," *Contemporary Review*, **81** (1902), 262–72. This too is immediately assimilated in Hobson's outlook as the motto is nothing else than "the full organic formula" (268).

The condemnation of mal-distribution did not merely emanate from economic considerations. To understand this one must refer to the theory of social value which Hobson shared with many radicals of the period. On this matter Hobson had originally adopted an outlook that was in his opinion a socialist one. The conscious socialist (to be distinguished from Harcourt's "socialists") demands that the community refuse to sanction absolute private property because much of the value of each individual's work is due to the cooperation of society. This gives the community the right to secure for itself a share in the social value it has helped to create. Even the non-material creator uses intellectual forms which are embodiments of thoughts and feelings moulded by his nation, if not humanity at large.[78] However, Hobson took exception to the socialist viewpoint that *all* value is social. He concentrated on the "bête noire" of his time—unearned increments. The dissipation and reapportionment of this surplus was to be the primary object of all social-economic reforms.[79]

Here is the key to the financial policy of social reformers. Taxation of the surplus[80] combined with high wages for the workers (secured by agreement with the employers or by state regulation) are the methods to counter mal-distribution and establish a more equal and stable society. No wonder that Hobson delightedly hailed the radical budget of 1909 as an audacious, even revolutionary, approach to the financing of social reform.[81] The 1909 budget followed almost exactly Hobson's theory of taxation which he had spelled out in 1906.[82] It had substituted the canon of "ability to pay" for the false view of taxation as an attack on property rights of individuals. It was the first national attempt to secure for the state large portions of the unearned increment. It was directed against the monopolies of land and liquor, whose beneficiaries owed their wealth primarily to legal protection by the state. But its main importance was in its concentration on the enlargement and graduation of income tax and estate duties. These applied to the growing sources of modern wealth and would, therefore, secure the need to provide a constantly increasing revenue for social reform, a need which characterized the new Liberal finance, as opposed to the traditional Liberal concern with retrenchment.

The increased role the state was to play in social affairs leads us to state socialism, a limited form of which Hobson seemed more and more inclined to accept.[83] Such a tendency was a consequence of his theory of society, which deemed public progress impossible unless the state took

[78] *Problems of Poverty*, 198; *The Social Problem*, 148.

[79] *The Social Problem*, 152; *Work and Wealth*, 188.

[80] Hobson, "Is Socialism Plunder?" *The Nation*, 19/10/1907.

[81] Hobson, "The Significance of the Budget," *The English Review*, **2** (1909), 794–805.

[82] Hobson, "The Taxation of Monopolies," *Independent Review*, **9** (1906), 20–33.

[83] Hobson, *The Science of Wealth* (London, 1911), 254ff.

over the property it made and needed. If a state could show the social origins of the values of land, tramways, gas-works, and the like, it had a right and a duty to administer them. This was "progressive socialism." But Hobson tried to establish a general framework for state socialism, to which end he applied three criteria for public action through the state, namely: the public should undertake works which it is best capable of administering, which supply common necessities, and which are prone to abuse by private enterprise.[84]

The ultimate argument for socialization was the release of the individual will from costly and repellent routine work, so that the social will could find in that work its self-realization.[85] Socialization should be complemented by state enactment of industrial regulations to protect wage earners and consumers.[86] But the direct social control which replaced the private profit-seeking motive was not to be total. Hobson repeatedly warned against the imperialism and the socialism which brought in their wake an absolute ascendancy of the state. He also emphasized that beyond the above limitations he was talking about a competitive society which still left a wide open field for individual liberty in private enterprise.[87]

As to qualitative production, the creative, artistic element in human life, essential to social progress, does not lend itself to routinization. The domain of socialism is that of machinery, not art.[88] And here again—an echo of original Marxism, so far removed from, indeed dialectically opposed to, comprehensive state socialism:

> An artist must produce the whole of a product—a product with a unity; it must be the direct expression of his personal skill, directed to the individual work in hand. The first of these conditions negates division of labour; the second, machinery.[89]

Here is Marx's aesthetic vision, his abhorrence of specialization and of the capitalist industrial system.[90] But, of course, Hobson retains this only for the "higher" aspects of social life and welcomes competition in the qualitative artistic sphere of production.

