THE ETHICAL SOCIALISM OF R.H.TAWNEY PART ONE BY PHIL SHARPE

Introduction

The approach of Marxism is based on an approach that attempts to explain society in scientific terms. This means it often fails to recognise or understand the ethical reasons that motivate people to oppose capitalism. Indeed, it could be argued that the major reason why capitalism is criticised is because of the view that it is unjust and unfair to uphold an economic system that defends a vast inequality in wealth and supports the exploitation of the working class in the name of the supposed rights represented by private ownership of the means of production. Tawney argued that society could be understood not in terms of its historical limitations or the importance of class struggle but instead as a consequence of its ethical flaws: “This, then, is the case which Tawney assembled against the Acquisitive Society. It was presented as a society afflicted with a systemic disease, to which all symptoms of illness and dysfunction could be traced and attributed. Lacking a secure foundation in a common body of social ethics, it had replaced functions by rights and social purpose by private interest. It was a community in name only. Released from moral restraints, economic life had both generated vast inequalities and swollen to deform the general life of society. Because the social order was organised around principles of self-interest rather than common interest, it had its foundation in a principle of division not of unity.”(1)

The point being made is that the very character of capitalism, which is based on the class division between those that have property and those that are reliant on a modest wage, is morally wrong. Hence the primary aim is to develop ethical opposition to the continuation of capitalism and therefore attempt to develop a type of society that is ethically superior in terms of the promotion of economic equality and the amicable resolution of the class struggle: “What was wrong with capitalism was that it was wrong. It was rooted in a view of human beings as means and not ends. Having framed this moral diagnosis in the 1920’s, Tawney continued to advance it for the rest of his life. Thus when, in the 1930’s the socialist case seemed to turn on the breakdown of capitalism, he wanted to declare that it was ‘not its breakdown but its existence’ which was the problem. When in the 1950’s, the socialist case seemed to turn on the vitality of capitalism, he maintained the view that it rested upon ‘a decision that certain types of life and society are fir for human beings and others not.’(2) Hence he is emphatic that the argument against capitalism does not depend on its economic progress because the class structure that sustains its development is morally questionable. Capitalism can only be maintained by a few people being dominant and rich whilst the majority are subordinate and exploited. Ultimately this system can only be changed by the generation of socialism which is ethically superior. The class structure of capitalism meant that its ideological justification lacked satisfactory ethically values and instead the only valid moral principles which could be advocated was by the supporters of socialism. However this recognition had been undermined by the influence of Marxism which emphasised the economic or historical reasons for the prospect of the demise of socialism. This recognition was not an argument against Marxism instead it was an awareness that Marxism did not provide all of the answers in relation to the arguments that are required in order to uphold the socialist alternative to capitalism. Tawny outlines this standpoint in the following manner: “An appeal to principles is the condition of any considerable reconstruction of society, because social institutions are the visible expression of the scale of moral values which rule the minds of individuals, and it is impossible to alter institutions without altering that valuation.”(3)

Thus the critique of the institutions of society is based on the fact that their activity is connected to the ideological defence of the existing character of economic activity which is based on unethical principles. The implicit suggestion is that we require either new institutional structures, or the transformation of existing ones, in order to uphold the potential for the ethical basis of society. The defenders of the economic system argue that it represents the superior basis to develop productivity and growth. Tawny disputes this claim because: “But plenty depends on co-operative effort, and co-operation upon moral principles. And moral principles are what the prophets of this dispensation despise.”(4) The opposition of the defenders of capitalism to the importance of ethical principles is because the character of morality is connected to co-operation and community which is opposed to the massive accumulation of wealth by a few individuals. This unequal situation can only be defended by denying the importance of ethics as an influence on economic activity. The ideological defence of the political economy of capitalism is based on the rejection of the ethical standpoint of co-operation. If this co-operative approach was to be realised it would mean the end of economic activity on the basis of the economic domination of a few rich capitalists: “The first principle is that industry should be subordinated to the community in such a way as to render the best service technically possible, that those who render that service faithfully should be honourably paid, and that those who render no service should not be paid at all, because it is the essence of a function that it should find its satisfaction, not of itself, but of the end which it serves. The second is that its direction and government should be in the hands of the 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.”(5)

