

New Liberalism, Old Prejudices: J. A. Hobson and the “Jewish Question”

by John Allett

We must . . . distinguish different degrees of intensity of the feeling of hostility [toward Jews] which may almost amount to a difference in kind. There is the mild dislike felt by many who have no personal experience of Jews at all and who have simply absorbed the attitudes prevalent in their circle. There is the paranoiac . . . hatred felt by others which is rationalized by theories of Jewish world power and influence and which the outside observer must regard as pathological in character.¹

J. A. Hobson was a seminal contributor to early twentieth century social thought. He is perhaps best known as an economic heretic who, having imbibed deeply John Ruskin's dictum: “There is no wealth but life,” mounted a harsh critique of positivistic neoclassical economics. Out of this critique Hobson developed an alternative theory of welfare economics, to which were linked his more specific doctrines of organic surplus value, underconsumption crises, economic imperialism and participatory democracy. As is well known, Keynes described Hobson's first book on the economics of underconsumption — *The Physiology of Industry* (1889) — as “epoch-making” and Lenin argued that Hobson's study *Imperialism* (1902) was the first work to state the problematic of modern imperialism correctly. This remarkable juxtaposition of influences is suggestive of the profound insight Hobson possessed about the problems of twentieth century capitalism.

Recently, Hobson's social thought, and that of fellow New Liberal, L. T. Hobhouse, has been the subject of renewed interest.² There is one significant aspect of Hobson's writings, however, that has not received sufficient attention, namely, his negative attitude toward the Jews.³ It is, of course, disconcerting, perhaps even surprising, for those who expect antisemites to fit a certain character type, and to emerge from a certain place on the extreme right-wing of the ideological spectrum, to find what appears to be a strain of antisemitism in the writings of this otherwise humane, left-leaning social theorist.

The concern of this article is to explore that incongruity. More specifically, the analysis has three dimensions. First an attempt is made to sketch the history of Hobson's times in so far as this relates to the “Jewish Question.” Second, Hobson's comments on the Jews are examined to determine whether they are typically antisemitic. Antisemitism is here subsumed under the general analysis of prejudice. This is not to deny that the longevity of antisemitism might indicate that it has exceptional status. Yet those studies claiming that antisemitism is no ordinary prejudice usually seek an explanation in religious terms.⁴ In this regard it should be noted at the outset that Hobson was a convinced secularist and was indifferent toward Judaism from a theological stand-

point. Third, it is argued that there is a turning point in Hobson's thinking about the Jews, after which there is much less justification for accusing him of antisemitism. This change of attitude is explained as part of a more general reconsideration of what constitutes good social science, undertaken by Hobson in the early 1900s.

The Importance of Historical Specification

I begin by citing a comment on Hobson's attitudes toward the Jews which, by ignoring historical specifics, generates seriously misleading comparisons. The quotation is taken from Hugh Stretton's book, *The Political Sciences*. Stretton is referring to Hobson's now classic study *Imperialism* (1902), when he writes:

A final attraction of Hobson's explanation of imperialism was its deft choice of scapegoats. . . . The ideal scapegoats should be few, foreign connected, readily recognizable and already disliked. (Like the Nazis, Hobson included international Jews as the most sinister of all).⁵

By forthrightly associating Hobson with the Nazis in this way, Stretton's comment (which otherwise does contain a grain of truth) becomes fundamentally misleading. The Nazi definition of race assumed that whole peoples diverged absolutely in terms of their intellectual and psychological characteristics, and that these differences were genetically derived. It followed that escape from one's racial type was impossible; conversion necessarily a fraud. Corralled by such a definition, the scapegoat simply had nowhere to go. Yet at the time of Hobson's writing, the term "race", even in popular parlance, had by no means such a restricted (or, indeed, wildly exaggerated) meaning. Sometimes it was used merely as a synonym for species—in *Imperialism* Hobson frequently adopts this usage when speaking of the "human race"—sometimes as a substitute for nations, and more often than not it referred to cultural rather than biological groupings. As the cultural historian, George Watson, has observed:

An interest in race since the 1930s has commonly meant a version of genetic theory. . . . This is a possible Victorian usage, but not the commonest. The commonest Victorian sense of 'race' and its compounds refers to a community of culture.⁶

It would seem that Hobson followed in the line of this more common Victorian usage. It is true that he took an interest in the works of British intellectuals such as Francis Galton, Karl Pearson, Benjamin Kidd and William McDougall, whose advocacy of eugenics contributed to a biologized concept of race,⁷ yet nowhere does Hobson make such use of their arguments. Quite to the contrary. In *Imperialism*, for example, he strongly criticizes the so-called "Scientific Defence of Imperialism," which had been mounted by Pearson, Kidd and others to legitimize the subjugation of races on the basis of biological arguments. Such arguments were highly contestable, according to Hobson, because they underrated the degree to which man's reason could extricate him from "the necessity which dominates the lower animal world."⁸ It followed that the imperialist claims of the eugenicists, who sought in genetics or "natural history" a "moral sanction for the race struggle," were far less compelling than had been supposed.⁹