The place of socialism in Hobson's thought brings us to the central issue of social-liberalism—the reformulation of the relation between the individual and society and the reorientation of the old liberalism to changing conceptions of social life and social responsibility. The com-

[84] *The Social Problem*, 152–54, 175. [85] *Work and Wealth*, 305.

[86] Hobson, "The Four-Fold Path of Socialism," *The Nation*, 30/11/1907.

[87] "The Taxation of Monopolies," 25.

[88] *The Social Problem*, 180, 244. [89] *Ibid.*, 181.

[90] There is more than a hint of Marxist "alienation" in such a sentence: "For the work only calls for a fragment of that 'self' and always the same fragment. So it is true that not only is labour divided but the labourer. And it is manifest that, so far as his organic human nature is concerned, its unused portions are destined to idleness, atrophy, and decay." *Work and Wealth*, 87.

bination of industry and art in the field of human activity is an indicator to that relationship. The harmony based on the differentiation between routine industries and arts is at the same time intended to resolve the antagonism between individualism and socialism.[91] The fact that the harmony is one of differentiation makes one sense again the dialectical tension in Hobson's theories, though it is one which lays the stress on the final difference: insistence on "particular" wants makes a man an artist and exempts him from the tendency towards mechanized capitalist production and socialism. There, in Hobson's opinion, lies the gist of the problem of social progress.[92] We return here to a sort of particularism in which creative people (perhaps this is somewhat akin to Mill's "eccentrics") are accorded special conditions under which to flourish. Of course, ideally all are to be accorded such conditions; this is really a basic liberal principle.[93] After all, "man is not only one with his fellows, but also one by himself," and a qualitative conception of social progress implies an increase in work that is individual in character and an increase in the enjoyment of such work.[94]

But Mill's qualitative Utilitarianism cannot wholly be said to correspond to Hobson's mode of thought. In one main sense Hobson is not a Utilitarian, despite his attempt at a qualitative (and non-operative) delineation of a cost-utility calculus. He is no Utilitarian in that he does not believe in the harnessing of self-interest to achieve common benefit. Interestingly enough, in an article published in 1900, Hobson still could state:

> . . . every interference with or dictation to the individual regarding the use of land, capital, labour, or any other economic power, must justify itself by showing that by interference with an abuse of power, it is increasing the aggregate of human liberty,[95]

thus remaining firmly anchored to a nineteenth-century liberal viewpoint. But a year later he wrote:

> The added self-interest of each man does not constitute the collective organic interest of society; to suppose it does involves one more return to the false "monadism" which we abandoned in setting up a standard of "social utility."[96]

The above quotation is at the same time a denial of "economic liberalism" and the theory of the natural harmony of interests. The contrary, declares Hobson, often asserts itself— "a genuine antagonism between the apparent interests of individuals and of the whole community."[97] Hobson arrives at the conclusion that the individual as a

[91] *The Social Problem*, 246. [92] *Ibid.*, 183.

[93] Though Hobson believes that most socialists, too, "would be prepared to stake the value of their Socialism upon the single test of its active promotion of individuality in freedom of life, ..." *The Social Problem*, 183.

[94] *Ibid.*, 182, 184. [95] "The Ethics of Industrialism," 97–98.

[96] *The Social Problem*, 254. [97] *The Evolution of Modern Capitalism*, 406.

separate unit and the sole focus of interest is meaningless.[98] It is impossible to explain these shifts in Hobson's views as a chronological development. Throughout his works there is an uncertainty as to the relative weight of the welfare of the social organism, on the one hand, and the liberty of its members, on the other. Thus in 1891, in contrast to the quotation (to note 95) above, he demanded adequate conditions of home life for the young "at whatever cost of interference with so-called private liberty of action."[99] Though interference on behalf of the young was also advocated by Mill, such a categorical statement can hardly be seen as compatible with the liberal tradition.

