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## R. H. TAWNEY'S NORMATIVE ECONOMIC HISTORY OF CAPITALISM\*

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In a very brief period, R. H. Tawney's status has faded significantly. [See Winter, pp. 34-6] He is now more likely cited for the indignant power of his eloquent prose than for his formerly influential historical and institutional studies. [For example, Bromley, pp. 236, 239] Yet in the realm of political economy, Tawney offered important insights for the present and future of industrial society. [Martin, 1982, pp. 535-43] His chronicles of capitalism traced the transition from emphasis upon political equality as a vehicle to generate economic growth, towards his goal of economic equality as a means to create a genuine "community." His case rested ultimately upon an axiomatic belief in absolute Christian values. He was well aware that his ethical premises were regarded conventionally as "mystic, animistic, fictionalistic, subjectly idealistic, and solipsistic." Nonetheless, he held firmly that a "superhuman force," existing "unseen," was the source of all true values and that the only valid basis for social relations was the Golden Rule. [See Tawney, 1920, 1961, 1964 and 1971; Winter and Joslin; Chambers, 1981; and Ashton, 1962]

In Tawney's view, capitalism was "not so much un-Christian as Anti-Christian." [Tawney, 1971, pp. 167-70; and Winter and Joslin, p. 31] He believed that it was "a brief episode in the history of mankind" which would be undermined by "forces moral and intellectual even more than economic." Tawney was optimistic that if guided by Christian principles, the ordinary person — "Henry Dubb" — the common, courageous, good-hearted, patient proletarian could improve himself and civilize society. While man had the faults of a "fallen creature," including the evil of covetousness, he was also "the child of God and the heir to eternal life" who could, by virtue of his "humanity," use human institutions as instruments to achieve "ends which are decent and sensible," and "keep fools and criminals in their place." [Tawney, 1964, p. 164; 1971, pp. 14, 15, 94-7, 162-4, 175, 182, 185, 189; 1931, p. 269; and Terrill, pp. 145, 154, 179, 183]

Tawney's efforts to transcend capitalism rested finally upon an "ultimate belief" that the proper purpose of economic organization was to serve the community efficiently and humanely. His purpose was "obsti-

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nately and unashamedly ethical." "The heart of the problem," Tawney wrote, "is not economic. It is a question of *moral relationships*." What had to be removed was the "immoral philosophy which underlies much of modern industry." He felt that the primary cause of modern social "discord and bitterness" was the dawning realization by ordinary persons that the prevailing economic system was merely a product of human activity and as such was capable of being altered by human action. [Tawney, 1964, pp. 42, 50, 159, 168; Winter & Joslin, pp. 9-10, 55]

For those who require explanations based on "interests," [see Hirschman, pp. 42-3] Tawney the "moralist" — who asserted that "what is significant" about capitalism is not "the strength of economic self-interest," but rather the canonization of that "moral frailty," formerly denounced as a vice, "into an ornament of the spirit" [Tawney, 1958, p. 2] — was variously a prig, a "reactionary" and/or hopelessly metaphysical. [See *The Economist*; and McNeill, pp. 380, 384-5] However, Tawney's philosophical idealism only provided the basis of how he arrived at his conclusion about the path of capitalist development. The conclusions, which are the subject of this paper, may still matter!

## I

On the basis of his pioneering historical studies, [see Winter; Terrill, pp. 252, 255] Tawney identified modern capitalism as an "economic civilization of recent vintage." It was both "a particular economic method or technique" as well as a "particular system of human relations," which had set "its stamp on every aspect of society." In the process, it had imposed a set of "moral preferences" based upon "ruthless economic egotism" that encouraged "the exploitation of the weak by the strong." [Tawney, 1958, 1b-c; 1971, pp. 169-70, 173-4] Tawney considered that mature capitalism had already reached the zenith of its productive power and that as "circumstances change," it would evolve because it was "not the solid, monolithic block, to be endured as a whole, or overthrown as a whole." [Tawney, 1964, pp. 168, 172; 1961, p. 15; 1971, pp. 116, 189; 1968, pp. 91-3; Winter, pp. 60-1, 214]

An obstacle to be overcome was the effort of the privileged establishment to assert that the *status quo* was the natural and timeless form of society. Tawney stated the problem well: "All social organisms secrete their own toxins; and, when one of them succumbs to the conviction of immunity, that illusion itself is a symptom of disease." Capitalism had been rationalized by the "creed of individualism" with "its watchwords

of individual freedom and equality of opportunity” for personal gain through enterprise, as if each person had “an effective, and not merely a nominal choice between working for wages and setting up as an independent producer.” Whereas in reality, the “concentration of authority” which existed by WWI had reduced significantly the opportunity for an individual to “find an independent niche for himself,” the “majority” of ordinary persons had to “achieve well-being as wage-earners or not at all.” Thus, Tawney concluded that the historic social role of capitalism as a dynamic system based upon meaningful individual liberty had been outmoded by “the course of modern industrial development.” [Tawney, 1964, p. 155; 1968, pp. 155-6; 1920, p. 129; Winter, pp. 144, 170, 180-1]