In a later work, *Free Thought in the Social Sciences* (1926), Hobson's opposition to racial doctrines is even more explicit. In this work he sets himself the specific task of refuting the "Nordic Theory" and its special brand of racial eugenics. "The claims for innate superiority on behalf of the . . . Nordic race," he argues, rest upon "rickety foundations."¹⁰ Such claims were the "best of all examples" of "selective reasoning," not the least because the notion of superiority used by race theorists "furnished no . . . disinterested standard of fitness."¹¹ Houston Stewart Chamberlain's doctrines of Pan Teutonism, in particular, are dismissed by Hobson as "grotesque" propaganda.¹² Furthermore, Hobson rejects racialist claims regarding the "non-transmissibility of acquired characteristics,"¹³ preferring instead to argue for the feasibility of selecting and fusing the "special characters and values of other races" so as to "supply new seeds of a higher and more plastic civilization." To stifle the growth of this more complex, multiform civilization "in the interests of an accepted order of values, attested by racial self-esteem," struck him as both "injurious" and "ridiculous."¹⁴

Overall, it seems clear that Hobson placed the greater stress on environmental rather than genetic factors in determining character. As he wrote in one of his more reflective works:

This Bluff [about the immutability of human nature] calls to its aid the admissions of modern psychology that the original outfit of instincts and emotions with which primitive man was equipped cannot have been greatly modified during the brief process of civilization and must still constitute the urge of human life.

The issue of the mobility of Human Nature is, however, misrepresented. . . . It is not . . . necessary to assert that the . . . make-up of a modern infant in a civilized country differs at birth from that of the cave-child. It suffices to point out that from the moment of birth, through the entire process of nurture, education and experience, the effective or operative nature of the child is undergoing great and numerous changes by the repression and disuse of certain elements of the inherited outfit, the nourishment and use of others, and by the union of certain elements into strong dispositions. . . .

The great mutations or transformations in effective Human Nature will be attained by changes in education and environment. . . .¹⁵

These comments, while affirming that there is a biological ground to human conduct, are clearly indicative of an altogether more flexible, sociologicistic concept of character formation than is allowed by aberrant racial doctrines.

It is not surprising, then, to find Hobson, in the one, specific reference he makes about the Jews in terms of a general assessment of the determinants of character, distancing himself from narrow genetic/racial premises. Referring to Werner Sombart's "important work," *The Jews and Modern Capitalism* (1911), Hobson comments:

Sombart . . . contends that the qualities of "rationalism," clear-cut planning and abstract reasoning, together with what he terms their "teleology" (conscious adaptation of means to the end), which distinguish the Jews as religionists, are of prime importance to capitalism. These qualities, whether "racial" in the primary sense [as Sombart suggests] *or only in the secondary sense, as selected for survival in their struggle for life*, have enabled them to seize the growing opportunities which . . . capitalism [provides]. . . .¹⁶

It might be suggested, of course, that this "distancing" attempted by Hobson does not go far enough. Nothing stated thus far is intended to preempt discussion of the

possibility that Hobson harbored antisemitic attitudes. Stretton's attempt to brush thickly by implying that Hobson's comments on the Jews can be linked to the Nazi program of genocide is altogether unwarranted, however, and careless history.

C.K. Chesterton and Oswald Mosley, self-declared British antisemites, and contemporaries of Hobson's, were fond of stating that they attacked the Jews "not because of what they were but for what they did."¹⁷ Taking this sentiment into account, it is clear that even if it is accepted that Hobson was not a racist in the sense that Stretton implies, this by no means settles the issue. A fuller understanding of Hobson's position requires a more detailed analysis of his statements about Jews and the circumstances surrounding them.

In the period relevant to this study there were four events which brought antisemitism to the fore in British politics. The first occasion turned on the issue of British immigration policy in the last decades of the nineteenth century; the second was the Boer War. Both events excited Hobson's interest considerably. The last two occasions involved supposed financial scandals—the Marconi scandal, and the Indian Silver affair—in which certain government officials were accused of making secret deals for their own benefit with Jewish financiers. Keynes was to remark that in the latter case the scandal was sufficiently malicious as to make "the question of Indian currency . . . almost interesting."¹⁸ Yet if Keynes' interest was almost aroused, Hobson's apparently was not. Significantly, neither of these scandals called forth any comment from him. Our focus, therefore, falls upon the first two events.

Hobson and the "Poor Jew": Jewish Immigration in the 1880s

The connection between processes of impoverishment and the generation of antisemitism is widely acknowledged. In the early 1880s the British economy went into a slump. Much of Europe followed suit. The East End of London, which even at the best of times never experienced much prosperity, was especially badly hit. Charles Booth began to organize his legions of social investigators in order to reveal the conditions of "Darkest England." In 1886, for instance, the distressed and unemployed workers themselves called attention to their plight in the Trafalgar Square riots.

Around the same time Tsar Alexander III launched a pogrom against the Jews of the Russian empire, many of whom fled to England and in particular to the East End of London. Public debate about the wisdom of British immigration policy became widespread. It was a situation ripe for racism.

Hobson first entered this debate in the late 1880s while working as the weekly "London Letter" correspondent for his father's newspaper, the *Derbyshire and North Staffordshire Advertiser*. Hobson's occasional journalistic pieces on the "Jewish Question" were then collected together to form the basis of a chapter on "The Influx of Population into Large Towns," for his second book, *Problems of Poverty* (1891). Here he deals systematically with the issue of Jewish immigrants.