It could be argued that this approach does not result in an economic analysis that is as precise as Marx, and nor does it represent a strategy that is as principled and realistic as class struggle. However what these arguments do uphold is the connection between the limitations of the existing character of capitalist economic activity and the moral superiority of its socialist alternative. Only socialism can consistently sustain the values of community and co-operation whilst capitalism is based on the premises of competition and hierarchy. Hence the practical question is how it possible to connect the values of co-operation to practice and so overcome the limitations of capitalism? Tawney believes he has an answer in terms of his particular vision of socialism and its moral premises. He is also implicitly suggesting that the attempt to construct socialism without attention to ethical priorities would result in failure, and this society would not be socialist. In other words the relationship of socialism to ethics suggests moral improvement that would enhance the ability to construct a society without excessive individualism and selfishness. This is because the most important ethical principles are compatible with socialism such as community and co-operation. The failure to promote these principles would result in the re-occurrence of a capitalist society that rejects the influence of ethics with regards to economic activity. An economy based on the priorities of service and function would be one in which the dynamics of competition and individualism has been overcome. This is the aim of Tawney and is the reason why his conception of socialism is the outcome of his moral approach.

THE ACQUISITIVE SOCIETY

Tawney argues that the historical development of society has resulted in the situation whereby economic self-interest is considered to be the unconditional absolute right of individuals. In this context the ideology of rights is more important than the moral alternative posed by social purpose. This is because the logic of social purpose would imply application of a principle that could undermine the absolute character of individual rights, as expressed by the accumulation of wealth: “For to admit that the criterion of commerce and industry is its success in discharging a social purpose is at once to turn property and economic activity from rights which are absolute into rights that are contingent and derivative, because it is to affirm that they are relative to functions and that they may be justly revoked when the functions are not performed. It is, in short, to imply that property and economic activity exist to promote the ends of society, whereas hitherto society has been regarded in the world of business as existing to promote them. To those who hold their position, not as functionaries, but by virtue of their success in making industry contribute to their own wealth and social influence, such a reversal of means and ends appears little less than a revolution.”(6) The point being made is that the standpoint and practice of absolute economic self-interest cannot be reconciled with the contrasting principle of social purpose. In order to realise this moral approach it is necessary to overcome the logic and imperatives of economic individualism and replace it with the alternative of the importance of community manifested as social purpose. This process will take the form of a functional society that is based on the importance of realising functions or activity that fulfils a social purpose. However Tawney is ambiguous in relation to whether the class struggle can realise this aim. Instead he comments: “Is it any wonder that the creed which affirms the absolute rights of property should sometimes be met with a counter-affirmation of the absolute rights of labour, less anti-social, indeed, and in-human, but almost as dogmatic, almost as intolerant, and thoughtless as itself?”(7) Tawney is not against the impulse for class struggle which is connected to the attempt to end the excessive power created by the promotion of economic self-interest. But he does not think that class struggle, in and of itself, can generate the necessary moral aspirations sufficient to create the functional society. Instead the implicit argument is that the class struggle requires the supplementary impulses of ethical criteria which would enable any sectional aspirations to be replaced by an emphasis on the role of the community and the creation of the functional society of social purpose.

