

George Bernard Shaw and Karl Marx

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Source: *The Journal of Economic History*, May, 1946, Vol. 6, No. 1 (May, 1946), pp. 53-72

Published by: Cambridge University Press on behalf of the Economic History Association

Stable URL: <https://www.jstor.org/stable/2112996>

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# *George Bernard Shaw and Karl Marx*

## I

IN spite of a vast critical literature of increasing agreement, Shaw is still regarded by many as an irresponsible clown and by many more as a negligible thinker on serious subjects. No one can read about him without realizing that he is anything but negligible. Mr. T. A. Knowlton has thought his economics worthy of lengthy and respectful treatment,<sup>1</sup> and many authorities have attested to his importance in the history of socialism. In her recent work Mrs. Helen M. Lynd says that the Fabian Society developed under the inspiration of Shaw; he “set its early tone.”<sup>2</sup>

Shaw learned economics chiefly from George and Jevons, but Marx converted him to socialism. His thought can be understood only in terms of the England in which he came intellectually to life. Basically, Shaw is the product of two great decades—the eighties and the nineties. The nineties were to make him a creative evolutionist; the eighties made him, together with a great many other people, a socialist. It was a decade of revolution masked by the superficial warfare between Liberal and Conservative. Having allowed heathens to slaughter Christians in the Balkans and “natives” to ambush British soldiers in obscure corners of the Empire, Disraeli was growing weak while the acclamations of Berlin were still ringing in his ears. The depression finished him. Even he could not escape the fallacy that he had caused it. In 1880 there was a general election. Gladstone, who had kept one eye on the Greek classics and the other on the political situation, rushed forth from his study bellowing for Christian vengeance and a full dinner pail—and was swept triumphantly into power. A chief factor in his success was the radical working class. The Owenite and Chartist movements, which were the revolutionary fringe of radicalism, had long since failed, but by 1880 the central tradition of that movement had undergone a subtle yet profound change. Its philosophical leader, John Stuart Mill, had through a studious and thoughtful lifetime moved gradually from atomic individualism to constitutional socialism. In the eighties many radicals, especially among the workingmen, began to realize that they had followed him. By 1884 there were two socialistic societies: the Democratic Federation, which was Marxist; and the Fabian Society, which had not made up its mind about itself. Its destiny lay in the fact that it was middle class. It began as a fellowship for moral improvement, discovered poverty and social enthusiasm with Henry George, recapitulated with embryological rapidity

<sup>1</sup> *The Economic Theory of George Bernard Shaw* (Orono, Maine: University Press, 1936).

<sup>2</sup> *England in the Eighteen Eighties* (New York: Oxford University Press, 1945), pp. 395–96.

the utopian phase of socialism, contracted brief fevers of parlor Marxism and anarchism, and then with the entry of its future leaders, Shaw and Webb, gradually settled down to an elaboration of Mill's later creed, which envisaged a cautious and peaceful evolution toward socialism within the framework of the democratic state.

It has been generally recognized that for many years Shaw and Webb were the Fabian Society. Shaw's vivid personality and brilliance as a public speaker gave it early fame and prominence, and his considerable speculative gifts provided in large degree its theoretical economic basis, as I shall attempt to indicate later. Webb's skill as a political manipulator made it powerful in metropolitan politics, his mastery of the factual, sociological method made it genuinely scientific and influential with all kinds of thoughtful people, and his English caution kept it always within the bounds of Mill's constitutionalism. Perhaps the greatest contribution of the society was that it educated such men as Keir Hardie, Ramsay MacDonald, and Arthur Henderson, who socialized labor and at the turn of the century created the Labour party.<sup>3</sup>

A speech by Henry George had given Shaw what might be called the emotional basis for socialism. It had revealed to him, as by a spiritual illumination, the problem of poverty. *Progress and Poverty* had then converted him to the single tax. A few weeks later a chance remark at a public meeting started him reading *Capital*. The result was that in 1883, when Marx, though dying, was still largely unknown and unhated, Shaw became a thoroughgoing Marxist. It is characteristic that he came to know the interminable complexity of *Capital* before the brief simplicity of *The Communist Manifesto*. For in many respects *Capital* is peculiarly suited to be a Shavian bible. First, it is long, difficult, anti-bourgeois, revolutionary—a book that everybody talks about and nobody reads, that only the intelligent and determined attempt and only the recklessly nonconformist defend. Secondly, it is in Shaw's mood—full of the passion of the intellect and the gusto of generous denunciation. Thirdly, it offers satisfaction, superficially at least, to the two contradictory impulses of Shaw's mind, the critical and the visionary. It enables a man to dream and at the same time to feel brutally realistic. Out of hard fact and cold logic it constructs, or seems to construct, a ladder to the clouds. Marx is a "scientific" socialist. He speaks of despotism and slavery as economic necessities during certain periods of history and sneers at the "justice éternelle" of Proudhon. To many, his scathing criticism of capital-

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<sup>3</sup> Mary A. Hamilton, *J. Ramsay MacDonald* (London: Jonathan Cape, 1929), pp. 26–7, 30–1.

ism appears to be but a reversed picture of Utopia. The link between the two is dialectical materialism. Marx's peculiar fascination consists in seeming to prove that a utopia is scientifically inevitable.

Actually, of course, Marx does not admit that his classless society is a utopia, nor does he say that its coming is scientifically inevitable. His position cannot be understood without reference to the dialectical materialism which he developed by inverting Hegel. Hegel tried to show that the content of history is logical; Marx, that the content of logic is historical: "From objective *conditions*, social and natural (thesis), there arise human *needs* and *purposes* which, in recognizing the objective possibilities in the given situation (antithesis) set up a course of *action* (synthesis) designed to actualize these possibilities."<sup>4</sup> In social theory complete objectivity is impossible. Every body of thought reflects the interest of a class. We understand the past and present not simply by observing them, but by studying them in terms of some purpose which we set up in the future. A valid doctrine must have an objective and a subjective moment. It must correspond at once to outward facts and to inward needs. To be proved valid, it must result in successful action. Marxism is "*a theory of social revolution.*"<sup>5</sup> But Shaw, like many others, regarded Marx as "certainly a bit of a Liberal fatalist,"<sup>6</sup> and in that fatalism of violent and automatic class struggle he took refuge when in despair with the glacial slowness of democratic constitutionalism. Marxism answered a deep temperamental need. It permitted him, perhaps never quite wholeheartedly, to escape into a dream of beneficent force.