Hobson's analysis begins, significantly, on a cautionary note: "We have to guard against some exaggeration. It is simply not true that German, Polish, and Russian Jews are coming over in large battalions to steal all the employment of the English

working-man, by underselling him in the labour-market."¹⁹ In order to allay these fears, Hobson pointed to official statistics indicating that between 1871 and 1891 there was actually a net outflow of population from the British Isles.²⁰ He also reminded his readers that Jewish immigration in particular was as much motivated by "political and religious persecution" abroad as it was by "industrial ends."²¹ Nevertheless, there remained cause for some anxiety. Jewish immigrants were too highly concentrated in the metropolitan areas and especially in the East End of London. Thus they aggravated existing problems of over-crowding and unemployment. It was the quality of these immigrants, however, and not their absolute number, nor even their concentration, that was Hobson's main concern. This is especially evident in his discussion of "the Jew as an Industrial Competitor," where initial praise for Jewish enterprise quickly turns into criticism:

Looking at these foreigners as individuals, there is much to be said in their favour. They do not introduce a lower morality into the quarters where they settle, . . . nor are they quarrelsome and law-breaking . . . Their habits, so far as cleanliness is concerned, are perhaps not desirable, but the standard of the native population of Whitechapel is not sensitively high. For the most part, and this is true especially of the Jews, they are steady, industrious, quiet, sober, thrifty, quick to learn, and tolerably honest. . . . If it is the chief end for a nation to accumulate the largest possible stock of material wealth, it is evident that these are the very people we require to enable us to achieve our object. But if we consider it is sound national policy to pay regard to the welfare of all classes engaged in producing this wealth, we may regard this foreign immigration in quite another light. The very virtues just enumerated are the chief faults we have to find with the foreign Jew . . . the foreign Jew is such a terrible competitor. He is the nearest approach to the ideal "economic" man. . . . Admirable in domestic morality, and an orderly citizen, he is almost void of social morality. No compunction or consideration for his fellow-worker will keep him from underselling and overreaching them.²²

In forming this opinion Hobson had been very much influenced by the observations of Beatrice Potter (later to become Beatrice Webb, wife of the prominent Fabian, Sidney Webb). Beatrice Potter had worked on occasion as one of Charles Booth's social investigators and had reached the conclusion that, among other things, in business "the Polish Jew is fettered by no definite standard of life; it rises and falls with his opportunities; he is not depressed by penury and he is not demoralized by gain."²³ The consequence, according to Hobson, was patent:

The new-comers are obviously able, in their eagerness for work, to drive down the rate of wages even below what represents starvation point for the native worker. The insistence of the poorer working-classes . . . [has] slowly and gradually won . . . some small advance in material comfort. . . . Turn a few shiploads of Polish Jews upon any of these districts, and they will and must in the struggle for life destroy the whole of this.²⁴

Indeed, what was said to be true of the Polish Jew, Hobson added, was "in large measure true of all cheap foreign labour."²⁵ (The possible significance of this extension of the line of argument will be noted later).

As to the case put forward by the Jewish Board of Guardians in London that Jewish immigrants did not compete with native labor because they did not enter already existing trades, but brought with them new skills and supplied new wants, Hobson

was quickly dismissive. The facts did not bear out the case.²⁶

Hobson was also unimpressed by the philanthropic actions undertaken by the Board of Guardians in aiding penniless Jewish immigrants to set up businesses for themselves. Although he conceded that “the object of such charity was the most useful which any society could undertake, namely, that of assisting the industrially weak to stand on their own legs,”²⁷ nevertheless this policy ultimately compounded the problem. First, it gave undue encouragement to indigent Jews to flock to London. Second, it contributed to the spread of sweat shops:

Independence and mastery are conditions which have a market value for all men, but especially for the timid and often down-trodden Jew. Most men will contentedly receive less as master than as servant, but especially the Jew. . . . The Jew craves the position of a sweating-master, because that is the lowest step in a ladder which may lead to a life of magnificence, supported out of usury. The Jewish Board of Guardians in London . . . has been responsible in no small measure for this artificial multiplication of small masters.²⁸

In the light of these comments it is perhaps surprising to find Hobson hesitating on the issue as to whether foreign immigration should be restricted. The problem, as he saw it, was that the passing of an “Aliens law” conflicted with Britain’s cherished free trade policy. Caught between these two concerns, Hobson remained agnostic:

If an Aliens law is passed, it will bring both logically and historically in its wake such protective measures as will constitute a reversal of our present Free Trade policy. Whether such new and hazardous changes in our national policy are likely to be made, depends in large measure upon the success of other schemes for treating the condition of over-supply of low-skilled labour. . . . If no relief is found . . . it seems not unlikely that a democratic government will some day decide that such artificial prohibition of foreign labour . . . will [be of] benefit. . . .²⁹

In 1905 the British government did pass the Aliens Act by which time, however, as I hope to show, Hobson’s ideas on the “Jewish Question” had taken a significant turn.

The Boer War: Hobson and the Rich Jew

In 1886 gold was discovered in the Transvaal. A struggle for supremacy in South Africa ensued between the British and the Boer settlers in the area. Ultimately, and under the most suspicious of circumstances, the British government became involved in the fracas, which then quickly escalated to war conditions. Just prior to the outbreak of the Boer War of 1899-1902, Hobson visited South Africa as a journalist for the *Manchester Guardian*, the progressive, liberal newspaper, which had taken a largely pro-Boer stand with regard to the mounting hostilities.