However, Tawney had already demonstrated in his historical studies that early capitalism was a progressive force that had enhanced well-being by expanding freedom of individual choice. He summarized brilliantly in *Equality* the revolutionary power of nascent capitalism to end the juristic privileges that had provided the bases for traditional inequality and restrictions of individual liberty. For a “golden moment,” political liberty and economic equality were allies. Legal equality was used to end the ancient restrictions on enterprise and each individual was able to “use his powers in the manner most conducive both to his own interests and to those of his fellows, and each man would reap where he had sown.” The anticipated outcome would take the “sting” out of economic inequality. Freedom of economic activity released by “the uniformity of legal rights” would be the “solvent of social stratification.” [Tawney, 1961, pp. 93-6]

Tawney felt that the “forces released by the Industrial Revolution” had “the practical tendency . . . to equalize legal rights by striking off privileges created, and disabilities imposed, by political favouritism.” The result was new “classes, floated to affluence by the new techniques of manufacture and transport,” who “regarded the assertion that all incomes of equal amounts deserve equal veneration as a self-evident truth.” That philosophy reached the “zenith of its influence” in England between 1832 and 1870. “Its kernel was the belief that, if individual liberty be established, such measure of equality as is to be desired . . . will, in the process of time, establish itself.” Tawney did not wish to denigrate the “extension of political democracy” which was “the child of economic necessity.” He thought that: “the transformation effected by the attack on legal privilege was beneficent and profound.” The end of restrictions on individual economic choice has released vast “imprisoned

energies" and raised up "the towering structure of industrial civilization." "Its effect as an agent of social emancipation was not less profound. Few principles have so splendid a record of humanitarian achievement." While political reform did not produce widespread "economic affluence," it did end "the long nightmare of legal oppression." It turned the average person "from a beast of burden into a human being." [Tawney, 1961, pp. 97-103]

But legal provision of "equality of opportunity" to participate in society did not end economic inequality. Rather, it led to the view that economic inequalities, not based on the arbitrary "social and political favouritism" of the past, were to be "esteemed" as an "expression of individual achievement or failure to achieve. They were twice blessed. They deserved approval for they corresponded to merit. They were economically beneficial, for they offered a system of prizes and penalties." With the system of "capricious favours and arbitrary restrictions" removed, individuals were free to compete "according to their capacities, through a social analogue of the biological struggle. If extreme inequality was the final consequence, that result merely meant that men's capacities were unequal." Economic inequality was natural, based upon the differing "qualities of the individual." It was the "necessary result of legal equality and economic liberty. [Tawney, 1961, pp. 104-5] As Tawney put it:

Rightly interpreted, equality meant, not the absence of violent contrasts of income and condition, but equal opportunities of becoming unequal. It was true that few could take part in the competition, but no one was forbidden to enter for it, and no handicaps were imposed on those who did. To ensure that it was fair, it was sufficient, it was thought, to insist that the law should neither confer advantages nor impose disabilities.

The result was the rise of a "picture of the ideals," an axiom of "equality of opportunity" which served as a "lightning-conductor" to rationalize the outcome and diffuse criticism. [Tawney, 1961, pp. 105-6]

But "in reality," Tawney argued, "equality of opportunity is not simply a matter of legal equality. Its existence depends, not merely on the absence of disabilities, but on the presence of abilities," and the widespread development of personal abilities can only occur in a "social environment" which offers the ordinary person not only an "open road," but also "an equal start." In the absence of meaningful economic equality, the result was a society characterized by what Tawney called the "Tadpole Philosophy," wherein:

. . . intelligent tadpoles reconcile themselves to the inconveniences of their position, by reflecting that, though most of them will live and die as tadpoles and nothing more, the more fortunate of the species will one day shed their tails, distend their mouths and stomachs, hop nimbly on to dryland, and croak addresses to their former friends on the virtues by means of which tadpoles of character and capacity can rise to be frogs.

The only "consolation" for this conception of society was that its "social evils" could be evaded by exceptional individuals who "can ascend and get on." But, Tawney argued, "opportunities to 'rise' are not a substitute for a large measure of practical equality" which could "diffuse and generalize opportunities to rise." Without a "high degree of practical equality," social well-being would not be achieved because most individual ability would not be able to "find its way to its true vocation." [Tawney, 1961, pp. 107-10; 1979, p. 116; Chambers, p. 359; Hawke, p. 378]