Shaw's novel *An Unsocial Socialist* (1883), begun soon after his conversion to Marxism, is the earliest and most complete expression of his new faith. It contains nearly the whole of Marx, translated into Shavian epigram and lecture. There is an economic history of the nineteenth century, together with a moving account of the miseries of the exploited classes and the saga of that economic Mephistopheles, the great predatory capitalist.<sup>7</sup> There is an elaborate dramatization of the Marxist doctrine that to own property in a capitalistic state is to be inevitably corrupt and impure.<sup>8</sup> There are various explanations of the labor theory of value.<sup>9</sup> There is a denunciation of the

<sup>4</sup> Sidney Hook, *Towards the Understanding of Karl Marx, A Revolutionary Interpretation* (New York: The John Day Company, 1933), p. 84.

<sup>5</sup> *Ibid.*, p. 9.

<sup>6</sup> "Preface to the 1908 Reprint," *Fabian Essays in Socialism* (London: Fabian Society, 1931), p. xxxiv.

<sup>7</sup> *An Unsocial Socialist* (New York: Brentano's, 1905), pp. 289-308, 369.

<sup>8</sup> *Ibid.*, pp. 192-95, 304-5; Karl Marx, *Capital* (New York: The Modern Library, 1936), pp. 535-36.

<sup>9</sup> *An Unsocial Socialist*, pp. 193, 291, 304-6.

classical doctrine of abstinence, a sardonic reference to Malthus' law of population, a graphic prediction of intensified class struggle and impending revolution.<sup>10</sup> In general, the novel indicates that Shaw was a fairly orthodox, if somewhat frivolous, Marxist. Certainly the hero conducts the class war in a very extraordinary fashion. He seems to be trying to awaken a workingman's consciousness not among the proletariat but among the aristocracy. One suspects that he has a middle-class prejudice against throwing bombs. The hero does occasionally threaten ultimate catastrophe, but in the rather distant future and always with disarming gaiety. Indeed the new religion has increased rather than diminished Shaw's epileptic tendency to laughter.

Henry George had been but a halfway station on the road to socialism, a Rosaline before Juliet. With the kisses of the old love scarcely cool upon his lips, Shaw had with romantic fervor wooed and won the new—Marxism. Then, after a brief honeymoon of waging the class war against an exclusive young ladies' seminary in *An Unsocial Socialist*, he had to settle down to sober matrimony.

Uncongeniality of temperament manifested itself almost at once. In March 1884, shortly after the Marxist paper *Justice* began to appear, the editors felt it their duty to publish a letter headed "Who Is the Thief?" and signed "G. B. S. Larking." Mr. Larking is clearly a respectable member of the lower middle class in a rhetorical state of bewilderment. He feels that in the sacred name of justice the editors have said some very harsh things about our modern bourgeois civilization, which has made us all what we are, including this clever Dr. Marx himself. According to that gentleman's theory of surplus value, the capitalists alone are thieves. But sometimes competition drives profits down to almost nothing. Then the workers get far more of the "plunder" than the capitalist, and the consumers far more than either.<sup>11</sup> The writer is stricken with an appalling thought. The consumers are ourselves—our wives, our daughters, the editors of *Justice* themselves. Are we all thieves? Mr. Larking concludes with a pious defense of hearth and home and country, declaring with fervor that "Britons never shall be slaves." The letter was of course from Shaw. Clearly it attacks not the ideas but the temper of Marxism. The Social Democrats are not wrong. In a sense they are worse than wrong. They lack a sense of humor. Essentially, "Who Is the Thief?" is a comic artist's reaction to Marxism. Like *An Unsocial*

<sup>10</sup> *Ibid.*, pp. 103, 130.

<sup>11</sup> "Who Is the Thief?" *Bernard Shaw and Karl Marx: A Symposium, 1884-1889* (New York: Random House, 1930), p. 6.

*Socialist*, it reflects an irrepressible gaiety and high spirits. This is doubtless the mood of a man who is happy in a new certainty; who, perhaps, as Chesterton says, is so sure of the new truth he has discovered that he must show his exultant high spirits by stretching and twisting it and standing it on its head.

Two months later Shaw committed what proved to be a profoundly un-Marxian act: he joined the Fabian Society. The blackness of the heresy was not at once evident. It appeared simply that, in spite of the class struggle, he preferred the gay and enlightened enthusiasm of youthful members of his own class to the solemn and orthodox fanaticism of workingmen. For the Fabians, then wallowing happily in the most fiery ideological chaos, were as likely to become Marxists as anything else. To join them was not in itself reprehensible, but to attempt to resolve their chaos by providing them at once with a heretical constitution was certainly very serious. Shaw's *Fabian Tract No. 2* contains fully as much of Mill and George as of Marx.

## II

In October of the same year, Shaw took part in a controversy which ultimately involved Hyndman, Wallas, and a number of other prominent socialists, and which illustrates the kind of reception accorded Marx, then almost unknown, in England. It was of course inevitable that Marx, with his emphasis on class war, violent revolution, and the purely partisan character of the state, should not have gained a great following in a nation traditionally devoted to legality and compromise. Nevertheless, the vigorous attack made at that time against his economic theory probably led, particularly among the Fabians, to an underestimation of other parts of his system. The Marxists were unfortunate in their champions. Shaw early went over to the enemy, and Hyndman, the Marxist leader, tried to conquer by sheer weight of the grand manner. In spite of his defection Shaw continued to be both a just and generous critic.