The first intellectual product of Hobson’s visit was *The War in South Africa: Its Causes and Effects* (1900). Written in the heat of the battle, as it were, this book did not explore any general theoretical perspective on imperialism. In the main it consists of information designed to discount rumors about Boer atrocities against the British, and arguments seeking to establish a just case for Boer demands. Hobson did, however, attempt to discover if economic pressures were behind the British government’s involvement in the conflict and here he alluded to an economic conspiracy of Jewish

financiers. The following quotations contain the bulk of his opinion on this matter:

For whom are we fighting? It is difficult to state the truth about our doings in South Africa without seeming to appeal to the ignominious passion of *Judenhetze*. Nevertheless a plain account of the personal and economic forces operative in the Transvaal is essential . . . and must not be shirked. A few of the financial pioneers in South Africa have been Englishmen . . . [but recent developments] have thrown the economic resources of the country more and more into the hands of a small group of international financiers, chiefly German in origin and Jewish in race. . . .^[30]

The first and incomparably the most important industry, the gold mines of the Rand, are almost entirely in their hands. . . .^[31]

But while the power of this capitalism is built on gold, it is by no means confined to it. Whatever large or profitable interest we approach, we find the same control. The interests are often entirely severed from, even hostile to, the mining industry, but they are in the hands of the same [race]. . . . This is the case with the dynamite monopoly. . . . The rich and powerful liquor trade . . . is entirely in the hands of Jews. . . . The stock exchange is, needless to say, mostly Jewish. . . .³²

The conspiracy, however, was not merely domestic. According to Hobson, this power of Jewish interests spread abroad, mainly by way of its control of the international press agencies, of the leading British newspapers and by means of its general influence peddling, so as to constitute an international conspiracy:

When it is borne in mind that this great confederation of press interests is financially cemented by the fact that Rand mining magnates are chief owners of at least two important London daily newspapers, and of several considerable weekly papers, while the wider and ever-growing Jewish control of other organs of the press warrants a suspicion that the direct economic nexus between the English press and Rand finance is far stronger than is actually known, we shall have a clear comprehension of the press conspiracy which has successfully exploited the stupid Jingoism of the British public for its clearly conceived economic ends. . . .^[33]

We are fighting in order to place a small international oligarchy of mineowners and speculators in power in Pretoria.³⁴

In this sinister context it is difficult to avoid the conclusion that Hobson's (self) admonition that such conspiring "may be better for [South Africa] and for the world than the present or any other rule" and that "England may be performing a meritorious world service in establishing [Jewish rule],"³⁵ looks decidedly odd, if not disingenuous.

Are Hobson's Statements Typically Antisemitic?

In order to characterize Hobson's statements about the Jews, it is necessary first to determine whether there is an essential component to prejudice which identifies its *differentia specifica*. Interesting work in this area has been recently carried out by Barry Glassner in his study *Essential Interactionism: On the Intelligibility of Prejudice* (1980). Drawing upon the insights of phenomenologists, and upon the empirical findings of over 600 literature sites, as he describes them, Glassner has located three essential components of prejudicial thinking—"without which the phenomenon cannot be conceived"³⁶—namely, identifiability, instrumentality and simplification. Each of these

concepts is relevant to an evaluation of Hobson's writings about the Jews.

Identifiability is the most elemental aspect of prejudice. It is necessary that the target of prejudice be stigmatized as being somehow different from the rest. "Target groups," writes Glassner, "must be identifiable if persons are to accomplish their prejudicing on an ongoing basis."³⁷ Although Hobson makes no reference to the supposed physical characteristics of Jews in order to identify them as a visible minority, as would be typical of an antisemite, it is nonetheless clear that he does ascribe qualities to Jews, as such, which he claims identifies the group as being different from everyone else. In particular he asserts that both the rich and the poor Jew (a combination significant in itself) represent the "ideal economic man" of laissez-faire political economy: an amoral familist (to borrow Edward Banfield's well-known term), selfishly bent on maximizing gains and heedless of "social morality." All Jews, we are told, are "terrible competitors." Rich Jews, moreover, are cliquy and conspiratorial.

The instrumental component of prejudice points toward the operation of ulterior motives. It may be that by putting others at a disadvantage an individual's ego defenses are strengthened, as the Freudians suggest. Alternatively, prejudice may be used more consciously. Conflict theorists, for example, suggest that employers sometimes deliberately manipulate ethnic prejudices so as to secure cheap sources of labor, or to keep their existing work force divided. Whatever the case, however, according to Glassner, the key point is that prejudice "is an instrument," it serves some purpose.³⁸

Hobson's negative comments about the Jews also may be considered as ulteriorly motivated. At the time of his writing there was a saying coined in England to the effect that "antisemitism is the socialism of fools." It would seem that Hobson was party to this foolishness, in that he sought to advance his own cause for the reform of capitalism and the ending of imperialism by identifying the system's key practitioners as Jews. (This is the element of truth in Stretton's aforementioned comment regarding Hobson's use of the Jews as scapegoats). This instrumentality is especially evident in Hobson's attempt to oppose the Boer War.

The final component of prejudicial thinking — simplification — functions to help ease "the task of defining situations."³⁹ It is a way of reducing complex and confusing situations to more manageable proportions. The most prominent aspect of simplification is stereotyping since it has not only a cognitive but also an affective and conative dimension.

Affective simplification involves simplifying how one feels about the other. Hostility toward the Jews is simplified to the degree that they are ideologically rendered subhuman. In this light, Hobson's portrayal of the Jew as a "terrible competitor" can be viewed as a means of desensitizing the response of those seeking some kind of counteraction by turning the Jew into a seemingly implacable enemy. Moreover, at one point in *The War in South Africa*, Hobson writes of the Jews leaving their "economic fangs in the carcass[es] of their prey" and of British foreign policy dancing to their "diabolical tune." Such metaphors also serve to dehumanize the Jew.