Greater economic equality was "necessary also for another and more fundamental reason . . . because a community requires unity as well as diversity, and because, important as it is to discriminate between different powers, it is even more important to provide for common needs." Only a Tadpole Society could be built by exceptional talent alone, not a genuine community which required "cohesion and solidarity . . . a high level of general culture, and a strong sense of common interests." Tawney thought equality of opportunity, "rightly interpreted . . . means, not only that what are commonly regarded as prizes of life should be open to all, but none should be subjected to arbitrary penalties; not only that exceptional men should be free to exercise their exceptional powers, but that common men should be free to make the most of their common humanity," to lead a life of dignity and culture. The "one-sided" doctrine which throws "all its emphasis on the importance of opening avenues to individual advancement," had resulted in an industrial society, where the "legal abstractions" notwithstanding, the "economic realities" made the "mass of mankind" into a "property-less proletariat." For them, progress depended not on "abstract rights" but upon "practical powers . . . not upon what its members *may* do, if they can, but upon what they *can* do, if they will." Equality of opportunity was merely a "jest" in the absence of measures to prevent "the exploitation of groups in a weak economic position by those in a strong" and to "make the external conditions of health and civilization a common possession." As Tawney concluded:

Till such powers and advantages have been acquired in fact, not merely in form, by the extension of communal provision and collective control, the equality established by the removal of restrictions on property and enterprise resembles that produced by turning an elephant loose in a crowd. It offers everyone, except the beast and his rider, equal opportunities of being trampled to death. Caste is deposed, but class succeeds to the vacant throne. [Tawney, 1961, pp. 111-16; 1965, p. 123]

Tawney's quest for equality as the foundation of a new sense of "community" was rooted in his controversial view of pre-capitalist society as a social norm. He described England in the Middle Ages as "incredibly poor" but with people who were "independent, in the sense of controlling the fundamental conditions" of their lives and, as a result, were "fairly happy and contented."<sup>1</sup> [Tawney, 1965, p. 30; 1978, pp. 73, 77] Personal relations dominated "the severer economic virtues." It was "a loosely knit, decentralized society, whose pattern of existence was a round of individual activities in a framework fixed by custom." Tawney described it as a "Distributive State," wherein "most men of public spirit" believed "that economic prosperity and social stability depended on the widest possible distribution of property among the largest number of independent producers." Moreover, economic relations were governed by a "rule of right, not merely considerations of economic expediency." Like all aspects of life, economic conduct was subject to "moral criteria" based on Christian ethics.<sup>2</sup> [Tawney, 1964, pp. 194-9; 1965, pp. 15-6, 18, 30, 103, 106, 135]

Tawney did not formalize his views on religion and economic change until after his investigations of the commercialization of agriculture. [Winter & Joslin, p. 29; Ashton, pp. 469-70; Tawney, p. 192] He considered the link between religious change and capitalism to be wholly permissive. The triumph of capitalism represented for Tawney the failure of Protestantism to restore the prominence of religious ethics over rapacious individualism. He rejected out of hand the claim for a "simple formula" to link the "rise of economic individualism" to prior religious developments.<sup>3</sup> [Tawney, 1925, pp. 65, 83-7, 211-2, 253, 278; 1958, pp. 1b-c, 6]

<sup>1</sup>Terrill indicates that Tawney regarded himself as "a peasant displaced from the soil." [Terrill, p. 71]

<sup>2</sup>Tawney found many of the same virtues in pre-capitalist China. [See Tawney, 1966, p. 114]

<sup>3</sup>Tawney provided a detailed critique of Weber's "one-sided and over-strained arguments" in *Religion and the Rise of Capitalism* [pp. 316-17] and in the "Forward" to Weber's *Protestant Ethic and the Spirit of Capitalism*. [pp. 7-11]

Tawney's main purpose in studying the impact of the Reformation on Elizabethan England was to explain how the "moral causistry" which had previously maintained a system of "mutual obligations" had been subverted by "the corroding appetite for economic gain." He thought that the older, functional "theory which had regarded society as an organism composed of different classes united by their common subordination to a spiritual purpose" was based on "the rule of right." The replacement of a "Christian standard of economic conduct" with the maxim that "economics was one thing and ethics another" was a tragic step for society. Tawney intended *Religion and the Rise of Capitalism* to be less a history than a work on contemporary "social thought" designed "to restate the practical implications of the social ethics of Christian faith," and "to provide a standard by which to judge the collective actions and institutions" in a mature capitalist society. [Tawney, 1925, pp. 3-8, 13-19, 170-71, 191-92, 247-55, 281-7; Winter & Joslin, pp. 38-9; Winter, 1978, pp. 78-81, 88-101; 1979, p. 129]