In the October 1884 issue of the socialist journal *To-day*, Philip H. Wicksteed, a Unitarian minister, published a criticism of Marx's value theory from the point of view of Jevonian economics. The attack was clear, courteous—and damaging. Wicksteed begins by pointing out that Marx accepts Ricardo's subsistence law of wages without accepting Ricardo's cause—the constant pressure of population. Marx feels that the cause is rather to be found in his own value theory. He assumes, with Ricardo, that objects will exchange for the amount of labor required to reproduce them. Labor itself, then, is worth only the work necessary barely to maintain and reproduce it.

If a man working ten hours a day creates the value of his subsistence in six hours, and the interest and depreciation on capital in two, he works two more merely to enrich his employer. Thus paying for everything at its value, the capitalist actually receives more than he puts in.

But is labor the source of value? In order to exchange, says Marx in his Hegelian idiom, articles must have elements of likeness and unlikeness, the first to create the measure for exchange, the second to create the desire.<sup>12</sup> The element of likeness is labor, not concrete labor—because all such labor differs—but abstract. To get at the value of an object one must strip it of all the particular use values with which human effort has endowed it and regard it as a mere jelly of abstract labor. With regard to manufactured goods, Marx's argument seems especially strong, for there labor does directly affect exchange value. An invention which saves labor time undoubtedly cuts price. Yet surely, says Wicksteed, a coat is valuable not because it is made, but because it protects its owner. Not abstract labor, but abstract utility determines value. The price of manufactured goods can be satisfactorily explained only by two laws formulated by W. S. Jevons. According to the law of indifference, the units of a homogeneous commodity exchange equally. According to the law of the variation of utility, each successive increment of a commodity satisfies a less urgent need and therefore has less utility and value. It follows from these two laws that "the last available increment of any commodity determines the ratio of exchange of the whole of it."<sup>13</sup> Assume that hats and coats are equally necessary and that eight hats can be made in the same time as one coat. Hats will then be made until there are so many that one hat is worth only one eighth as much as a coat. Then coats will be made also. In short, the force of demand at the margin of supply determines exchange value. Moreover, the value of an object varies with the amount of labor it contains only when labor force can be directed to that or to other objects freely. And to one object labor force cannot be freely directed—to the production of labor force itself, unless one "lives in a country where slave-breeding is possible."<sup>14</sup> Therefore, the exchange value of labor does not depend on the amount of work necessary to maintain and reproduce it. As an explanation for the subsistence law of wages, the theory of surplus value collapses. Marx must fall back on Malthus, or nothing.

Wicksteed certainly refutes the labor theory of value, but he does not

<sup>12</sup> *Capital*, pp. 48, 51–2, 59, 106.

<sup>13</sup> "Das Kapital: A Criticism by Philip H. Wicksteed," *Shaw and Marx*, p. 60.

<sup>14</sup> *Ibid.*, p. 64.

prove that Marx cannot get along without Malthus. One of the most striking passages in *Capital* explains that wages go down not because modern civilization is too poor but because it is too rich; not because population increases more rapidly than the food supply, but because it increases more rapidly than employment.<sup>15</sup> Machinery renders labor increasingly superfluous. Certainly here right lies with Marx rather than with Wicksteed. Hyndman might have made a powerful, if not a satisfactory, reply, but he preferred simply to declare "the presumptuous insect Wicksteed" beneath his notice.<sup>16</sup> Nevertheless, the proprietors of *To-day*, whose socialism was still something less than an act of faith, felt that Wicksteed must be answered and urged Shaw to undertake the task. Though he knew nothing of Jevons and only as much of Marx as one can glean by reading him, he consented, on the condition that his opponent be permitted a final rebuttal.

The opening of the article presents the unique spectacle of an uncertain and hesitant G.B.S. It is clear he already suspects that, so far as the value theory is concerned, great Marx is dead. He does not mention the oversight of abstract utility in *Capital*. He frankly recognizes the abilities of Wicksteed. The latter is a noted scriptural critic. "In search of fresh Bibles to criticise," he has seized on the bible of Socialism.<sup>17</sup> But he will be destroyed later on by some "more competent hand" than Shaw's. Meanwhile, there are weak points in his armor. For example, his use of algebra. Ever since a little boy at school proved to him that one equals two, Shaw has suspected anyone who begins with "Let  $x$  equal  $a$ ." Warming to his work, he now tries to render the law of variable utility absurd by demonstrating—what Wicksteed was perfectly aware of—that the utility of successive mouthfuls of beef may vary from infinity to zero. He concludes with an orgy of literary virtuosity in which with the most dazzling rapidity and the most shameful disregard of his own abstemious principles he cooks whole cows and devours them ravenously, juggles Bibles and brandy bottles by the dozen, and at length turns the Rev. Mr. Wicksteed himself into a dipsomaniac for purposes of the most casual illustration.<sup>18</sup>

Wicksteed's reply is brief. He clears up a few ingenious confusions which Shaw has introduced into the discussion, and praises him for his literary ability. Apparently the blinding fireworks of his opponent had left Mr. Wick-

<sup>15</sup> Chapter XXIII; see also Marx, *The Poverty of Philosophy* (New York: International Publishers, n.d.), p. 45, n.

<sup>16</sup> "Bluffing the Value Theory, by George Bernard Shaw," *Shaw and Marx*, p. 177.

<sup>17</sup> "The Jevonian Criticism of Marx: A Comment on the Rev. P. W. Wicksteed's Article by George Bernard Shaw," *Shaw and Marx*, pp. 70-1.