Conative simplification refers to the simplifying of behavioral intentions. It incorporates the practices of discrimination and social distancing (the latter usually being measured on the Bogardus Scale, ranging from the indices "would marry" through to

"would have live outside my country"). In Hobson's case there is no evidence of "social distancing" in his personal life. Also his aforementioned comments on the proposed Aliens Act do not provide clear evidence either for or against a policy of discrimination against Jews. In this regard it is worth repeating what the literature on prejudice has long established, namely, that prejudice and discrimination are not the same thing.

The tendency to think in terms of stereotypes, according to Glassner reflects a desire to reduce "cognitive uncertainties" about others.⁴⁰ Most often this process of cognitive simplification is accomplished by way of an inductive assertion to the effect that "All A are B."⁴¹ Cognitive simplification or stereotyping, then, is a kind of constricted categorizing of people. Here Gordon Allport's well-known distinction between stereotypes and categories remains relevant:

A stereotype . . . is not a category, but often exists as a fixed mark upon the category. If I say, "All lawyers are crooked," I am expressing a stereotyped generalization about a category. The stereotype is not in itself the core of the concept. It operates, however, in such a way as to prevent differentiated thinking about the concept.⁴²

Hobson is prone to stereotyping Jews. Particularly revealing in this regard is his description of an international conspiracy of Jews manipulating British foreign policy toward South Africa. Most notable is his eagerness to discount the diversity and complexity of Jewish business interests in South Africa, a fact which he himself had focused upon elsewhere in his analysis. Hobson would have us believe that the dynamite monopolists, the mine owners, the dealers in liquor, slaves and gambling were united in a conspiracy not so much to maximize their own private profits, but to increase the total fund of Jewish profits. To this end they were willing to bury their differences and overlook conflicts of interest.

A comment from Sartre's *Anti-Semite and Jew* is relevant here: Sartre writes that "if the anti-Semite reproaches the Jew for his avarice, the democrat will reply that he knows Jews who are not avaricious and Christians who are. But the anti-Semite is not moved. What he meant was that there is a 'Jewish' avarice . . . [and] for him Christian avarice and Jewish avarice are not the same."⁴³ Similarly, it might be argued that Hobson's comments on the "Rand conspiracy" indicate that for him there is capitalism and then there is "Jewish capitalism."

Up from Antisemitism

There are substantial reasons, then, for labelling Hobson an antisemite. Nevertheless, the issue is not perfectly clear-cut. Even with regard to those statements of Hobson's which seem so condemning there are present caveats and qualifications which suggest an atypical flexibility about his thinking on the "Jewish Question." Furthermore, a fact which also has to be explained is the marked reduction in Hobson's animus toward the Jews, beginning a year or so after the publication of *The War in South Africa* and continuing throughout the rest of his intellectual career. Mention has already been made of Allport's distinction between stereotyping and categorizing. Stereotyping is rigid, constricting and impervious to contrary evidence. Categorizing is more fluid,

open and probabilistic.

When Hobson speaks of the Jews' virtues being their vices—their capacity for hard work and sober living making them such terrible competitors—he is of course paying them a back-handed compliment typical of the antisemite. On the other hand, his comments about Jews not lowering moral standards, and of their being peaceful, law-abiding and “tolerably honest,” seem to have been genuinely meant. It is also worth emphasizing that Hobson was making these defensive comments at a time when popular sentiment subjected Jewish immigrants to all kinds of calumny up to and including accusations of anarchy and terrorism. Likewise, Hobson appears to have been in earnest about discounting rumors that East European Jews were flooding the labor markets of England. He was sympathetic to the fact that the predicament of the Jewish immigrant was in large part brought about by political repression in Russia.

Colin Holmes has observed that with the classically prejudiced, “there tends to be a constellation of prejudice, with one unfavourable reference linking to another, even if they are logically incompatible.” In this light Hobson appears to be atypical, in that even at his most hostile “he was . . . able to write about [the Jews] in a more than one dimensional sense.”⁴⁴

Also quite atypical of the antisemite was Hobson's willingness to let the issue drop. *Problems of Poverty* (1891) was the first and last of Hobson's books to devote close attention to the “Jewish Question” as it relates to “poor Jews.” By 1894 no further reference to this issue is found even in his journalism. His last article to be concerned with Jewish immigration actually argued against the imposition of immigration restrictions on the grounds that the principle of asylum was too important to sacrifice.⁴⁵

With regard to rich Jews, and their supposed conspiracies, Hobson's position is more complex, but overall it is fair to say that here also he shows a willingness to shift from stereotypical thinking in a manner atypical of an antisemite.

Hannah Arendt, in the *Origins of Totalitarianism*, has alluded to this flexibility in Hobson's thinking by noting that in his classic work *Imperialism*, which appears a mere two years after *The War in South Africa*, Hobson makes virtually no reference to baneful Jewish influences.⁴⁶ (The most notable exception being a brief but disturbing passage where he suggests that no war between nations could be waged without the permission of the Rothschilds: such, he presumed, was the stranglehold of Jewish international banking interests on government policy).⁴⁷ Arendt suggests that this change of focus occurred because Hobson came to consider the Jewish factor to be of little significance in establishing a *general* theory of economic imperialism. (As to the specific context of the Boer War, it is pertinent that Arendt considered Hobson's understanding to be “reliable in observation and very honest in analysis.”)⁴⁸

Colin Holmes has commented that “there is no conclusive evidence to support Arendt's claim that Hobson's new approach had emerged on the basis of a growing appreciation of the South African situation,”⁴⁹ namely, that the Jewish influence there had been temporary and atypical. Evidence of an elementary sort, however, does exist supporting Arendt's claim. In 1894, Hobson published *The Evolution of Modern Capitalism*, a scholarly and detailed examination of the capitalist mode of produc-

tion. The work contains no reference to the Jews. In 1906, a second, revised edition was published, which contained a new chapter on "The Financier," the final section of which deals with "the financial system as illustrated from South Africa." The chapter as a whole follows upon one devoted to "The Economic Powers of the Trust."