This effort was further developed in *The Acquisitive Society* wherein Tawney detailed the ascendancy of the rationale for "making the individual the center of his own universe." Until the seventeenth century, "the conception of men as united to each other, and of all mankind as united to God, by mutual obligations arising from their relation to a common end, which vaguely and imperfectly realized, had been the keystone holding together the social fabric." Society was understood as a "hierarchy of rights and duties." The purpose of property was not merely to provide income, but "service" to the community. The owner was "a trustee, whose rights are derived from the function he performs and should lapse if he repudiates it." By the middle of the eighteenth century a new theory of "individual rights" displaced "the concept of purpose with that of mechanism." The essence of this change was the disappearance of the idea that social institutions and economic activities were related to common ends. The new political theory rooted individual rights in "the natural order," which the state only existed to protect. It was greatly strengthened by Smith's demonstration that "the mechanism of economic life" was governed by "an invisible hand" which guided the exercise of individual rights into an instrument for the "public good." Tawney thought that Bentham "completed the new orientation by supplying the final criterion of political institutions in the principle of utility," which provided a denatured justification for individualism. As a result, emphasis was transferred "from the right of the individual to exercise his freedom as he pleased to the expediency of an



undisturbed exercise of freedom to society." Thereafter, it was assumed that an individual had a "right to conduct his business as he pleased." [Tawney, 1920, pp. 15-7, 51; Winter, ed., 1978, p. 49]

While Tawney understood that new theory was designed "to keep property out of the reach of parasites," he thought that over time this "justification of property was forgotten and what remained was a simple-minded fetishism of possessions." The result became "modern economic civilization" based upon anterior and independent rights secured by legal sanctions rather than by "functions." This new society "recognized no moral limitations on the pursuit of individuals of their economic self-interest" and assumed "the infallibility of the alchemy by which the pursuit of private ends is transmuted into the attainment of public good." Tawney concluded that this new "acquisitive society" needed to be superceded with a "functional society," wherein the social purpose of service to the community replaced the pursuit of individual gain as the principle for distributing the fruits of economic progress. [Hawke, 1979, p. 377; Tawney, 1920, pp. 9, 11, 14; Terrill, 1973, pp. 130-1, 160, 163]

Tawney defined "functions" as activities which embody and express "the idea of social purpose." In the "acquisitive society," service to society was assumed to occur "incidentally through the exercise of rights," not as an end in itself, but as a "by-product . . . attained without being sought." But even when no service was provided, "no function performed" the rights persisted "as a property," because they were "thought to be primary and absolute." However, rights without service were really only "privileges, for the definition of a privilege is a right to which no corresponding function is attached." Tawney's objective was to recreate a "functional society" where rights were "relative to functions" and where all rights were "conditional and derivative" upon the performance of services to society, not mere ownership. This would mean that in the future a democratic society would determine the extent of private rights based upon the public services provided, as it had in the past determined the legitimate forms of private property in order to expand output to provide for improvement in the material life of the community. [Tawney, 1920, pp. 8, 20-6, 29-36, 44, 51, 55-7, 60, 73, 78; 1968, pp. 17, 163-5]

For Tawney, the proper purpose of property rights was a "means to an end . . . to provide the material foundation of a good social life." But in mature capitalism, property rights had become "passive" and served as a means to exact payment without service performed. The social func-

tion of ownership was removed. Property had become what Hobson called “Improperly” — “property which is merely a right to payment from the services rendered by others, in fact a private tax,” resulting in a deadweight of unearned incomes that was a barrier to economic progress. The “rude energy” which had powered early capitalism was undermined by “the revelation that idleness has the same privileges as industry.” The system had faltered at “its most vulnerable point, the control of human beings.” While it still had control of “men’s bodies,” it had “lost command of their minds.” [Tawney, 1920, pp. 61-5, 67-82, 84-5, 102, 139-45, 161-2]

In order to regenerate progress, Tawney believed that “parasitic” functionless property needed to be eliminated. What was required was a “principle” — “a standard of discrimination” — which could be used to determine socially warranted economic activity rather than the amount of money earned in the “mechanism of the market.” Tawney argued that there was “a principle superior to the mechanical play of economic forces.” It was the “idea of function,” that “remuneration is based upon service.” He regarded the “idea of function” as “incompatible with the doctrine that every person and organization have an unlimited right to exploit their economic opportunities as fully as they please, which is the working faith of modern industry.” That conviction was the problem and the solution was to move beyond the remnants of market capitalism to a genuine civilization. [Tawney, 1920, pp. 36-42, 52-4, 72-3, 76, 83, 86-8]

While *The Acquisitive Society* focused upon the sanctification of property in early capitalism, in *Equality* Tawney presented his best developed critique of mature capitalism as a morally degenerate society. Instead of a “civilization,” it raised a “plutocratic” spirit which taught people to “respect each other for what they own.” To overcome “the reverence for riches,” it would be necessary to erect a “Humanism” which brought “the means of a good life within the reach of all,” taught people “to respect each other for what they are,” and properly regarded subordination, arrogance, and servility “as barbarian or gothic, as the mark of peoples which were incompletely civilized.” [Tawney, 1961, pp. 86-7, 90, 218-21, 238; 1964, 118-9, 161; 1971, 63-4, 74; 1968, p. 94]