<sup>18</sup> *Ibid.*, p. 73.



steed quite unruffled. If he felt a twinge of resentment, it was at the joke made against mathematics. He observes that, because of his boyhood experience, Shaw had concluded that “there was a screw loose somewhere”; not in his own reasoning powers, but “‘in the algebraic art’; and thenceforth renounced mathematical reasoning in favour of the literary method which enables a clever man to follow equally fallacious arguments to equally absurd conclusions *without seeing that they are absurd.*”<sup>19</sup>

The blow must have struck home, for, quite characteristically, Shaw sought Wicksteed’s friendship. He was obviously a man from whom something could be learned. Shaw was right, for through Wicksteed he obtained admission to a circle which the prosperous stockbroker Beeton had begun inviting to his house for economic discussion. Shaw held on to his entry “like grim death” until the group expanded some years later to become the Royal Economic Society. This club bore a formidable resemblance to a university seminar, yet, though usually willing to learn anywhere except in school, Shaw speaks of it with surprising enthusiasm:

During those years Wicksteed expounded “final utility” to us with a blackboard except when we got hold of some man from the “Baltic” (the London Wheat Exchange), or the like, to explain the markets to us and afterwards have his information reduced to Jevonian theory. Among university professors of economics Edgeworth and Foxwell stuck to us pretty constantly, and W. Cunningham turned up occasionally. Of course, the atmosphere was by no means Shavian; but that was exactly what I wanted. The Socialist platform and my journalistic pulpits involved a constant and most provocative forcing of people to face the practical consequences of theories and beliefs, and to draw mordant contrasts between what they professed or what their theories involved and their life and conduct. This made dispassionate discussion of abstract theory impossible. At Beeton’s the conditions were practically university conditions. There was a tacit understanding that the calculus of utilities and the theory of exchange must be completely isolated from the fact that we lived, as Morris’ medieval captain put it, by “robbing the poor.”<sup>20</sup>

As the quotation indicates, the discussion was dominated by Jevonian thought. Nevertheless, one suspects there must have been frequent conflict between the rival systems of Jevons and Mill, since not only Graham Wallas was a member of the group but also Alfred Marshall,<sup>21</sup> who later,

<sup>19</sup> “The Jevonian Criticism of Marx: A Rejoinder by Philip H. Wicksteed,” *Shaw and Marx*, pp. 96–7.

<sup>20</sup> Quoted by Archibald Henderson, *George Bernard Shaw: His Life and Works: A Critical Biography* (Cincinnati: Stewart and Kidd, 1911), pp. 158–59.

<sup>21</sup> *Ibid.*, p. 158, n. 1.

particularly in value theory,<sup>22</sup> worked out a synthesis of his two great predecessors. At any rate, Shaw himself was obviously eager to learn Jevons, and followed Wicksteed to the very walls of algebra itself. These he apparently would not, or could not, scale.

### III

Meanwhile another and on the whole more dubious path had opened to Marxian heresy. During these early years the Fabian Society, though it comprised only forty members, managed to create the noise and turbulence of a much larger organization. A small group, feeling the need of studious quiet, formed in 1885 the Hampstead Historical Society. Its members were chiefly Shaw, Webb, Clarke, Olivier, Wallas, Bland, and Mrs. Besant—in short the authors of the *Fabian Essays*; and, since out of their discussions those essays grew, both they and their club require a word of description. The Hampstead Historical Society was not only an inner committee of the leading Fabians, but a committee of those who were later to become famous. Indeed, Mrs. Besant was already famous, having undergone the spectacular martyrdom of a chancery suit, in which her atheism had lost her the custody of her two children. She was also a magnetic personality and an unparalleled speaker. Wallas and Olivier were formidable for their knowledge and debating skill, Clarke for his ill temper, Bland for his great size, his “fierce Norman exterior,” and his voice like an eagle’s scream.<sup>23</sup> Unlike the other Fabians, who affected Bohemian ruggedness, Bland wore the full top-hatted regalia of middle-class respectability, and persisted in an infuriating eye-glass. His opinions, imperialistic and very nearly conservative, were hardly less offensive.

Like the Fabian Society, the Hampstead Historical Society was dominated, if not by the mind of Webb, certainly by the temperament of Shaw. And probably the only defense against Shaw was to be like him. At any rate, everybody was brilliant, alert, candid, contentious, and insulting. The atmosphere must have been rather like that in one of Shaw’s plays. He himself was grateful for the Shavian frankness of his friends:

They knocked a tremendous lot of nonsense, ignorance and vulgarity out of me; for we were on quite ruthless terms with one another. There were other clever fellows and good friends; but through circumstances of time and place and marriage and what not, they could not be in such constant and intimate touch with us as we were with one another.<sup>24</sup>

<sup>22</sup> E. W. Eckard, *Economics of W. S. Jevons* (Washington, D. C.: American Council on Public Affairs, 1940), p. 34.

<sup>23</sup> Archibald Henderson, *Bernard Shaw: Playboy and Prophet* (New York: D. Appleton and Company, 1932), p. 165.

<sup>24</sup> *Ibid.*, p. 164.

For several years Shaw attended one night in alternate weeks the Beeton group and the Hampstead Historical Society. If the first was essentially a university seminar with, the second was a seminar without, a professor. Doubtless the professor would have been an inconvenience, for although the society was eager to get at truth, it also had a practical object in view: it wanted to discover a sound economic basis for socialism. Marx was the natural point of departure, particularly because at the moment Shaw was in an attitude of imminent apostasy which he dissimulated under a jaunty and unscrupulous defense of the whole communist doctrine. Marx's system was terrifyingly huge and complex, but, as an engine for the destruction of capitalistic theorists, it was, Shaw himself had discovered, a severe disappointment; it was always breaking down.<sup>25</sup> The fundamental question was that of the revolutionary rights of the workers. Do they, or do they not, have a right to the whole produce of their labor? Marx replied by drawing an obvious moral from Ricardo and fortifying it with the supersubtle metaphysics of Hegel. In substance, he argued that if labor alone confers value on an object, then the whole wealth of the community belongs to the laborer, not only the subsistence wages which he actually receives but the surplus value which wrongfully goes to the employer because of his private monopoly of the means of production.

The Hampstead Fabians fought Ricardo with Ricardo, or at least Ricardo plus Marx with Ricardo plus Mill. According to Wallas, Webb and Olivier had scored brilliantly in the civil service examination for economics because of their acumen in applying Ricardo's law of rent. With this weapon, and Mill's rent of ability, they now attacked Marx. Instead of taking surplus value "in a lump," they divided it into the three rents of land, tools, and brains.<sup>26</sup> If a man worked with the worst land, tools, and brains, he might make no more than he consumed. Therefore, abstract labor does not create surplus value. But surely this argument rests on vague and dubious assumptions. One is inclined to ask what would be the worst brains and the worst tools—those of the Stone Age? Webb and his friends seem to destroy Marx's value theory by getting rid of modern civilization. A rather drastic surgery.