What is especially important about Hobson's comments on Jewish financiers in the Transvaal, is not so much the amount of fresh detail he brings to his argument, but, rather, the very fact that this is a *case study* used expressly for illustrative purposes. In other words, in Hobson's overview of finance capitalism, the role of the Jewish financier is given secondary not primary consideration. This would seem to support Arendt's argument that Hobson came to see the South African case as being of lesser significance.

Perhaps even more revealing, however, is the fact that nowhere in this case study does Hobson suggest that Jewish financiers, in attempting to forward their economic interests, do anything different from non-Jewish financiers, and trust-makers. Indeed, he states explicitly that "the profitable working of their 'system' follows the lines set forth in the main analysis [of the chapter]."⁵⁰

Yet if it is the case that rich Jews do nothing different from rich gentiles in their business practices, then as essential feature of prejudicial thinking — identifiability — no longer holds. This is surely crucial in explaining why references to Jews become almost nonexistent in Hobson's subsequent works. As he was later to admit, the analysis of the workings of the economic system "fails to establish a dramatic hero [or] villain."⁵¹ It is also worth recalling here the passage from *Problems of Poverty*, where in speaking of Beatrice Potter's views, Hobson had added, "what Miss Potter says of the [poor] Polish Jew, is in large measure true of all cheap foreign labour." This observation likewise tends to absolve the Jew from special consideration. Thus, 1906, the date of the publication of the second edition of *The Evolution of Modern Capitalism*, is an appropriate date upon which to fix the turning point in Hobson's thinking on "the Jewish Question."

The Reasons for Hobson's Change of Attitude

That there was a shift in Hobson's thinking on the "Jewish Question" seems apparent. What is much more difficult to explain is why Hobson was able to emancipate himself from his earlier antisemitism. Harvey Mitchell and others have indicated that Hobson was uneasy with the Jewish aspect of his analysis from the beginning. We have seen that there is some evidence to support this. Even so, this contention does not advance our understanding very much.

Perhaps a more fruitful line of inquiry would be opened up by examining two works that Hobson published at midpoint between *The War in South Africa* (1900) and *Imperialism* (1902) — after which time, as just noted, the shift in his thinking becomes increasingly evident.

The first of these works, *The Psychology of Jingoism*, was an investigation of the ethnocentrism of the British Jingoist against whom Hobson was pitted in his opposition to the Boer War. It has been described as a "classic on the subject of group

neurosis,"⁵² and as a "striking anticipation" of Freud's ideas on group psychology.⁵³ Hobson's rethinking of the "Jewish Question" most likely came about as a result of his scrutinizing of the operation of prejudice in others. By trying to penetrate the mind of the Jingoist, Hobson appears to have gained fresh insight into his own prejudicial ways of thinking, as well as a new appreciation of the predicament of the victim, having suffered a rude handling at several public meetings when trying to present his minority "pro-Boer" case. Empathetic ability and self-insight are listed by Allport as aspects of the tolerant personality.⁵⁴ Glassner has also observed, from the opposite side, that "the prejudiced do not seek [the] perspectives of their target groups."⁵⁵ Certainly Hobson was generally committed to the notion that "to know thyself" was a prerequisite for the conduct of good social science, and it is also clear that his study of Jingoism had alerted him to the particular failure of the prejudiced to be either reflective or empathetic:

The psychological root cause of . . . [Jingoism] . . . is the total eclipse of *sympathetic imagination* involved in the self absorption of the fray. The Jingo spirit is a blind fury, which disables a nation from getting outside itself or recognising the impartial spectator in another. Here is the quintessence of savagery, a complete absorption in the present details of a sanguinary struggle inhibiting the mental faculties of imagination and forethought which are the only safeguards of a [humane] policy.⁵⁶

The second of his books published in 1901 was *The Social Problem*, in which he investigated, among other things, the role of values in social science. Hobson was not an advocate of value-free social science. To radically divorce facts from values was, in his opinion, to commit the fallacy of reification. A humanist methodology, he wrote, should be informed by a "social ideal constructed to accord with human facts and human possibilities, but transcending existing facts"; social science had to overcome positivism, which dealt only in facts that were "hard and dead," by focusing on the emergent powers of man to shape his own ends.

One part of this general argument was Hobson's claim that the inductive method was especially prone to allowing value judgments to slip *unexamined* into the conduct of social science. Thus, in reply to the "devotee of an inductive science," who would claim that to import "a priori ethics or teleology" into scientific inquiry was illicit, Hobson suggested that:

This strict ruling out of a priorism is quite untenable. The first and simplest step in every "inductive science" is directed a priori; no collection and ordering of crude facts is possible without importing from outside some principles of collection and order which embody the . . . ends of the process of investigation in a hypothetical way. . . . [This] end [is] hidden, doubtless, as a conscious motive for the detailed student buried in his tiny group of facts, but none the less [it permeates] the whole process with "teleology". . . . There is no independence of the inductive method; induction always rests on the support of principles derived a priori.⁵⁷

In a later work, Hobson put the matter even more forcefully: the "real difficulty" faced by a "free thinker in the social sciences" is

first to recognise, and then shake off, the hampering bonds of accepted terminology and ways of thinking. For the [bias], which I here cite, is not a conscious dishonesty of reasoning in the individual student but an accretion of falsehood or deceit in the collective character

of the common thoughts and sentiments that form the spiritual nature of a social institution and therefrom affect the embryonic social science."⁵⁸

These comments of Hobson's are relevant to our present purposes because, as previously noted, stereotyping is a simplistic form of inductive reasoning. "As far as the prejudiced person is concerned," observes Glassner, "the attributes he chooses of his targets in order to [inductively] construct his prejudicing are simply out there, in objective reality."⁵⁹ It is conceivable that Hobson's study of methodology alerted him to the danger of taking given facts for granted, including the given facts about Jews, as if no principle of selection or bias were involved in the presentation of these facts.