The point is that even "positive" liberty is extremely difficult to equate with individualism, once it is to be realized within the provisions of organic theory. Take what the best-known English exponent of "positive" freedom had to say:

> When we speak of freedom as something to be so highly prized, we mean a positive power or capacity of doing or enjoying something worth doing or enjoying, and that, too, something that we do or enjoy in common with others. We mean by it a power which each man exercises through the help or security given him by his fellow-men, and which he in turn helps to secure for them.[100]

Hobson's understanding of positive freedom, seen from the perspective of the social organism, amounts to something else:

> Little trouble is yet taken to discover the special aptitudes of citizens in relation to the special needs of society, the best methods of training these aptitudes, and of furnishing, not negative and empty "freedom" to undertake this work, but the positive freedom of opportunity. A whole cluster of "education" problems, manual and mental, demanding, not a separate empirical solution, but a related organic solution, with direct regard to full economy of social work, appears as part of the Social Question. Every failure to put the right man or woman in the right place, with the best faculty of filling that place, involves social waste.[101]

There is a Platonic ring to this passage. Elsewhere, indeed, Hobson seems willing to efface personal choice and democratic principles by means of a Rousseauist "general will."[102] Liberal-democratic axioms, such as "every man's life is of equal value to society," and "no taxation without representation" are rendered absurd, in his opinion, by the concept of a moral organism generating a "general will." Even Mill, says Hobson, "was feeling his way to the true formula of political as of economic justice"[103] when he denied the validity of the "one man one vote"

[98] *Work and Wealth*, 308. [99] *Problems of Poverty*, 169.

[100] T. H. Green, *Liberal Legislation and Freedom of Contract* (Oxford, 1881), 9–10.

[101] *The Social Problem*, 10.

[102] In the explanation of this term we come across one of the rare occasions when Hobson recognizes his intellectual debt to Rousseau, Hegel, and Bosanquet. "The Re-Statement of Democracy," 265. [103] *Ibid.*, 268.

principle. Yet Hobson retains these axioms because, pragmatically, the power of the purse makes for social responsibility, and because all known forms of political inequality cannot be recommended as they derive from qualities irrelevant to the public interest.

It is significant that the compliance with a "general will" appears together with the use of that basically illiberal word "efficiency," so popular at the turn of the century and so misappropriately exploited. Hobson understood social efficiency as the desire of individuals to merge their separate ends of individuality and to conform to the "general will" seeking by rational, conscious progress the welfare of society as a whole. This contained the idealist formula of subordinating "passing caprices and desires" to a sense of social service which implied, on the part of the individual, knowledge and rational self-control. Inevitably, Hobson saw the next step as a supreme and direct social control over the choice of work of individuals, at least as far as routine services were concerned.[104]

However, even those opinions do not deny Hobson the right to speak for liberalism. After all, a potentially "illiberal" element has always been part and parcel of a body of thought based on a belief in the ultimate rationality of man. It is, rather, when Hobson questions human rationality and the right to exercise free choice as such that he temporarily divorces himself from the liberal mainstream. Such a case is his discussion on the selection of the fittest. Here the non-liberal core of his intellectual influences seems finally to have broken through. One finds a mixture of Ruskin, the principle of efficiency, and Social Darwinism in Hobson's definition of the prohibition of anti-social marriages as a plain demand of social welfare, the purpose of which is to prevent any increase in the number of epileptics, criminals, and sufferers from hereditary diseases.[105] True, Hobson admits that in the interests of limitation of state action there should be no direct selection by society. But social vetoes upon "anti-social propagation" involving "public medical certificates of marriage" and "heavy penalties" virtually amount to the same and have an unpleasant association. Then questions arise such as what constitutes sound stock, is it physical and/or mental; who decides; is heredity the only cause of human deficiency and, if not, why must morally defective people be relegated to the ranks of second class citizens? It would appear that in justifying "breeding" as essential to social welfare Hobson forgets that individual free choice is itself intrinsic to social welfare. A liberal society must tolerate experimentation as one of the costs in the social utility equation. But by the time eugenics had established itself in the scientific world and was exciting public debate, Hobson was adopting a slightly more cautious

[104] *The Social Problem*, 263, 254–55.

[105] *John Ruskin*, 156; *The Social Problem*, 214–17.

attitude. Environment, education, and economic opportunities, rather than direct control, could be manipulated to encourage the best type of parents to reproduce. He now admitted that there was a limit to individual sacrifice for the good of the kind, a limit to the duty due to posterity. Each generation had to live its own life.[106]