Shaw's own Jevonian approach to the problem is undoubtedly much more modern and precise. Yet he did not fail to perceive that the classical law of rent, which he first learned from Henry George, could be very useful to socialistic economics. In 1887, when the first English translation of *Das*

<sup>25</sup> Henderson, *Life and Works*, pp. 159–60.

<sup>26</sup> Graham Wallas, "Socialism and the Fabian Society," *The New Republic*, VIII (1916), 203.

*Kapital* appeared, he published in successive weeks articles on Marx in *The National Reformer*. In the first he criticizes the value theory from the classical point of view; in the later two, from the Jevonian.

Economics has called forth relatively little of Shaw's characteristic poetry of the intellect. These essays do not possess great literary merit, yet they are occasionally brilliant, always sensible and sincerely in search of the truth. The first treats the prophet and his religion in their broadest aspects. When *Das Kapital* first appeared, says Shaw, it was hailed by many socialists as the scientific basis for a millennium, a revelation in which not to have faith was to be damned as "unscientific." To stir such enthusiasm, either the book or its author must be extraordinary. Marx's personal life was certainly not so. There is "nothing picturesque" about many years of research among Blue Books. "When the last word has been said about the book, no more will be needed about the man."<sup>27</sup> But the third volume of the book is not yet published, and Friedrich Engels himself admits that the fragment extant "leaves unexplained a difficulty apparently fatal to the whole Marxist theory." Extreme Marxolaters are therefore in an acutely ridiculous position. "'Scientific Socialism' means cashing a promissory note of Mr. Engels, dated 'London, *an Marx' Geburtstag, 5 Mai, 1885,*" when Engels had promised to bring out the third volume. The Marxists have never understood rent. In the first book of *Capital*, Marx "treats of labor without reference to variations of skill between its parts; of raw materials without reference to variations of fertility; and of the difference between the product of labor and the price [wage] of labor power without reference to its subdivision into rent, interest, and profits." But if his economics are weak, Marx is infinitely stronger than his economics. He has discovered the law of social development. "An unsleeping sense of the transitory character of capitalism, and of the justice of equality, is the characteristic spirit of Marx." Private property is but a phase of social development, like slavery or serfdom. To Ricardo and De Quincey, the nineteenth century was as safe and solid as the wall of China. To Marx it was "a cloud passing down the wind, changing its shape and fading as it goes." Some economists feel we have had enough private enterprise but "lean towards a collegiate scheme which combines the weak points of feudalism and collectivism. Mr. Ruskin prescribes moralized feudalism, but gives no details as to the moralizing process." Marx looks toward the future. He would not abandon the machine because it has brought new problems. Mill, too, was forward looking, but

<sup>27</sup> This and the following quotations are from "Karl Marx and 'Das Kapital' [First Notice] by Bernard Shaw," *Shaw and Marx*, pp. 105-18.

his students hardly learned this lesson. Marx's students never forgot it. For though his ideas may not be sound, they have magnificent scope and he uttered them with an imperturbable conviction. A quip or two about his value theory will not destroy Karl Marx.

The criticism is vague, but in my opinion just. The economic analysis is that of Mill and Ricardo. Shaw correctly perceives that Marx's great contribution is to the evolutionary conception of society. Opinions will differ regarding Shaw's estimate of Marx's greatness. Mr. Barzun does not think him great at all. In *Capital*, according to that critic, his indignation and his sarcasm are puny beside the awfulness of his facts.<sup>28</sup> Certainly more restraint would have been more eloquent. Nevertheless, Shaw is himself a proof for his contention that Marx has exerted a powerful influence on gifted men. Perhaps through ignorance of biographical facts, Shaw seems to underestimate the power of Marx's personality. Essentially, he was a kind of unamiable Bentham, who, though he had not himself a talent for the limelight, could dominate clever men who did.

The second article repeats in another form the attack on Marx's value theory made by Wicksteed three years before, except that, whereas Wicksteed deals with the value both of labor and commodities, Shaw deals here with the latter only. Naturally, his article strongly reflects the influence of Jevons, Wicksteed, and the evenings at Beeton's. He begins with a Jevonian definition of economics: it treats of those activities by which men attempt to satisfy their wants with the least possible exertion.<sup>29</sup> Continuing the theme of exertion, he demonstrates that commodities are, as Marx says, commensurable in terms of abstract labor. But they are also commensurable in terms of abstract utility. Then comes a test case. The fragment of a teacup embodies abstract labor, but it is not useful. Neither does it possess value. To be sure, this does not conclusively link value with utility, because fresh air is useful but not valuable. Shaw then explains the laws of indifference and of variable utility, concluding that value represents the final abstract utility of an article, or "the utility of the final increment that is worth producing."<sup>30</sup> "Or, going behind the ware to the labour, its value represents . . . the final utility of the abstract human labour socially necessary to produce it."<sup>31</sup> Under normal conditions, wares containing equal quantities

<sup>28</sup> Jacques Barzun, *Darwin, Marx, Wagner: Critique of a Heritage* (Boston: Little, Brown and Company, 1941), p. 196.

<sup>29</sup> W. S. Jevons, *The Theory of Political Economy* (London: Macmillan and Company, 1911), p. 37.

<sup>30</sup> "Karl Marx and 'Das Kapital' [Second Notice] by Bernard Shaw," *Shaw and Marx*, p. 144.

<sup>31</sup> *Ibid.*

of labor will be equal in value when the final utilities of the labor expended are equal.<sup>32</sup> Wares are not valuable because they embody labor, but embody labor because they are valuable.<sup>33</sup>

Within the limits of a brief paper, Shaw is reasonably complete, although he might have entered a little more fully into the relation of labor to commodity value. Ancient masterpieces of painting, for example, are valuable not because great pains were once taken with them, but because they are now both scarce and desirable. It is clear that Shaw's pen is new to close economic discussion. The article is meant to be extremely simple and clear, but some slippery transitions and perhaps some economic confusion have rendered it in places vague and obscure.