Conclusion

After 1906 Hobson devoted very little attention to the "Jewish Question". It has been argued here that this "benign neglect", for so it must be considered in the perspective of his earlier attitudes, reflects Hobson's growing awareness that Jews, rich and poor alike, were not a class apart. It should be emphasized, however, that this new awareness did not lead Hobson to ardently oppose antisemitism. It did not prompt him to rescind or even revise the negative statements contained in his earlier works. *Problems of Poverty*, for example, went through numerous reprints during Hobson's lifetime, yet his comments on Jewish immigrants were left untouched. Moreover, in a little-known work, *1920: Dips into the Near Future* (written under the pseudonym, Lucian), Hobson struck a new and perhaps ominous note. In this collection of satirical pieces, published just after the announcement of the Balfour Declaration, Hobson was unable to resist, in the fleeting moments of the book, debasing Zionist aspirations in terms that once more conjured up stereotypical images:

"But talking about marches reminds me that you are just in time to witness the greatest of all spectacular scenes. . . ."

"And what is that?" I asked.

"Oh! the ceremonial return of the Chosen People to the City of Their Choice, followed by the solemn service of renunciation."

"And what," I asked, "do they renounce?"

"Two things, I understand; first their sojourn in the House of Bondage so long and so unwillingly endured."

"And do they," I inquired, "propose to leave their bonds behind?"

"Well, no," he said. "I gather they intend to lay them formally upon a temporary altar erected in the vestibule of the Temple, afterwards to be transferred to the vaults. One of the most interesting groups in the procession consists of representatives of the Transvaal Companies, who will with due solemn rites transfer the soul of the Rand, its share certificates, from Johannesburg to the New Jerusalem, thus completing the spiritual symbolism of the Golden City."⁶⁰

With the ascendancy of fascism in Italy and nazism in Germany in the 1920s and 1930s, and the establishment of Oswald Mosley's British Union of Fascists in 1932, Hobson's declining years were taken up with the struggle against these malevolent forces. Hobson was not unaware of the policy of racial purity that was at the core of Nazi politics. Mention has already been made of his attack on "Race Eugenics" in *Free Thought in the Social Sciences*. Yet, for Hobson, fascism and nazism were preemi-

nently economic phenomena: an “endeavour of the ruling possessive classes to repress the assault of the working classes upon the rights and powers of property and profit.”⁶¹ He admitted that many would question this assumption since

Racial unity, the sentiment of nationalism, defensive and aggressive militarism have played so large a role in the movement as to hide the fears of the propertied classes lest successful attempts should be made to set up an equalitarian State upon a basis of public service. But the concentration of these dictatorships upon the economic planning of a Corporate State, the liquidation of the Socialist and trade union organisations, the regimentation of capital and labour by industries under the supreme control of autocratic nominees, make the underlying motives of the counter-revolutionary governments quite manifest.⁶²

This is not the place to present a detailed examination of Hobson’s priorities.⁶³ Obviously, his analysis of the economic causes of fascism has merit. Also, it is perhaps only with the postwar revelations about the extent of the Holocaust that the absolute and unremitting centrality of antisemitism to the Nazi cause can be fully appreciated. Nevertheless, it seems fair to conclude that even in the context of the 1930s, Hobson’s relative discounting of the politics of racism inadvertently turned his “new” attitude of benign neglect toward the Jews into something altogether less benign. He was of course, tragically, not alone in this.⁶⁴

NOTES

1. Morris Ginsberg, *Reason and Unreason in Society* (Cambridge, Mass., 1948), p. 197.

2. See Bernard Porter, *Critics of Empire* (London, 1968); Michael Freeden, “J.A. Hobson as a New Liberal Theorist,” *Journal of the History of Ideas*, 34 (July 1973); Michael Freeden, *The New Liberalism* (Oxford, 1978); Rodney Barker, *Political Ideas in Modern Britain* (London, 1978); John W. Seaman, “L.T. Hobhouse and the Theory of Social Liberalism,” *Canadian Journal of Political Science*, 11 (December 1978); Stefan Collini, *Liberalism and Sociology: L. T. Hobhouse and the Political Argument in England 1880-1914* (Cambridge, 1979); John Allett, *New Liberalism: The Political Economy of J. A. Hobson* (Toronto, 1981); Norman Wintrop, “Liberal Democratic Theory: The New Liberalism,” in Norman Wintrop, ed., *Liberal Democratic Theory and Its Critics* (London, 1983); Gerald Gans, *The Modern Liberal Theory of Man* (London, 1983); Robert Eccleshall, “Liberalism” in Robert Eccleshall, et al., *Political Ideologies* (London, 1984); and Peter Clarke, *Liberals and Social Democrats* (Cambridge, Eng., 1978).