Mature capitalism had made a “cult” of the “religion of inequality” based upon the “traditional belief that advantages which are shared cease to be advantages at all, as though when everybody is somebody, nobody will be anybody.” While “the nominal rights of all citizens are the same . . . the difference in their practical powers is so profound and

far-reaching as to cause the majority of them to possess something less than full citizenship." The social structure which emerged was "hierarchical," based not only upon current "economic function," but also upon traditional "wealth and status." As a result, there was a "perpetual misdirection of limited resources to the production or upkeep of costly futilities." Resources were dissipated in "superfluous, futile, or even mischievous ventures to the prejudice of objects of urgent importance." For lack of these misdirected resources, "the majority of the population were systematically underdeveloped from birth to maturity." [Tawney, 1931, pp. 12-3, 19, 22, 26, 30; 1961, pp. 12, 54-5, 66-9, 70-7, 134, 214-5; 1971, p. 10; 1964, pp. 136-7, 156, 168, 176-7; Winter & Joslin, pp. 5-6, 10, 13, 82]

In order to justify its continued existence, capitalism had gradually extended a "kind of collective hypnotism" over society in order to mystify reality.<sup>4</sup> It had reified capital to make it appear that "things" employ labor. It had also made a fetish of commodities by perverting values to confuse "the ends of life with the means." Civilization was not the mere result of the "multiplication of motor-cars and cinemas" which had become the "grand and over mastering object of individual effort and public approval." The coarse materialism which considered even "well-being" as a "commodity" which "individuals of character and intelligence can buy, in the necessary quantities, like tea and sugar, by their own exertions" had generated a "whole system" of false appetites and values. Tawney argued that, "the machinery of existence — property and material wealth and industrial organization and the whole fabric and mechanism of social institutions" was to be regarded only "as a means to an end, and that this end is the growth toward perfection of individual human beings." [Tawney, 1920, pp. 90, 108; 1961, pp. 12, 80, 84; 1971, p. 33; 1925, p. 286]

It was "self-evident" to Tawney that capitalism was only "a stage of social evolution now outgrown," in a longer run "journey to civilization." Using profit as "the magnet," it had released "imprisoned energies" and mobilized them to provide a "powerful productive engine" for the "conquest of nature." It was assumed that the "conquest by man of his material environment" using the "dazzling achievement of science and technology" would provide the material bases for mankind to "rise to new heights." But experience had demonstrated that it was possible

<sup>4</sup>Taken from Tawney's "Public Lectures Given in Chicago" (1939), quoted in Terrill. [pp. 183, 338]

“for a society to be heir to the knowledge of all the ages, and to use it with the recklessness of a madman and the ferocity of a savage.” In the “ruin” which had occurred, Tawney also included war, “the reckless plundering of nature,” and urban blight. [Tawney, 1971, p. 167; 1964, pp. 119, 122, 142-3, 156; 1961, p. 212; 1920, p. 80]

## II

Based upon the premise that capitalism had failed its historic purpose to provide the material requisites for a “civilized society,” Tawney sought to explain how to restore the advancement of economic well-being by purging functionless inequality and the social prejudices which rationalized it. [Tawney, 1971, p. 61; 1964, p. 168] Although he has been pictured as an ascetic who eschewed possessions even to the extent of using ersatz tobacco, this view is misleading as an indication of his social prescription. Tawney was well aware “that plenty is good and scarcity evil” and that general affluence was needed for “a much-needed improvement in human relations.” Thus the first order was to achieve “a reasonable level of material wealth that could provide the conditions of “a vigorous and self-respecting existence” and give a “high place” to the “common humanity” of all persons. [Ashton, pp. 467-80; Tawney, 1920, pp. 5, 8, 31, 67; 1964, p. 167; 1931, pp. 103-4; 1961, pp. 61, 118; Winter, ed., 1978, pp. 160-1]

At issue was how to achieve these goals. Tawney’s strategy was to alter democratically the economic institutions in order to achieve equality and thereby secure the cooperation of ordinary persons who might otherwise seek to thwart innovation and change. At the core of Tawney’s agenda for social reform was his design to enlarge the realm of *de facto* freedom of choice for ordinary persons by combating the conventional wisdom that *de jure* liberty of individual opportunity was the key to progress. Tawney viewed the root of the problem as the triumph of the ideology that a “good” society required complete liberty of individuals to pursue their own self-interest; a dictum which, in reality, was a rationalization of exploitation. For in practice, the treatment of unequals as equal merely resulted in “equal opportunities of becoming unequal.” Tawney’s objective was “freedom for weak as strong . . . by enlarging the range of alternatives between which ordinary men can choose.” [Tawney, 1964, pp. 69, 88, 99, 141, 176, 178]

Tawney’s most famous illustration that genuine liberty for all requires a significant amount of economic equality (meaning “the deliberate acceptance of social restraints upon individual expansion”) was con-

tained in the proposition that “freedom for the pike is death for the minnows.” As a result of the rule of the dictum that individual maximization resulted in the social good, liberty and equality were conventionally considered as “antithetic.” Tawney’s thesis was that liberty for all, “as distinct from the liberties of special persons and classes, can exist only insofar as it is limited by rules, which secure that freedom for some is not slavery for others.” Rather than inequality being “inimical to liberty,” Tawney thought that it was “the condition of it.”<sup>5</sup> As G. R. Harke noted in his 1978 Tawney Memorial Lecture, the conventional view of liberty was “degraded by its separation from the notion of rules required to ensure the consistency of liberty for different individuals.” In the interdependent circumstances of industry society: “One person’s liberty depends on the existence of constraints on the way in which another uses his liberty.” [Hawke, 1979, p. 377] Tawney summarized his position in a passage quoted from Pollard’s, *The Evolution of Parliament*:

There is, in fact, no more reason why a man should be allowed to use his wealth or his brain than his physical strength as he likes. . . . The liberty of the weak depends upon the restraint of the strong, and that of the poor upon the restraint of the rich, and that of the simple-minded upon the restraint of the sharper. Every man should have this liberty and no more, to do unto others as he would that they should do unto him; upon that common foundation rest liberty, equality, and morality. [Tawney, 1961, p. 19]

For Tawney, equality was not antithetical to liberty because genuine liberty required a social framework and equality required social “provision” appropriate to the needs of different persons. Equality did not entail offering “identical provision” to all. “The essential point — the essence of equality” was that differential treatment “be based, not on the accidents of class, income, sex, color, or nationality, but on the real requirements of the different members of the human family.” This pre-eminent concern with equality as a prerequisite social goal ran throughout all of Tawney’s major works. He argued continuously that “the aim of social policy should be to ensure that the conditions of a good life are shared as equally as possible by all.” [Tawney, 1971, p. 183; 1920, p. 79; 1961, preface; Winter & Joslin, pp. 23, 24, 47, 53-5, 60]

For Tawney, genuine liberty was contained in the actual ability to

<sup>5</sup>While stated most eloquently in *Equality* [1961, p. 182], the metaphor had been used previously in “Historical Introduction” to *Wilson* [1925, p. 21], and in *Religion and the Rise of Capitalism*. [p. 88]

choose, not the mere legal right to choose. People were “free” only if they were “able in fact, not merely in theory, to make the most of their powers, to grow to their full stature, to do what they conceive to be their duty, and — since liberty should not be too austere — to have their fling when they feel like it.” Freedom was not an “abstract,” but a situational relationship. It was not “nominal” such as “the right of all who can afford to dine at the Ritz,” but it “involves a power of choice between alternatives which exist in fact. . . . It means, in short, the ability to do — or refrain from doing — definite things, at a definite moment, in definite circumstances, or it means nothing at all.” For the “majority of ordinary men not born with financial and social winds behind them,” freedom was “less a possession to be preserved” than a “goal to be achieved.” As a practical test of the existence of economic freedom, Tawney offered his definition of a “Utopia as a society in which any man can say to any other, ‘Go to Hell, but no man wants to say it, and no man need go when it is said.’” [Tawney, 1964, p. 160; 1971, pp. 83, 96; 1961, pp. 177, 264]

In Tawney’s view, the “great abstractions . . . liberty and justice” were “allies.” Therefore greater economic equality would result in expanded individual freedom of choice. Real liberty would occur when all people, given the limits of reality, would have the opportunity “to grow to their full stature.” An action which caused “such opportunities to be more widely shared . . . not only subtracts from inequality, but adds to freedom.” If social action to diminish inequality increased “the range of alternatives open to ordinary men, and the capacity of the latter to follow their own preferences in choosing between them,” the act would have advanced social progress and demonstrated that “liberty and equality can live as friends.” By converting “nominal rights into practical powers,” genuine freedom would have been advanced from “an iridescent abstraction into a sober reality of everyday life.” But the enlargement of “general liberty” would involve “the curtailment of such particular liberties as may conflict with it” and it was to be expected that the privileged groups would label those changes “the death of freedom.” [Tawney, 1964, pp. 159, 160, 164; 1961, pp. 10, 260-1, 266-8]

The means recommended by Tawney to achieve economic equality was to extend democracy from the political to the economic sphere in order to obtain public control over private economic power. [Tawney, 1964, pp. 88, 140-1, 152, 158, 176; 1971, pp. 84-5; 1968, p. 43] He stressed repeatedly that “the parent of liberty is . . . law.” Tawney believed that “the essence of democracy” — “the attempt to combine

the equality of civil and political right" — was in direct conflict with "the essence of capitalism" — "the inequality of economic and social opportunities". Democracy was a "sleeping demon," a "force to be released." He predicted that "the natural consequence of the simultaneous development of an industrial civilization and of political democracy" was the widening of "collective action." As ordinary persons became "conscious of the powers which democracy confers," Tawney expected that they would "press their demands" for "positive advantages" through "collective provision." This effort to reduce inequality would include: a question for "environmental equality," the end of "plutocracy," a more equitable distribution of income and wealth, "security," and participative management. [Tawney, 1961, pp. 15, 126, 134, 173, 202, 234]