The issue of controlled selection seems, then, to have been an aberration more than a pillar of Hobson's thought. The dualism of individualism and society is not satisfactorily resolved either way. But Hobson makes an interesting attempt to substitute a more complex formula for Mill's simple abstraction. Mill had, of course, drawn the somewhat arbitrary division between self-regarding and other-regarding acts—the first being the absolute domain of the individual, the second calling for social intervention if harmful to society.[107] This is denied by Hobson on two points. First, because there are no absolute rights of individual liberty and secondly, because some injury to the social order must be the perpetual price of progress.[108] While breaking with the acknowledged oracle of liberalism on the question of *a priori* delimination of fields of action, Hobson does not refuse to grant individualism a sanctuary. As noted above, he often insisted that handing over functions to the state should be motivated by the desire to transfer individual energy and initiative from lower to higher work. Or else he reminds Liberals that they should require each new interference on the part of the state to justify itself by creating more liberty than it takes away.[109]

The crux of the matter, however, incorporating the novelty Hobson aims at injecting into liberalism, is the following:

> The unity of . . . social-industrial life is . . . a federal unity in which the rights and interests of the individual shall be conserved for him by the federation. The federal government, however, conserves these individual rights, not, as the individualist maintains, because it exists for no other purpose than to do so. It conserves them because it also recognises that an area of individual liberty is conducive to the health of the collective life. Its federal nature rests on a recognition alike of individual and social ends, or, speaking more accurately, of social ends that are directly attained by social action and of those that are realised in individuals.[110]

In short, Hobson seems to be offering a feedback solution: concerted social action releases individual energies the fostering of which is conducive to society as a whole. This, and only this, is the *raison d'être* of

[106] Hobson, "Eugenics as an Art of Social Progress," *South Place Magazine*, **14** (Aug. 1909), 168–70.

[107] J. S. Mill, *On Liberty* (London, 1910), 72–73.

[108] "Character and Society," 94, 96. Cf. *Problems of Poverty*, 187.

[109] *The Social Problem*, 246; "The Four-Fold Path of Socialism," *The Nation*, 30/11/1907.

[110] *Work and Wealth*, 304.

individualism. It also explains what ostensibly appears to be Hobson's "middle class" moralizing about the need for strengthening individual character: social reform is ultimately dependent upon developing socially useful psychical traits.[111]

Let us conclude by following this thread of Hobson's critique of various reform initiatives and see how some of his practical reform suggestions combined with his attempt to rejuvenate liberal theory. Although at first Hobson had regarded factory and public health Acts, employers' liability Acts, and other protective industrial measures as indicating "the spirit of socialism," his reservations as to this socialism were that it was inspired by the intention of protecting certain sections of the working classes. This is a projection of that particularism already mentioned to which Hobson objected—"a chief and special benefit is conferred upon some particular persons or class."[112] As the social question must be approached from a universalistic viewpoint which assimilates private valuations in an over-all conception of human welfare, reform measures can only be applied to the benefit of certain groups as long as "these services are directed and intended less to fill the deficiencies of a class than to protect and improve the social organism as a whole."[113] It also explains why some contemporary issues, such as education, temperance, and disestablishment, seemed to Hobson to distract from the central questions of social reform—because of their typical middle class, and therefore particularistic, origins.[114]

Another related aspect of middle-class reform attempts is the outlook represented by the Charity Organisation Society, a frequent target of Hobsonian diatribes. Not only is their lauding of thrift futile because the average worker is unable even to support his family,[115] but they commit the basic error of regarding the isolated human will as the *primum mobile,* although no man is capable of self-support.[116] Charity thus ". . . substitutes the idea and the desire of individual reform for those of social reform, and so weakens the capacity for collective self-help in society."[117] Furthermore, reform should be social not only in application but in origin. "Social evils require social remedies."[118] A properly constituted society can supply all its legitimate needs out of its own resources.[119]

Ultimately, even established measures of dealing with social ills,

[111] "The Ethics of Industrialism," 98; *The Social Problem,* 286.

[112] *The Social Problem,* 196–97.

[113] *The Social Problem,* 287; *The Science of Wealth,* 220; *Work and Wealth,* 197.

[114] *A Modern Outlook,* 304–05. [115] *The Social Problem,* 202–03.

[116] *The Crisis of Liberalism,* 206–07; this chapter was first published in the *Contemporary Review,* **70** (1896); "Of Labour," 197.

[117] *Work and Wealth,* 296. [118] *John Ruskin,* 199; *Problems of Poverty,* 138.

