



V. I. Lénine

"VI. Ilyin", *Natchalo*, No. 5, May 1899

in *Lenin Collected Works*, Vol. 4, Progress Publishers, 1964

REVIEW

J. A. Hobson. *The Evolution of Modern Capitalism.* Translated from the English. St. Petersburg, 1898. Publ. O. N. Popova.
Price 1 rb. 50 kop.

Hobson's book is, strictly speaking, not a study of the evolution of modern capitalism, but a series of sketches, based mainly on English data, dealing with the most recent industrial development. Hence, the title of the book is somewhat broad: the author does not touch upon agriculture at all and his examination of industrial economics is far from complete. Like the well-known writers Sidney and Beatrice Webb, Hobson is a representative of one of the advanced trends of English social thought. His attitude towards "modern capitalism" is critical; he fully admits the necessity of replacing it by a higher form of social economy and treats the problem of its replacement with typically English reformist practicality. His conviction of the need for reform is, in the main, arrived at empirically, under the influence of the recent history of English factory legislation, of the English labour movement, of the activities of the English municipalities, etc. Hobson lacks well-knit and integral theoretical views that could serve as a basis for his reformist programme and elucidate specific problems of reform. He is, therefore, at his best when he deals with the grouping and description of the latest statistical and economic data. When, on the other hand, he deals with the general theoretical problems of political economy, he proves to be very weak. The Russian reader will even find it strange to see a writer with such extensive

knowledge and practical aspirations deserving of full sympathy helplessly labouring over questions like, what is "capital," what is the role of "savings," etc. This weak side of Hobson is fully explained by the fact that he regards John Stuart Mill as a greater authority on political economy than Marx, whom he quotes once or twice but whom he evidently does not understand at all or does not know. One cannot but regret the vast amount of unproductive labour wasted by Hobson in an attempt to get clear on the contradictions of bourgeois and professorial political economy. At best he comes close to the solutions given by Marx long ago; at worst he borrows erroneous views that are in sharp contradiction to his attitude towards "modern capitalism." The most unfortunate chapter in his book is the seventh: "Machinery and Industrial Depression." In this chapter Hobson tried to analyse the theoretical problems of crises, of social capital and revenue in capitalist society, and of capitalist accumulation. Correct ideas on the disproportionateness of production and consumption in capitalist society and on the anarchic character of capitalist economy are submerged in a heap of scholastic arguments about "saving" (Hobson confuses accumulation with "saving"), amidst all sorts of Crusoeisms (suppose "a man working with primitive tools, discovers an implement ... saving food," etc.), and the like. Hobson is very fond of diagrams, and in most cases he uses them very ably for graphic illustration of his exposition. But the idea of the "mechanism of production" given in his diagram on page 207 (Chap. VII) can only elicit a smile from the reader who is at all acquainted with the real "mechanism" of *capitalist* "production." Hobson here confuses production with the social system of production and evinces an extremely vague understanding of what capital is, what its component parts are, and into what classes capitalist society is necessarily divided. In Chapter VIII he cites interesting data on the composition of the population according to occupation, and on the changes in this composition in the course of time, but the great flaw in his theoretical arguments on "machinery and the demand for labour" is that he ignores the theory of "capitalist overpopulation" or the reserve army. Among the more happily written chapters of Hobson's book are those in which he examines modern towns and the position of women in modern

industry. Citing statistics on the growth of female labour and describing the extremely bad conditions under which this labour is performed, Hobson justly points out that the only hope of improving these conditions lies in the supplanting of domestic labour by factory labour, which leads to "closer social intercourse" and to "organisation." Similarly, on the question of the significance of towns, Hobson comes close to Marx's general views when he admits that the antithesis between town and country contradicts the system of collectivist society. Hobson's conclusions would have been much more convincing had he not ignored Marx's teaching on this question too. Hobson would then, probably, have emphasised more clearly the historically progressive role of the cities and the necessity of combining agriculture with industry under the collectivist organisation of economy. The last chapter of Hobson's book, "Civilisation and Industrial Development," is perhaps the best. In this chapter the author proves by a number of very apt arguments the need to reform the modern industrial system along the line of expanding "public control" and the "socialisation of industry." In evaluating Hobson's somewhat optimistic views regarding the methods by which these "reforms" can be brought about, the special features of English history and of English life must be borne in mind: the high development of democracy, the absence of militarism, the enormous strength of the organised trade unions, the growing investment of English capital outside of England, which weakens the antagonism between the English employers and workers, etc.

In his well-known book on the social movement in the nineteenth century, Prof. W. Sombart notes among other things a "tendency towards unity" (title of Chapter VI), i.e., a tendency of the social movement of the various countries, in its various forms and shades, towards uniformity and along with it a tendency towards the spread of the ideas of Marxism. In regard to England Sombart sees this tendency in the fact that the English trade unions are increasingly abandoning "the purely Manchester standpoint." In regard to Hobson's book we can say that under pressure of the demands of life, which is increasingly corroborating Marx's "prognosis," progressive English writers are beginning to

realise the unsoundness of traditional bourgeois political economy and, freeing themselves from its prejudices, are involuntarily approaching Marxism.

The translation of Hobson's book has substantial shortcomings.

Written in April 1899

Published in May 1899
in the magazine *Nachalo*, No. 5
Signed: *Vl. Ilyin*

Published according to
the text in the magazine