However it can also be suggested that Tawney’s criticism of class struggle means that he lacks an effective agency for the process of the realisation of the functional society. But emphatic criticism of the wealth that is produced for a few individuals, because of their ownership of industry despite a lack of service to the community, also implies that his comments about the reduction of labour to the means to the end represents sympathy with the aspirations of the subordinated working class. The fact that the wealthy are rich despite their lack of service to society, and do not carry out functions with social purpose, means that the class struggle is understandably generated because economic activity lacks moral purpose in the failure to connect activity with function: “That motive produces industrial warfare, not as a regrettable incident, but as an inevitable result. It produces industrial war, because its teaching is that each individual or group has a right to what they can get, and denies that there is any principle other than the mechanism of the market, which determine what they ought to get. For, since the income available for distribution is limited, and therefore….what one group gains another group must lose, it is evident that if the relative incomes of different groups are not to be determined by their functions, there is no method other than mutual self-assertion which is left to determine them.”(8) However he is also aware that the class struggle will continue in terms of the aims of sectional self-assertion and that industrial peace is temporary. Thus Tawney is not naïve about the possibility of ending class struggle within capitalism, but he is critical of its aims and implies that class struggle without the perspective of the functional society will not realise the demise of the inequalities of capitalism. What would overcome his strategic impasse or dilemma is the development of a strategy that connects the class struggle to his aims of social purpose and the functional society. Instead of making that connection he outlines in a pessimistic manner how the class struggle will continue as long as extremes of wealth and inequality is not overcome. But these strategic conclusions are in a contradiction with his overall analysis because his overall emphasis about sectional struggles concerns the detrimental effects of individualism on society. For example individual self-assertion results in nationalism, militarism and imperialism.(9) He concludes that: ‘so individualism begins by asserting the right of men to make of their own lives what they can, and ends by condoning the subjection of the majority of men to the few whom good fortune or special opportunity, or privilege have enabled most successfully to use their rights’(10) This comment would imply that the majority of people who earn a living by labour have no class interest in the continuation of capitalism. Instead class struggle will be the means by which the functional society will be realised. In this context the sectional and individualistic aspects of class struggle should be replaced with an emphasis on obligations to the community and the social purpose of the functional society. However this perspective also means rejecting the understanding that class struggle is inherently sectional. Instead it represents possibilities to uphold the interests of the community. Tawny did understand this point in relation to the aspirations of the coal miners when he eloquently contributed to a government committee and argued in favour of nationalisation. (11) The point is that Tawney was not sceptical about the potential of the class struggle because of an inherent moderation or concern with the organic harmony of the nation. His political sympathies were with the working class who he recognised were exploited because of the morally unreasonable demands of excessive individualism and industrialism. Hence he was not against the militancy of strikes, but instead his concern was that the major aim of industrial action was sectional in terms of increasing wages for a given group of workers. He believed that this aim would not result in the promotion of solidarity between the different occupational groups. Instead the result of militant collective bargaining would be competition between workers that would reinforce the ideology of self-interest. But the problem with this critique was that he could not coherently establish the working class as the agency for the creation of the functional society. Instead the functional society became a good idea that was promoted by theoreticians like Tawney. The utopianism in his approach was not the reliance on an ethical argument, rather it was because he rejected the class struggle as the transitional basis to generate change from ‘what is’ to ‘what could be’. In this context he ignored the element of solidarity within strikes and instead emphasised the problem of sectionalism in a one-sided manner.

Tawney outlined in historical terms how private property originally contributed to the progress of social purpose in terms of useful work by the owner of land or small occupations. But this form of private property has been increasingly replaced by the form which encouraged the acquisition of wealth, and the owner no longer has a constructive function. It is necessary to distinguish between property that represents individual possessions from property that is for the purpose of exploitation and economic gain. This type of property is unethical because it cannot generate social cohesion and common purpose within society: “Thus functionless property grows, and as it grows it undermines the creative energy which produced the institution of property and which in earlier age’s property protected. It cannot unite men, for what unites them is the bond of service to a common purpose, and that bond it repudiates, since its very essence is the maintenance of rights irrespective of service.”(12) The point being made is that the cause of the creation of a society without principled and collective ethics is not property but instead the distortion of the role of property by the influence of greed and individualism. Hence the aim in order to restore the importance of ethics is not the communist unobtainable aim of rejecting the role of all forms of property and instead it is necessary to re-connect the role of property with ethical objectives. In this connection exploitation will be overcome but the realistic acceptance of a role for property will be realised: “They will not desire to establish any visionary communism, for they will realize that the free disposal of a sufficiency of personal possessions is the condition of a healthy and self-respecting life, and will seek to distribute more widely the property rights which make them to-day the privilege of a minority. But they will refuse to submit to the naïve philosophy which would treat all proprietary rights as equal in sanctity merely because they are identical in name. They will distinguish sharply between the property which is used by its owner for the conduct of his profession or the upkeep of his household, and property which is merely a claim on wealth produced by another’s labour. They will insist that property is moral and healthy only when it is used as a condition, not of idleness, but of activity, and when it involves the discharge of definite personal obligations. They will endeavour in short, to base it upon the principle of function.”(13)

Tawney is suggesting that it is possible to establish a moral criteria concerning the character of property and this will become the basis of the social alternative to capitalism. The existing system is dependent on the form of property ownership that is unethical and so results in the acquisition of wealth by a few individuals. Hence he argues that it is possible to establish a type of property that is ethical because it is based on service and social purpose. The alternative to capitalism would not be reliant on nationalisation and instead would imply an interaction between state ownership, co-operatives and de-centralised forms of property ownership. What would represent the success of this new society would be the question as to whether an ethical criteria could be upheld. If economic activity retains a social purpose, and the unequal development of economic power is opposed by the actions of society, it will be possible to suggest that the functional society has been realised. In this context it will not be legislation by the state that will be primary in undermining the re-development of capitalism based on the economic power of a few individuals, instead what is crucial is the importance of the social and moral cohesion of society. Limiting the influence of private property means that the activity of society is based on a genuine community spirit and the highest level of ethical principles. Any lapse in the cohesion of society could enable the re-emergence of economic activity that is devoid of moral premises.