The third article, though written only a week later, indicates a notable advance in clarity and sureness both of thought and expression. For the first time Shaw seems thoroughly at home with his subject. He frequently cites chapter and verse. He seems to know more about Marx and more about Jevons. This paper continues the attack on Marx's value theory, dealing this time with its relation to labor rather than to commodities. In *Capital* a sharp contrast is drawn between use value and exchange value in order to show how the worker, not having access to the means of production, must sell his labor as a ware in the market. To do so, says Shaw, is practically to sell its total for its final utility, its use for its exchange value. Marx explains the transaction by his theory of surplus value. In a twelve-hour day, the worker reproduces his own subsistence in the first six and gains for his employer in the remaining six. Marx fully understood the facts, but his theory fails to explain them. The employer and the worker do not stand over against each other like the buyer and the seller of an ordinary commodity. The employer has no absolute need of the worker. He can work himself. But the worker, if he means to live, must have access to land and capital, of which the employer enjoys a monopoly. Moreover, "unskilled labor-power differs from all other commodities in that its production, instead of being an effort or a sacrifice, is a pleasurable act to which man is driven by an irresistible instinct."<sup>34</sup> In short, the supply is increased until the final increment can be bought for what will keep it precariously alive. Again, failing to see the difference between labor and goods, Marx tries to account for the peculiarity of labor power by seeing differences where none exist. For example, does not a steam engine, just as much as a man, produce surplus value? If not, why are not highly mechanized industries much less profitable

<sup>32</sup> *Ibid.*, p. 145; Eckard, *Economics*, p. 22.

<sup>33</sup> Eckard, *Economics*, p. 35.

<sup>34</sup> "Karl Marx and Das Kapital [Third Notice] by Bernard Shaw," *Shaw and Marx*, p. 159.

than those which employ proportionately more workers? Indeed, to those who are not Marxists, is not the expression *surplus value* itself a contradiction in terms?

Nevertheless, Shaw “never took up a book that proved better worth reading than ‘Capital.’”<sup>35</sup> Marx’s errors are more easily explained than his greatness.

A born materialist [he] attempted to carve a theory with the tools of a born metaphysician . . . . In his time, too, the germ of the truth about value lay in the old supply and demand theory, which was historically anti-popular, whereas the labour theory of Ricardo had a delusive air of being the reverse. Again, the question of the value of labour force was inseparable from the population question; and that, too, he disliked as a recognized staple of capitalist apologetics.<sup>36</sup>

The polite hostilities between Wicksteed and Shaw in 1884 had expanded into a violent and embittered controversy between Catholic and Protestant Marxists, in which, by speech, debate, letter, review, and article, Hyndman and his colleagues poured vague and lofty contempt upon Jevons’ sunspot theory while Shaw, Wallas, and Wicksteed poured deadly Jevonian criticism into the shattered superstructure of Marx’s value doctrine. Of all this Shaw gives an amusing account in “Bluffing the Value Theory,” published in the May 1889 number of *To-day*. The article contains nothing new about Marx and is chiefly interesting because it indicates that, while attacking the economic basis of Marxism, Shaw was building up that of Fabianism :

Commodities of the same kind and value are products, not only of labour force, but of raw material which varies greatly in accessibility and adaptability, as every farmer and mine owner knows. Under Socialism we should obtain these for their average cost of production; but individualistic competition can never permanently reduce the prices of manufactured goods below the cost of their production from the least accessible and most refractory raw materials in use: the resultant profit to the proprietors of the more favourable raw material being economic rent, the main source of “surplus value.” Without a thorough grip on this factor it is impossible to defend Socialism on economic grounds against rival systems.<sup>37</sup>

In short, rejecting the attempt to found, on a dubious labor theory of value, the claim of a single class to the whole product of its industry, Shaw establishes on a sound theoretical basis the claim of the whole community to economic rent. This position is elaborated in his contribution to the

<sup>35</sup> *Ibid.*, p. 168.

<sup>36</sup> *Ibid.*, p. 169.

<sup>37</sup> “Bluffing the Value Theory by G. Bernard Shaw,” *Shaw and Marx*, pp. 195–96.

*Fabian Essays*, published in the same year with "Bluffing the Value Theory." The destruction of Marx had led to a constructive combination of George and Mill, whose economic doctrine Shaw had stated in the broader, more modern terms of Jevons.

One word more about surplus value. Shaw's criticism seems to me just and generous. As an explanation of value Marx's theory is entirely inadequate. Like nearly everything else in his system, it is made to be an expression of the class struggle and a means of intensifying the class consciousness of the proletariat. One suspects the influence of *Past and Present*. Beginning like Carlyle with the hypocrisy of "cash payment is the sole nexus between human beings," Marx tries to discover even in the laws which govern the sale and purchase of commodities the underlying tyranny of the middle class: political freedom hides social bondage. As Shaw himself remarks in his third review of *Capital*, the laws of value and distribution do certainly reflect the antagonism between labor and capital, but not nearly so starkly as Marx represents. In fact, he has formulated not so much a theory of value as a theory of exploitation. The very crudeness of the theory, as Shaw points out in "The Illusions of Socialism," explains its power over the uneducated mind.<sup>38</sup> He overlooks not only the rents of land and capital, but the rent of ability too. Crude physical labor is the one great reality in his economic world. Through the palpable phenomena of that world abstract labor flows like a metaphysical fluid and shines above them like a Platonic idea.

#### IV

Perhaps because he had exhausted all his careful justice in the heat of controversy, or because he wanted to give an unusual judgment the spice of exaggeration, Shaw's more mature pronouncements on Marx tend to overrate him as an artist and underrate him as a thinker. "Marx's *Capital*," he wrote in 1901, "is not a treatise on Socialism; it is a jeremiad against the *bourgeoisie*, supported by such a mass of evidence and such a relentless genius for denunciation as had never been brought to bear before."<sup>39</sup> The same tendency is evident in a lengthier comment made in 1921:

The moment Marx shewed that the relation of the bourgeoisie to society was grossly immoral and disastrous, and that the whited wall of starched shirt fronts concealed and defended the most infamous of all tyrannies and the basest of all robberies, he became an inspired prophet in the mind of every generous soul whom his book reached.<sup>40</sup>

<sup>38</sup> Edward Carpenter, ed., *Forecasts of the Coming Century by a Decade of Writers* (London: Walter Scott, 1897).

