

ROUTLEDGE REVIVALS

Confessions of an Economic Heretic

J. A. Hobson



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First published in 1938 this *Routledge Revival* is a reissue of the autobiography of influential economist J. A. Hobson. A comprehensive work, it details many aspects of his life including his background, influences, ethical principles, philosophy and religion. In a life which spanned great social, political and economic change - not least that brought about by the First World War - Hobson's humanist economic philosophy had a lasting impact upon economic and sociological thought.

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HERETIC

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by

J. A. HOBSON

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FOREWORD

AUTOBIOGRAPHY is often considered to be the least defensible form of biography, because it is impossible to see ourselves as others see us, and a skilled onlooker is more likely to see us right. Against this, however, may be set two considerations. Certain relevant facts, with special bearing on a man's thought and feelings, can only come into his personal knowledge. And, again, in the almost inevitable attempt to make the best of himself, an autobiographer is pretty certain to "give himself away" by processes of selection, concealment, and over-emphasis which are discerned by the unbiased reader and shed important light upon the mind and character of the "life" in question.

Both of these considerations are especially applicable to the restricted type of autobiography recorded here. For, while primarily directed to explaining the development of my economic thinking during half a century, it is largely engaged in showing how that thinking has been affected by current events and personal experiences that lie outside the accepted field of economics, some of them quite momentous in their impact on my mental career, others belonging to fields of experience which accepted political economy does not recognize as having any bearing on its special study. I have taken the title of heretic not in the spirit of bravado, but because it strictly applies to the several

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processes of thought which have come to debar me from accepting the assumptions regarding the nature of such terms as "value," "cost," "utility" as are still fixed in the orthodox economics of our time. In my endeavour to give a human interpretation to such terms and to the processes in which they figure, and to establish a basis of harmony between the arts of industry thus humanized, and other arts of personal and social conduct, political, ethical, artistic, recreative, which utilize the fruits of industry, I claim to have made some advance towards a better understanding of the part played by economic thinking and economic practices in a world of changing environment and values. It belongs, however, to the account I give of the thinking process, to admit that I may be biased in favour of the rightness and the worth of such a claim.

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CHAPTER I

CLASS INFLUENCES IN EARLY YOUTH

SOME years ago I was foolish enough to write a long book entitled *Free Thought in the Social Sciences*,* setting forth the difficulties that confronted thinkers and teachers in history, politics, economics, ethics, and other studies of human institutions and conduct, because of the refractory nature of the material they handled, the defects of terminology, and in particular the biases of interest and valuation due to their own personal experiences and associations. I ought to have known that any such argument, questioning the objectivity and disinterestedness of these studies, and so damaging their scientific reputation, would be ignored, not refuted. For if my reasoning were correct, it would disturb that intellectual confidence regarding fundamentals which seems essential to maintain the laborious study of the detailed facts. If it be true that the intellectual exponents of the sciences of politics and economics in particular are secretly, perhaps subconsciously, aware of the uncertainty of their main assumptions and of the pressure of their personal or class sentiments and valuations, they will struggle to repress these doubts and questionings and to keep a stiff intellectual upper lip. For the committal to, and

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the defence of, dubious assumptions arouse a sense of intellectual property which the owners cannot bear to see depreciated, and for the maintenance of which they will fight with every weapon at their disposal. But the best weapon is a refusal to discuss, or to refute, because the issue is already settled and beyond dispute. This dogmatic atmosphere is not, of course, confined to the social sciences. It has always impeded progress in the physical sciences, especially in those organic sciences which, like biology, claim to throw light upon the nature and behaviour of man. But in the more exact sciences, where false or outworn laws or hypotheses can definitely be refuted and replaced by others, there is little of that emotional strain that comes when an economic law or a political principle is challenged. Only so far as beliefs concerning the physical world have been incorporated in religious creeds has an aura of sanctity attached to them which has made their denial an act of wickedness. In modern times this attitude has been so modified in most countries that the revolutionary physics of an Einstein are received with little intellectual or emotional difficulty (outside Hitler's Germany), and Darwinism, though fiercely denounced in its early days, has, except in Fundamentalist circles, won place in an orthodoxy remodelled for its acceptance.

The case is, however, very different for new controversial issues in the fields of politics and economics.

CLASS INFLUENCES IN EARLY YOUTH

As religious faith and sectarian controversy are weakened, this world displacing the next in most men's minds, an intensification of passion has entered into the secular movements for reform and the "isms" which they incorporate and endeavour to express. A number of new passionate creeds and movements, appealing to the reason, justice, and welfare of mankind, to the interests of individuals, classes, nations, races, and humanity, are struggling to gain power over human conduct in the arts of economic and political organization. These new appeals and movements have so reacted upon orthodox ideas, interests, and parties, as to infuse a new vigour of resistance into the latter, in which a discreet policy of minor concessions and adaptations to new social circumstances is used to strengthen the buttresses of the nineteenth-century conservatism and liberalism. For the assailant "isms," Fascism, Socialism, Communism, in their several sorts and qualities, have sprung up with unexpected rapidity in a world where a generation ago peace, progress, security, and general contentment seemed to be the accepted ways of life, and where minor troubles seemed capable of cheap and easy settlement. In politics, popular self-government (under the actual control of ruling groups or families), in economics the growing application of equality of opportunity (within reasonable limits) were, up to the last decade of the nineteenth century, held to be sufficient guarantees for a pacific, prosperous

future in all countries which had ranged themselves along self-governing lines.

Now it is no part of my intention here to engage upon the large task of a general explanation of the recent rapid changes in policy and thinking. For holding, as I do, that man is not a very reasonable animal, but is to a larger extent than he likes to admit the servant of his personal short-range interests and passions, it would be of little service to try to argue out the inflammatory issues in politics and economics. This criticism, moreover, applies not only to the mass of mankind, but with some special significance to those who think for them and mould their thinking into principles and policies. It is, indeed, the play of tradition, class feeling, and interests upon the thinkers who regard themselves as disinterested rationalists that here concerns me.

But for my purpose a further narrowing process is required. Since I shall be engaged in work of social criticism, I must myself be exposed to those deflecting influences that operate on others, and though it is not possible to pretend to an impartiality and objectivity which I deny to others, it is possible for me to trace and set forth in my own intellectual career some of the causal and casual occurrences which have determined my own thinking during a period of more than half a century.

While the more formal processes of acquiring knowledge belong to the education of school or col-

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lege, the elementary facts and feelings related to our family and other social surroundings are drawn almost insensibly into our childish minds from our immediate environment, with such parental suggestions as may be brought into play. The total influence of these early happenings and feelings is now recognized as extremely important in determining the later conscious thinking upon all personal and social problems. Where some great social event, such as a war, pestilence, or famine, breaks in upon the experience of childhood, it leaves a crop of passions, fears, and tumultuous feelings which gravely affect all processes of thinking in matters affecting personal and social conduct. This platitude I repeat because it has a definite bearing on my early years which were cast in the calmest and most self-confident years of the mid-Victorian era, when peace, prosperity, and progress appeared to be the permanent possession of most civilized nations. Born and bred in the middle stratum of the middle class of a middle-sized industrial town of the Midlands, I was favourably situated for a complacent acceptance of the existing social order. There was not stagnation anywhere, but a gradual orderly improvement in the standard of living, the working conditions, and the behaviour of most classes. The social stratification was taken for granted, there was no serious attempt of the working classes to push their economic or social claims upon the upper classes. Energetic or able individuals could use their opportunities to rise, and a