This is the point that was not recognised by the Bolsheviks. They tended to reduce the prospect of success to victory in the class struggle, and defeat of counterrevolution; so they glossed over the importance of ethical questions. Hence what was not recognised was that the revolutionary party had become corrupted by power and so this situation provided a pretext for the effective reduction of the economy to being the possession of the party state. Nationalisation meant the economy had become the property of the party, and the working class was exploited by this process. Tawney was concerned that ethical safeguards would mean that this regressive development could not occur and instead power was de-centralised because of the fact that economic and social activity was based on the importance of moral criteria. This would mean that political power did not become omnipotent and instead economic activity was connected to the influence of ethical principles: “Thus, if in certain spheres it involved an extension of public ownership, it would in others foster an extension of private property. For it is not private ownership, but private ownership divorced from work, which is corrupting to the principle of industry; and the idea of some socialists that private property in land or capital is necessarily mischievous is a piece of scholastic pedantry as absurd as that of those conservatives who would invest all property with some kind of mysterious sanctity. It all depends on what sort of property it is and for what purpose it is being used. The State can retain its eminent domain, and control alienation….with sufficient stringency to prevent the creation of a class of functionless property owners. In that case there is no inconsistency between encouraging simultaneously a multiplication of peasant farmers and small masters who own their own farms or shops, and the abolition of private ownership of those industries, unfortunately today the most conspicuous, in which the private owner is an absentee shareholder.”(14)

This description of the future society was similar to the Soviet Union between 1923-1929. However the small farms of the kulaks were collectivised because the party state regime could not differentiate between family plots from the alternative of large scale factories. The result of these measures was generalised misery rather than genuine advance towards socialism. In contrast the moderation and moral concerns of Tawney could have provided a more reliable guide concerning how to develop a socialist economy. It was necessary to accept the peasant’s attachment to family property, and construct a programme for socialist transition in terms of an acceptance of plural economic forms, which would include the importance of small scale private ownership of the land. This flexibility would not undermine the hegemony of nationalised industry and instead it would be necessary to develop a plan that could unite the industrial and agricultural sectors of the economy. The approach of Tawney is admirably suited to this task, but in contrast the dogmatism of Stalin could only conceive of the kulak as a class enemy. However this dogmatism was partly theoretical because it did not acknowledge the flexibility expressed by Tawney’s conception of the functional economy. Tawney may have advocated a vision of the future society that was primarily ethical, but it was ultimately more realistic than the dogmatism of Stalin. It is important to accept the wisdom of Tawney when constructing any new understanding of the future society.

The crucial point being made by Tawney is that the character of property is vital in order to define the type of society. If property is based on no obligations and expresses the right to accumulate wealth without corresponding services for the community, or duties, the result will be the exploitation of labour by a few rich individuals. However, the alternative is to develop property that is an expression of the duty of the owner to realise a social purpose. This type of property is compatible with the functional society and should be encouraged. The aim of constructing an alternative to capitalism is not to encourage the total transformation of society but is instead about the abolition of those aspects that fail to realise moral criteria of social purpose. In this context it is possible to retain forms of individual property that attempt to realise duties and obligations and are not about the immense accumulation of wealth. This society would not be an attempt to reconstruct a property owing democracy because the dominant forms of the economy would be nationalisation and co-operation. In other words the producers, whatever the form of economic activity, would have control. This would mean transforming industry into a professional service with the highest standards of work and obligations to the consumer or customer. Instead of industry being organised for the aim of economic gain for a few individuals it will instead realise the ethical criteria of social purpose, via the organisation of professional service. Instead of the conflict of force between the capitalist and labour the manager and the workforce can act together in order to realise the goal of providing the highest quality of goods or the most efficient service.