<sup>39</sup> "Who I Am, and What I Think," Part I, *The Candid Friend*, May 11, 1901.

<sup>40</sup> "Preface: The Infidel Half Century," *Back to Methuselah: A Metabiological Pentateuch* (New York: Brentano's, 1921), p. lxviii.



For Shaw the religion of Marx, in the strict sense of drastic class war and violent revolution, was a brief fanaticism which, having blazed fiercely for a few weeks, died down and then smoldered malevolently for a lifetime. His sense of humor, his sense of legality, his aversion to violence, his middle-class intellectualism were against it. His hatred of philistinism, his Puritan predilection for the honesty of root-and-branch reform, his growing distrust of democracy and gradualism were for it. The result was a periodic and un-Fabian tendency to revolution. In fact, the story of his nostalgic flirtations with Marxism is but the tale of his Fabian defections told positively.

Again, Marx made a fundamental contribution to Shaw's dramaturgy. Both *Mrs. Warren's Profession* (1894) and *Major Barbara* (1905) are founded on the Marxist conception that no virtue is possible in a capitalistic society, where the problem of poverty remains unsolved. Poverty has driven Mrs. Warren to prostitution as, in greater or less degree, economic pressure drives every man and woman to sell his morality and his convictions. We are all engaged in Mrs. Warren's profession. The play offers no reconciliation of the emotions. The only catharsis is to go out and start a revolution—or some very drastic Fabian reforms.

*Major Barbara* is even more strongly Marxist. Andrew Undershaft is a munitions manufacturer. His profession, like Mrs. Warren's, is an accusation against all society. If his explosives slay thousands, industry in general, including yours and mine, starves, maims, and destroys millions. If his business foments war, so does all capitalistic enterprise. Moreover, he is an almost classic example of the Marxian capitalist. His economic power seems to reach through the cultured and religious life of the community. He declares that, together with other great industrialists who are his associates, he controls the government and may therefore make war and peace.<sup>41</sup>

Yet Undershaft is not only an accuser but a teacher. Shaw is against war only in so far as it is unconstructive. Where monstrous poverty and injustice exist, law and government are a mockery. Violence must be the ultimate reality:

Here am I, for instance, by class a respectable man, by common sense a hater of waste and disorder, by intellectual constitution legally minded to the verge of pedantry, and by temperament apprehensive and economically disposed to the limit of old-maidishness; yet I am, and have always been, and shall now always be, a revolutionary writer, because our laws make law impossible; our

<sup>41</sup> Preface to "Major Barbara," *John Bull's Other Island. How He Lied to Her Husband. Major Barbara* (London: Constable, 1931- ), pp. 165, 175; *Major Barbara*, *loc. cit.*, pp. 247, 285, 263.

liberties destroy all freedom; our property is organized robbery; our morality is an impudent hypocrisy; our wisdom is administered by inexperienced or mal-experienced dupes, our power wielded by cowards and weaklings, and our honor false in all its points. I am an enemy of the existing order for good reason; but that does not make my attacks any less encouraging or helpful to people who are its enemies for bad reasons. The existing order may shriek that if I tell the truth about it, some foolish person may drive it to become still worse by trying to assassinate it. I cannot help that, even if I could see what worse it could do than it is already doing.<sup>42</sup>

Here is the secret of the conflict between Fabianism and Marxism in Shaw. Never, before or since, has he explained so precisely why he was usually a Fabian but often a communist. In the preface he denies with orthodox Marxism that either his own ideas or anybody else's really affect history, and in the play itself he exalts force as the only agency of drastic change.<sup>43</sup> Under-shaft's profession is glorious because he can blow up the past and throw the future into flux. To be sure, he is in considerable danger of being blown up himself. And the ultimate destruction of the capitalist is also good Marxism.

The period from 1890 to 1928 is prevalingly one of confident Fabianism. Shaw particularly attacks the class-war doctrine, as for example in three articles that appeared in *The Clarion* of 1904, in which he maintains that the real antagonists of capitalism are middle-class reformers like Ruskin, Marx, and Morris. In short—and this is significant for the history both of Fabian socialism and of Shavian drama—Shaw tends to replace a conflict of economic interests by a conflict of ideas and personalities based on the romantic opposition between original genius, which is revolutionary and creative, and society, which is sterile and conventional. This opposition, which appears in such plays as *Saint Joan* and *The Apple Cart*, reflects his growing distrust of democracy and his growing faith in a strong man, who later took historical form in Joseph Stalin.<sup>44</sup>

The success of the Russian Revolution tended to make Shaw impatient of gradualism.<sup>45</sup> Henceforth, he kept one eye fixed on the Fabian future and the other on the Russian present. His attitude toward Russia herself underwent a complete reversal. In 1914 he regarded her as the very symbol of a benighted nation, dominated by a cruel and Machiavellian despotism at the top and weighed down by oriental ignorance and barbarism at the bottom.<sup>46</sup>

<sup>42</sup> Preface to "Major Barbara," *John Bull's Other Island*, p. 185.

<sup>43</sup> *Ibid.*, pp. 166–67, 283.

<sup>44</sup> E. R. Bentley, *A Century of Hero-Worship* (Philadelphia and New York: J. B. Lippincott Company, 1944), pp. 187–201.

<sup>45</sup> Knowlton, *The Economic Theory of George Bernard Shaw*, p. 16.

<sup>46</sup> *What I Really Wrote About the War*, pp. 78–84, 271–74.

In 1918 he was wary and noncommittal, but he became steadily more favorable until by 1930 he defended the Russians—with some humorous exaggeration, to be sure—as a miracle of spontaneous idealism led by middle-class intellectuals who emerged from the café, the study, and the classroom to astound capitalistic politicians with prodigies of practical statesmanship. The First World War, despite the millions who died, was a benefit to mankind because it brought about the Russian Revolution.