3. For example, of those works cited above which have substantial commentary on Hobson, only Allett, Clarke and Porter (in a footnote) mention the issue. By far the most extensive examination of this subject to date has been made by the British historian, Colin Holmes. See “J. A. Hobson and the Jews” in Colin Holmes, ed., *Immigrants and Minorities in British Society* (London, 1978). Considerable detail about Hobson’s writings on the Jews is also to be found in Holmes’ study, *Anti-Semitism in British Society 1876-1939* (London, 1979). Also of interest is an earlier essay by Harvey Mitchell, “Hobson Revisited,” in the *Journal of the History of Ideas*, 26 (1965).

4. See, for example, Dennis Prager and Joseph Telushkin, *Why the Jews: The Reasons for Anti-Semitism* (New York, 1983).

5. Hugh Stretton, *The Political Sciences* (New York, 1969), p. 100.

6. George Watson, “Race and the Socialists,” *Encounter*, 278 (November 1976), 16.

7. See Paul Hayes, “The Contribution of British Intellectuals to Fascism,” in Kenneth Lunn and Richard Thurlow, eds., *British Fascism* (London, 1980).

8. J. A. Hobson, *Imperialism: A Study* (London, 1938), p. 176.

9. *Ibid.*, p. 156.

10. J. A. Hobson, *Free Thought in the Social Sciences* (London, 1926), p. 217.

11. *Ibid.*, p. 212.
12. *Ibid.*, p. 203.
13. *Ibid.*, p. 200.
14. *Ibid.*, pp. 204–205.
15. J. A. Hobson, *Problems of a New World* (London; 1921), pp. 259, 264.
16. J. A. Hobson, *God and Mammon* (London, 1931), p. 40 n. 3 (emphasis added).
17. Cited in Lunn and Thurlow, *British Fascism*, p. 33.
18. Cited in Holmes, *Anti-Semitism in British Society*, p. 78.
19. J. A. Hobson, *Problems of Poverty* (London, 1891), pp. 57–58. It might be noted that Holmes misquotes Hobson on this point so as to completely reverse his meaning. See his “Hobson and the Jews,” p. 129 (Note 2 above).
20. Hobson, *Problems of Poverty*, p. 58.
21. *Ibid.*, p. 59.
22. *Ibid.*, pp. 59–60.
23. *Ibid.*, p. 60.
24. *Ibid.*, p. 61.
25. *Ibid.*, p. 60.
26. *Ibid.*, pp. 62–63.
27. *Ibid.*, p. 99.
28. *Ibid.*, p. 98.
29. *Ibid.*, pp. 126–27.
30. J. A. Hobson, *The War in South Africa: Its Causes and Effects* (London, 1900), p. 189.
31. *Ibid.*, p. 191.
32. *Ibid.*, p. 193.
33. *Ibid.*, p. 217.
34. *Ibid.*, p. 197.
35. *Ibid.*
36. Barry Glassner, *Essential Interactionism: On the Intelligibility of Prejudice* (London, 1980), p. 34.
37. *Ibid.*, p. 126.
38. *Ibid.*, p. 72.
39. *Ibid.*, p. 78.
40. *Ibid.*, p. 84.
41. *Ibid.*, p. 85.
42. Gordon W. Allport, *The Nature of Prejudice* (New York, 1958), p. 187.
43. Jean-Paul Sartre, *Anti-Semite and Jew* (New York, 1962), p. 56.
44. Colin Holmes, “Hobson and the Jews,” pp. 141–42.
45. *Ibid.*, p. 133.
46. See Hannah Arendt, *The Origins of Totalitarianism* (New York, 1958), p. 135 n. 34.
47. See Hobson, *Imperialism*, p. 57.
48. Arendt, *Origins of Totalitarianism*, p. 137 n. 34.
49. Holmes, “Hobson and the Jews,” p. 140.
50. J. A. Hobson, *The Evolution of Modern Capitalism* (London, 2nd ed., 1906), p. 269.
51. Hobson, *Free Thought*, p. 150.
52. Caroline E. Playne, *The Pre-War Mind in Britain* (London, 1928), p. 70.
53. Mitchell, “Hobson Revisited,” p. 407.
54. Allport, *The Nature of Prejudice*, ch. 27.
55. Glassner, *Essential Interactionism*, p. 88.
56. J. A. Hobson, *The Psychology of Jingoism* (London, 1901), p. 78 (emphasis added).
57. J. A. Hobson, *The Social Problem* (London, 1901), pp. 66–67.
58. Hobson, *Free Thought*, pp. 278–79.
59. Glassner, *Essential Interactionism*, p. 88.
60. Lucian (pseud.), *1920: Dips into the Near Future* (London, 1918), pp. 96–97.

61. J. A. Hobson, "Thoughts on Our Present Discontents" (1938), reprinted in William A. Robson, ed., *The Political Quarterly in the Thirties* (London, 1971), p. 189.

62. J. A. Hobson, *Democracy and a Changing Civilisation* (London, 1934), p. 43.

63. Contrast, however, Wilhelm Reich's position, first stated around the same time Hobson was writing: "The race theory is German fascism's theoretical axis. In fascist ideology the economic programme of the so-called twenty-five points figures solely as an expedient intended 'to improve the Germanic race genetically' and to protect against racial interbreeding." Wilhelm Reich, *The Mass Psychology of Fascism* (New York, 1933, rpt., 1976), p. 70.

64. For a recent examination of the "anti-Semitism of indifference," see Ernest Vollman, *A Legacy of Hate* (New York, 1982).