In order for this process to be realised it is necessary that a variety of forms of economic activity be introduced. This process should not mean the creation of an economy controlled by the state in terms of bureaucratic nationalisation. Instead what is crucial is that the aim of economic gain has been replaced by the priority of social purpose on the basis of industrial democracy: “When the transference of property has taken place, it will probably be found that the necessary provision for the government of industry will involve not merely the freedom of the producers to produce, but the creation of machinery through which the consumer, for whom he produces, can express his wishes and criticize the way in which they are met, as at present he normally cannot. But that is the second stage in the process of reorganizing industry for the performance of function, not the first. The first is to free it from its present subordination to the pecuniary interests of the owner of property, because they are the magnetic pole which sets all the compasses wrong, and which causes industry, however swiftly it may progress, to progress in the wrong direction.”(15)

Tawney is suggesting that the establishment of a harmonious relationship between production and consumption cannot be realised by the domination of the economy by a state bureaucracy. This is because the aim is not the replacement of private ownership with the domination of a state elite, but instead what is required is the transformation of service in the interests of the community in the form of providing a higher quality of goods and services. Hence the aim is to establish a professional industry, which can take many economic forms such as nationalisation, guilds, co-operatives and municipal authorities. In order that this development can occur it is necessary to end the domination of a few capitalists who have the priority of the accumulation of wealth. Thus the question of realising efficiency and quality in the process of producing the good or service is based on the transformation of industry into a profession with a social purpose. The introduction of ethics into economic activity tackles the combined issues of the development of the productive forces and the creation of goods of high quality that will satisfy the consumer. The lack of these aspects meant that Soviet economic production was characterised by quantity at the expense of quality. This led to wasteful production and the failure to satisfy the consumer. Tawney’s answer to these problems was to aim to transform post-capitalist production in terms of the importance of ethical responsibilities that would replace the profit motive with the goal of satisfying the consumer in the form of the production of goods of the highest quality. The criteria of social purpose would mean that industry could meet the needs of the community rather than be based on the accumulation of wealth for a few capitalists.

Tawney maintains that the interests of the producers and consumers cannot be realised by the acceptance of sacrifices. The only basis to reconcile the interests of producers and consumers is to organise a proper community in which work is the primary obligation. This would mean that no distinct group of workers could exploit another by realising high wages, and the consumer would also not have the problem of high prices. These issues can only be resolved by the development of a society that is a cohesive community with a single purpose. This means ending the class society between the few that accumulate wealth and the workers who can improve their situation by strikes: “As long as the division exists, the general body of workers, while it may suffer from the struggles of any one group within it, nevertheless supports them by its sympathy, because all are interested in the contest carried on by each. Different groups of workers will exercise mutual restraint only when the termination of the struggle leaves them face to face with each other and not as now, with the common enemy. The idea of a united society in which no one group uses its power to encroach upon the standards of another is, in short, unattainable except through the preliminary abolition of functionless property.”(16)

The assumption is that the class struggle is not the agency of change and is instead the outcome of the divisions that undermine the development of a united community. In this context the strategy should not be to make the class struggle victorious and is instead about promoting the creation of a cohesive community with agreed moral goals. What is not explained is how the dynamics of class struggle, which are generated by the social divisions of capitalism, can be smoothly resolved by the formation of a united community. Indeed Tawney accepts that the increasingly educated workforce is militant and is increasingly not prepared to accept the domination of the capitalist. He concludes that: “But there is no alchemy which will secure efficient production from the resentment or distrust of the men who feel contempt for the order under which they work…..If confidence is necessary for the investment of capital, confidence is not less necessary to the performance of labour by men whose sole livelihood depends on it. If they are not yet strong enough to impose their will, they are strong enough to resist when their masters would impose theirs. They may work rather than strike. But they will work to escape dismissal, not for the greater glory of a system in which they do not believe; and if they are dismissed, those who take their place will do the same.”(17)