In 1924 an English socialist government acceded to power, and in 1928 Shaw produced *The Intelligent Woman's Guide to Socialism and Capitalism*, which Lewis Mumford has called the last great Fabian tract. But in 1929 the depression struck and MacDonald formed with the Conservatives a coalition which split the Labour party. The 1931 preface to the *Fabian Essays* is as gloomy and ominous as the 1908 preface is gay and optimistic. One staggering blow after another had been dealt constitutionalism. Four years of socialist government had not, essentially, brought socialism one inch nearer. Moreover, force was performing elsewhere all sorts of utilitarian miracles. After half a century of failure with speeches and votes, the Irish gained their freedom in a few months with the bayonet and the knife. Russia had got communism by the same kind of persuasion; and Mussolini had cleared away the “putrifying corpse” of liberty in Italy and electrified a moribund nation.

Through the lurid red light of the present Shaw looks back on the past :

A reference to the earlier prefaces of this book (they must on no account be skipped by the reader) will recall the fact that the distinctive mark of the Fabian Society among the rival bodies of Socialists with which it came in conflict in its early days, was its resolute constitutionalism. When the greatest Socialist of that day, the poet and craftsman William Morris, told the workers that there was no hope for them save in revolution, we said that if that were true there was no hope at all for them, and urged them to save themselves through parliament, the municipalities, and the franchise. Without, perhaps, quite converting Morris, we convinced him that things would probably go our way. It is not so certain today as it seemed in the eighties that Morris was not right.<sup>47</sup>

In the same year 1931 he went to Russia to see the millennium for himself. Amid vociferous proletarian applause, he made a triumphal progress of factories, schools, and courts, and concluded with a long interview with Stalin. Afterwards, with characteristically Shavian cruelty, he made one of his rare visits to the United States, then in the darkest deeps of depression, to tell,

<sup>47</sup> “Preface to the 1931 Reprint,” *Fabian Essays*, p. ix.

in radio speeches and newspaper interviews, the wonders he had seen. Sadistically, communist liberty is contrasted with capitalistic slavery, Russian prosperity with American stagnation and bankruptcy, totalitarian order and efficiency with individualistic corruption and gangsterism.<sup>48</sup> With the utmost gaiety Shaw rejoices that the Russians, although they impersonally put to death people who insist on making money, have abolished capital punishment, which Americans barbarously visit on murderers and kidnapers. There is a bitter animosity in these articles. America had long been in his mind the symbol of middle-class philistinism at its most colossally complacent. He is willing to strike below the belt to shake it. Thanks to the United States, he said, the First World War

instead of doing what imperialists meant it to do, abolished three empires, changed Europe from a royal continent to a republican one, and transformed the only European power that was bigger than the United States into a federation of Communist republics.

That was not quite what you expected, was it? Your boys were not sent to the slaughter cheering for Karl Marx and echoing his slogan "Proletarians of all lands, unite!"<sup>49</sup>

In that wonderful product of octogenarian insight and receptivity, *Everybody's Political What's What* (1944), Shaw's attitude toward the class struggle is still doubtful. He remains wholeheartedly in favor of Russian communism, which he seems to regard as authentically Marxist. On the other hand, he maintains more vigorously and consistently than ever that men are ruled not by their economic interests, but by romantic illusions and imaginative symbols. The masses are not intelligent enough to recognize and secure their own interest. As Disraeli understood, they are naturally conservative and conventional. Need may drive them to revolt, but violence in itself will not lower the price of bread a single penny. Social justice can be achieved only by just leadership. Shaw apparently believes that such leadership was produced in Russia by revolutionary violence. In a parliamentary state it is more likely to be produced by constitutional means. Ultimately, he places his hope not on the Marxist conflict of economic interest but on the revolutionary idealism of middle-class genius.

Though never a Marxist in the strict sense, Shaw is too skillful a propagandist not to exploit the power that Marxist phrases have gained over the popular mind. In the *Fabian Essays* he makes the subsistence law of wages sound like the law of increasing misery and in "Socialism: Its Principles and

<sup>48</sup> "Shaw Discovers the Almost Perfect State," *The New York Times*, August 30, 1931.

<sup>49</sup> "Shaw Twits America on Reds' 'Prosperity,'" *The New York Times*, October 12, 1931.

Outlook” he uses both Marxist phrases and ideas to frighten his readers with the disastrous consequences of class war and capitalistic imperialism.<sup>50</sup> Both Webb and Shaw occasionally threaten Marxist revolution as a belligerent nation might threaten poison gas. It is a horror that will inevitably roll down upon us if we do not accept Fabianism in time.

It is natural that, having made for several years a thorough study of *Capital*, Shaw should frequently take ideas and suggestions from it. The inadequacy of modern property laws to modern production, the revolutionary threat of commercial crises, the dangers to world peace of capitalistic imperialism, the ruthlessly partisan character of the bourgeois state, the enslavement of doctors and lawyers by their class interests to the selfish purposes of that state, the impossibility of being completely honest and blameless in a corrupt society—are all to be found from time to time in Shaw. Fabian tactics also show the effects of communist teaching in their emphasis on intrigue and on “sensible,” nonviolent class war.<sup>51</sup> But the permanent lessons which Shaw learned from Marx are: first, that social phenomena are evolutionary; second, that facts and statistics make for both sound thinking and effective propaganda; and, third, that abstract economic thinking is necessary to the solution of practical problems. By defending Marx’s errors, he got a firm grip on Jevons’ truths. Above all, he learned that he must study economics from an evolutionary point of view—in the light of a future socialistic society.

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<sup>50</sup> “The Basis of Socialism,” *Fabian Essays*, pp. 10–11; *Fabian Tract No. 233* (London: Fabian Society, 1931), pp. 4, 7, 9.

<sup>51</sup> “The Fabian Society: Its Early History,” *Fabian Tract No. 41* (London: Fabian Society, 1899), pp. 17–21, 25–28.