[119] *Work and Wealth,* 297, 254.

such as public relief and legislation, including national insurance, are classed by Hobson as palliatives. The one is a kind of charity while the other only substitutes a compulsory legal responsibility for a natural moral one.[120] But it is important to realize that Hobson, sensibly enough, understood the necessity, even desirability, of such "palliatives" when offered by the state. Not only were they beneficial to the whole social body—as the organic analogy taught—but they were an acknowledgement of society's obligations towards its members.[121] In the long run the pressing social questions of the time could only be solved by such a growing sense of duty.[122] The wrongs they occasioned had to be dealt with in the light of moral and political theory.

With this in mind and to this purpose Hobson tries to adapt some of the basic tenets of liberalism. This is especially salient in his treatment of "natural rights." As we have already observed when examining Hobson's departure from Mill, there exist for Hobson no absolute rights of the individual. Taking the natural right of property, Hobson gives its meaning a twist. "Natural" does not denote the innate and self-evident *ratio* but rather corresponds to certain physical and psychological traits, or needs, of the individual. And "right" becomes a relative term, a matter of social expediency. Thus, whatever is required to maintain the productive power of workers is their natural property, secured by considerations of social utility as a right in accordance with natural laws.[123] These laws are "natural" in the sense that, unless the "right" of property is recognized, human nature will refuse the effort asked of it. But such a refusal would be a concomitant of need, not a result of the "egoistic" nature of a man who has to be motivated in order to perform.

This links up with a rather confusing use of the term "property." Hobson uses it both for the product and for the process which, in the latter sense, includes "the scope of [the producer's] private activity and satisfaction"—in other words, the psychological fuel needed to continue producing. Now this satisfaction is obviously greater in non-routine artistic and intellectual work. Therefore, such satisfaction being in Hobson's opinion adequate compensation for the effort of producing, the creative producer "has not the same natural right to the full market value of his poem as the weaver or the shoemaker to the value of his product." The only essential concrete property is that "necessary to maintain, from the material physical standpoint, the energy required for work."[124] Once a society has evolved which can infuse an element of art and human interest into all work and which will actualize the al-

[120] *Problems of Poverty*, 101, 119, 144.

[121] E.g., "The Four-Fold Path of Socialism," *The Nation*, 30/11/1907.

[122] "Of Labour," 106.

[123] *The Social Problem*, 102–03, 105.

[124] *Ibid.*, 108, 109, 173.

truistic, social nature of the individual, there will be no more private motivation to acquire property and the individual will forego any external inducement to work in the form of extra remuneration.[125] The final significance of this theory is again rather reminiscent of original Marxism.

Hobson connects the theory of property logically and substantially to a scrutiny of the primary natural right—that to life. Operationally defined, the right to live implies a state guarantee of a minimum standard of life and the provision of public work when necessary.[126] But again, the ultimate validity of the "right to labour," ". . . resides not in the claims of the individual, but in the duty of society to furnish, as far as it is able, the necessary conditions of a sound physical and moral life to its members."[127] Even then such relief ought not to be more than a public expediency and should never be construed as a mode of organic reconstruction.[128] As to a minimum standard of living, a sufficient and regular weekly income is imperative to the health of a family and to a sense of security which is the foundation of a moral and reasonable life.[129] But of course the minimal wage is only marginal to Hobson's concept of welfare. In the last resort, social welfare is qualitative and based on altruism. Thus, contrary to current views on the subject, the minimum wage could very well be the maximum wage. Wages—i.e., "to secure an ampler right of property to the individual worker than is represented by his bare wage of subsistence or of working efficiency"[130]—are a matter of social utility, catering to the profit motive and, hopefully, ephemeral. This is in sharp contrast to the down to earth mood Hobson displays when dealing with the actualities of contemporary industrial society. Here he again differentiates the principles he adheres to from socialist ones, in that he recognizes the importance of incentives and of adjusting individual payment to individual services.[131] This vacillation between realities and desiderata is rather too common a feature in Hobson's writings.

Occasionally one has the impression that Hobson is pushing the organism analogy too far. Thus one comes across the notion of a

[125] *Ibid.*, 173. But compare this to n.131 where Hobson seems to be taking a more realistic line.

[126] *Ibid.*, 201. [127] "Of Labour," 109.

[128] *The Social Problem*, 200; Hobson, "The Right to Labour," *The Nation*, 8/2/1908.

[129] *Work and Wealth*, 192.

[130] *The Social Problem*, 103.