Always high on Tawney's agenda for collective action was the establishment of "complete environmental equality in respect of the external conditions of health, and education, and economic security" for all members of society. He believed that it was feasible "by means of a wisely planned system of communal provision, to ensure that the whole population enjoys, as far as environmental influences are concerned, equal opportunities of health and education, and is equally protected against the contingencies of life." This would encourage "the utmost possible development of the capacities of every human being." It was important to provide for greater "vertical mobility" to insure "a broad stream of talent from below because society could not afford more than a certain proportion of fools in high places." But it was "equally or more essential" that ordinary persons should "enjoy a high standard of civilization" and be allowed "a proper respect for their dignity as human beings." [Tawney, 1964, pp. 141, 148-9, 159, 168, 178; 1968, p. 124; 1931, p. 42]

Tawney was particularly concerned with altering "the rules" of the labor market "game" which gave a "permanent advantage to some of the players" who later rationalized their achievements as the result of their "own industry and ability," while attributing to others less successful a lack of enterprise or resourcefulness. He argued that:

Behind the forces of the market stand forces of another kind, which determine that the members of some social groups shall be in a position to render services which are highly remunerated because they are scarce, and to add to their incomes by the acquisition of property, whilst those belonging to others shall supply services which are cheap because they are oversupplied, but which form, nevertheless, their sole means of livelihood.

To change this outcome it would be necessary to alter “the institutions and policy” which governed entry into the workforce by changing the “unequal pressure of material surroundings,” the “inequality of educational opportunity,” the “nepotism” and “favouritism” based upon social class, and the “inequality by access” which pushed most ordinary young workers into “overcrowded occupations.” [Tawney, 1961, pp. 121, 133]

Tawney gave special attention to ending “the neglect of the early years of child life.” He argued that poor health, inadequate nutrition, and the “existence side by side of two separate educational systems, one for the children of the relatively well-to-do, and the other for the children of common persons” were especially harmful to the efforts of ordinary persons to secure “the conditions of a good life.” Prime attention was needed to insure that “all children” had access to “similar standards of health and education” and “equal opportunities . . . of making the best of the powers of body, mind, and character with which they have been endowed.” [Tawney, 1971, pp. 30, 34, 179-80; 1931, p. 73; 1961, pp. 156-7; 1964, pp. 49-50, 69-86, 185; 1968, pp. 125-6; Terrill, pp. 36-7; Winter, 1970, p. 73; Menta, 1965, pp. 116-9]

A second component of economic equality was the end of “plutocracy;” Tawney’s favorite term of derision for “the forcible, astute, self-confident, and when hard-pressed, unscrupulous people, who know pretty well which side their bread is buttered, and intend that supply of butter shall not run short.” The plutocratic attitude was rooted in the “decaying remnants of the social stratification of pre-capitalist society” which invested it “with a sentimental and pseudo-historical glamour.” However the “crude and brutal reality” of the “degrading” British class structure was maintained by “the new type of economic inequalities created by capitalism.” Tawney viewed the plutocratic attitude as “noxious to the individual soul, for it is the parent both of insolence . . . and of servility.” It destroyed the “possibility of a common culture and makes the struggle of classes a national institution.” Tawney recognized that this situation was distinctly English and required a solution “to effect a complete divorce between differences of pecuniary income and differences in respect of health, security, amenity of environment, culture, social status, and esteem.” [Tawney, 1961, pp. 16, 232-3; 1971, pp. 181, 184; 1964, p. 179]

A third element of equality to be achieved was a more equitable distribution of income and wealth. A persistent theme for Tawney was that a more equalitarian society was not an objective to be delayed until a future affluent millennium. The primary means to achieve redistribu-



tion was to tax away functionless incomes (which he thought would also "encourage production" by raising the morale of the community). The goal was to "distribute more widely the property rights" which had long been "the privilege of a minority." Thus it was desirable to expand the ownership of "farms and shops" as well as "personal possessions" such as "books, furniture, pictures, and household possessions — [which] ought to be owned on a much larger scale by a much larger number of persons, because until they are so owned, the mass of mankind are starved of the necessaries and amenities of a cultured existence." "The important point of principle," was, Tawney argued, to discriminate "between property for use and property for power or exploitation." Privately owned property on which "the mass of mankind are dependent, to a degree incompatible with human dignity and self-respect" should become publicly owned. [Winter & Joslin, pp. 69-70; Tawney, 1920, pp. 82, 84, 86-7; 1968, p. 47; 1971, pp. 186-7; 1964 pp. 114-5]

Tawney believed throughout his life that the "foundation industries of the country, on which the life of the whole nation depends" should be "transferred to public ownership and conducted as public undertakings with a single eye to the service of the country." They could also become "a laboratory where different methods of making industrial democracy are tested." [Tawney, 1961, p. 209; 1964, pp. 174-7; Winter, 1978, p. 146] Rita Hinden has noted that while Tawney always viewed nationalization as a strategy rather than a goal, "he was optimistic about the results, and so he never faltered in his advocacy of the means."<sup>6</sup>