[131] "Social reform, whether applied through politics or not, consists in a thoughtful endeavour to discover and apply the minimum incentive for maximum personal efficiency. In so far as this is consistent with an equalisation of incomes, it is a double levelling process, levelling up and down; but when the nature of any personal effort involves a higher scale of payment, adequate provision for such discrimination must be made." "Are Riches the Wages of Efficiency?" *The Nation*, 9/11/1907; cf. "The Taxation of Monopolies," 25-26.

government of experts—the nerve centre—acting as pivot to a system of feedback in which the individuals—the cells—have the vital, yet marginal "right continuously to convey information and advice." When the policy directives return from the centre "it is advantageous to the organism that . . . rights of suggestion, protest, veto and revolt should be accorded to its members."[132] But such a literal and elitist interpretation of the organism model is the exception rather than the rule, though even that could be integrated into liberal theory. Besides, one must remember that not the least justification of the "feedback" formula when adapted to liberalism is the indispensability of each member of the body politic. Government becomes diseased if any part is left to atrophy through lack of participation. The functioning of society is dependent on the thoughts, feelings, and interests of men and groups finding expression in acts of public government.[133] This is why Hobson advocated proportional representation and the use of the referendum[134] and, in view of the inevitable extension of state interference, displayed an increasing keenness to push home the need for a civic spirit. Its function would be to check and contain the state, to prevent corruption and enhance solidarity. The general will was now presented in its democratic aspect as a manifestation of public-spiritedness playing freely through the institutions of the state and controlling the policy of the government.[135] Moreover, the liberal emphasis on the importance of voluntary associations was preserved.[136]

It seems safe to say that Hobson is trying to reform liberalism from *within*. His main criticism of Ruskin—the admiration for whom is so manifest in Hobson's works—is that Ruskin was "illiberal" and displayed a disbelief in the efficacy of representative institutions and in the ability of the people to advance their true interests. And yet, what redeems Ruskin in Hobson's eyes is that on matters of social reform "Mr. Ruskin is much nearer to the more enlightened Liberals of his day and ours than he is willing to admit,"[137] and that a convergence of views between Ruskin and Mill was noticeable.

Hobson's recurring ambiguity is that of a liberal grappling and trying to come to terms with a new understanding of society resulting in

[132] "The Re-Statement of Democracy," 269–70.

[133] Hobson, "The New Aristocracy of Mr. Wells," *Contemporary Review*, **89** (1906), 487–97.

[134] Hobson, "Is Socialism a Spoils System?" *The Nation*, 2/11/1907, and *The Crisis of Liberalism*, Pt. I, chaps. 2, 3.

[135] Hobson, "Political Ethics of Socialism," *South Place Magazine*, **13** (April 1908), 128–31; "State Interference," *op. cit.*, **13**, (Jan. 1908), 78–79; and "Charity as an Instrument of Social Reform," *op.cit.*, **14** (Aug. 1909), 161–63.

[136] "The Ethics of Industrialism," 102; *John Ruskin*, 203–04.

[137] *John Ruskin*, 185, 189. Cf. a similar view expressed by E. T. Cook, "Ruskin and the New Liberalism," *The New Liberal Review*, **1** (1901), 18–25.

a complex statement of social aims and of the relationship between the individual and the state. Indeed, his criticism of the Liberal party often was that they were not resolute in developing what he believed, and what they were slowly coming to see, was a new social conscience and consciousness. But by 1914, looking back on the achievements of a Liberal government, Hobson could note with satisfaction that the party of progress had shed its Whiggish element and was rapidly replacing Victorian liberalism with social radicalism.[138] A revived social philosophy seemed at last to be in the process of realization along the lines Hobson had already adumbrated some time before:

> Liberalism is now formally committed to a task which certainly involves a new conception of the State in its relation to the individual life and to private enterprise. That conception is not Socialism, in any accredited meaning of that term, though implying a considerable amount of increased public ownership and control of industry. From the standpoint which best presents its continuity with earlier Liberalism, it appears as a fuller appreciation and realisation of individual liberty contained in the provision of equal opportunities for self-development. But to this individual standpoint must be joined a just apprehension of the social, viz., the insistence that these claims or rights of self-development be adjusted to the sovereignty of social welfare.[139]

St. Antony's College, Oxford.

[138] Hobson, *Traffic in Treason* (London, 1914), 10, 14.
[139] *The Crisis of Liberalism*, xii.