The fourth ingredient of equality sought by Tawney was "security," which he thought ordinary persons desired "above all things," because "they had no opportunities for enterprise and reap none of its profits, and desire chiefly to be guarded against its dangers." He felt that ordinary persons required "a reasonable measure of security against unmerited misfortunes" caused by forces which they as individuals were "powerless to control." This need for security was "fundamental," and was almost the gravest indictment of industrial society because the "mass of mankind were without it." [Winter & Joslin, pp. 10, 34; Tawney, 1964, pp. 143, 176; 1920, p. 73]

The fifth, and perhaps the most important aspect of equality sought by Tawney was the achievement of a participatory "community of responsible men and women working without fear, in comradeship for common ends." He thought that "what men want" was "the right,

<sup>6</sup>Rita Hinden edited *The Radical Tradition*. [See pp. 8, 175-7]

subject to getting their job done, to do it in their own way, without being badgered and bossed about, the consideration for their convenience and respect for their opinions which makes a man feel that he counts." According to Tawney, the primary "impulse" for "the revolt of ordinary men against capitalism" was "obstinately and unashamedly ethical." It was the "straightforward hatred of a system which stunts personality and corrupts human relations by permitting the use of man by man as an instrument of pecuniary gain." Capitalism gave "excessive power" to the "small handful of . . . persons who are in a position to manipulate the levers of the economic system" and was "in principle and in essence corrupting." It resulted in "dictatorial habits in its possessors, and servility in those submitted to it" and was "spiritually injurious to both." Tawney sought to alter the system to insure "that the common good takes precedence over private interests and ambitions, and that men are fellow-servants." The goal to be achieved via "social reconstruction" was primarily "ethical rather than purely economic." A "healthy" society required "fellowship in a moral idea or purpose," and people needed to view themselves "as the trustees for the discharge of functions and the instruments of a social purpose." [Tawney, 1964, p. 168; 1971, pp. 27, 185-6; 1968, p. 153; 1920, p. 51; Winter, 1978, pp. 163, 182, 245]

#### IV

Tawney wrote in 1942 that "the legend, as well as the reality" of capitalism "was dead." He thought that even in the U.S. "common men had at last grasped the truth that, whatever the opportunities to rise, there cannot in the nature of things, be room for everyone at the top" and as a result "were discarding the capital illusion that what is possible for each is possible for all or for the great majority." The next step was "to interpret democracy as incompatible" with economic inequality. The duty of political leaders was "not to perpetuate civil strife by attempting the impossible task of making history run backwards." It was rather to accept the results of industrial development and "to stabilize by legislation the social situation created by them." [Winter, 1978, p. 75; 1979, p. 55]

Terrill has correctly pointed out that Tawney's analysis of capitalism led him to conclude that the "horizontal shape" of the future economic system should require "equality" and that the "vertical shape" should be based on the "control and dispersion of power." [Terrill, pp. 139, 166] Tawney believed the future institutions must "touch the imagi-

nation." Capitalism had been based on "antagonism and suspicion." What was needed were new institutions based on "sympathy and cooperation." The "socialist commonwealth" yet to be achieved must rest upon "a sustained co-operative effort" relating to the "common purpose" and based upon "the interests . . . conscience and reason, of all men of good will." It would have to have a "common culture" because "as the word itself suggests . . . without it, it is not a community at all." [Tawney, 1971, p. 34; 1964, pp. 38-9, 61, 74, 83, 140, 168, 170; 1931, pp. 28-9, 48-9; 1961, pp. 30-9]

Tawney believed that "what touches all should be approved by all" and thus the way forward was "more political than economic." What was required was an economic reorganization to allow ordinary persons to become "responsible partners in the cooperative enterprise of subduing nature to the service of man." He concluded that: "The conditions of a right organization of industry" were "that it should be subordinated to the community in such a way as to render the best service technically possible" and "that its direction and government should be in the hands of persons who are responsible to those who are directed and governed, because it is the condition of economic freedom that men should not be ruled by an authority which they cannot control." [Tawney, 1964, pp. 105, 139, 143; 1920, pp. 6-7]

These changes could not be "bestowed from above" as "theorists of the pre-democratic era" had thought. They would have to be "won by struggles from below" undertaken by ordinary persons. "Collective action" via "politics" could achieve "those ends which individuals cannot achieve, or cannot achieve with the same measure of success, by their isolated efforts." Tawney believed that a gradualist strategy was feasible because: "Contrasts of endowment, and inherited wealth, and educational opportunity, and economic security, with the whole sad business of snobbery and servility which such contrasts produce, are the creation, not of nature, but of social convention." People had given "one stamp to their institutions; they can give another." In the capitalist era, they had "idealized money and power;" in the future, they could "choose equality" through the democratic process. [Tawney, 1931, p. 269; 1961, pp. 227-8; 1964, pp. 105, 139-44, 156-9, 169-70; 1971, pp. 62-3, 165; 1968, pp. 4-6, 146-50]

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