This alienation of the workers from the requirements of the capitalist system would suggest that it is vital to develop a perspective that would attempt to transform this dissatisfaction into support for the development of a mass movement that would attempt to establish revolutionary change. Instead Tawney suggests: “And the alternative to the discipline which capitalism exercised through its instruments of unemployment and starvation is the self-discipline of responsibility and professional pride.”(18) This point is valid but the issue is how to realise this situation? Tawney lacks a strategic answer because he cannot envisage the trade unions having anything other than defensive responsibilities. In this sense he denies the ability of working people to be able to create their own future. As a result of this understanding his approach is based on the development of a socialist government that would enact the process of transformation. However the point would remain that the prospect of change still resides with the generation of a mass movement of struggle. Instead of discussing these options, Tawney outlines in vague terms the character of a socialist society. He does not explain how it is realised: “As long as the direction of industry is in the hands of a property owners or their agents, who are concerned to extract maximum profit for themselves, a trade union is a necessarily defensive organization. Absorbed, on the one hand, in the struggle to resist the downward thrust of Capitalism upon the workers standard of living….it is an opposition which never becomes a government, and which has neither the will nor the power to assume responsibility for the quality of the service offered to the consumer. If the abolition of functionless property transferred the control of production to bodies representing those who performed constructive work and those who consumed the goods produced, the relation of the worker to the public would no longer be indirect but immediate. Associations which are now purely defensive would be in a position, not merely to criticize and oppose, but to advise, to initiate and enforce on their own members the obligations of the craft.”(19)

Thus the working class organised in trade unions is not considered to be a suitable prospect to bring about the prospect of an alternative form of society, but this does not mean that the role of any other form of agency of change is being articulated. Instead there is a ‘leap’ from society as it is with all its limitations in terms of the antagonism and alienation of the class struggle into the creation of a society that is able to uphold the principles of social purpose. This implies that it is possible to undergo transformation from a society with an economy that lacks moral criteria into the formation of a united community based on the importance of ethical principles without establishing a definite process of change in relation to the creation of values and development of improved and more efficient forms of economic activity. Instead it is assumed by Tawney that this development will occur inevitably or without struggle, and so he ultimately relies upon the conception of rationality or the technical superiority of the character of the functional society. What would be more explanatory and principled is a description of the process of moral transformation that is necessary in order for an economy to be created that has overcome a situation based on the excessive acquisition of wealth. What Tawney does not allow for is that the existing economy of individualism is upheld by a situation of the ideological domination of the ruling class that means the possibilities for change are made difficult. Instead he assumes that the historical superiority of the functional society will ensure that necessary change occurs. This standpoint relies on an implicit historicism that he has rejected in his explicit approach. In other words he does not outline a coherent conception of change in terms of the importance of moral transformation, or Cultural Revolution. Instead what is assumed is that a government will appear that is committed to the functional society and the creation of a united community. This is ultimately a conception of ‘socialism from above’ that is unable to sustain a more creative approach of ‘socialism from below’.

Tawney does suggest the following: “Is it unreasonable to suggest that such a combination of intellectual and moral training, professional pride, and organized knowledge would be at least as effective an economic engine as the struggle for personal gain which at present drives the wheels of industry?”(20) This is a powerful question but unfortunately his answer resides within the actual establishment of the functional society. What is not satisfactorily explained is how the working class of the present will be capable of realising this society based on the influence of moral principles. He does outline a powerful understanding of how the present system based on poverty and inequality cannot provide the necessary encouragement for the development of dynamic economic principles. But his argument for the unity of morality and solidarity is not connected to the role of the class struggle and is instead located exclusively within the formation of the functional society: “Once industry has been liberated from its subservience to the interests of the functionless property owner, it is in this sphere that trade unions may be expected increasingly to find their functions. Its importance both for the general interests of the community and for the special interests of particular groups of workers can hardly be exaggerated. Technical knowledge and managerial skill are likely to be available as readily for a committee appointed by the workers in an industry as for a committee appointed, as now by the shareholders. But it is more and more evident today that the crux of the economic situation is not the technical deficiencies of industrial organisation, but the growing inability of those who direct industry to command the active goodwill of the personnel. Their co-operation is promised by the conversion of industry into a profession serving the public, and promised, as far as can be judged by that alone.”(21)

Tawney poses a choice between the workers continuing to accept domination by the capitalists or acting to support the formation of the functional society. But he does not elaborate how the working class can creatively be the agency of their own destiny. Instead we have a rigid demarcation between a situation in which the workers can only act in a sectional and defensive manner whilst the domination of the rich employers is not undermined, and this remains a distinctly unsatisfactory situation until the functional society is mysteriously established. Hence what is implied is that the working class shall go from an ideological condition in which they express the moral limitations of the employers, and then become transformed by the establishment of the functional society and act in accordance with the goals of social purpose. Thus: “So the organisation of society on the basis of functions, instead of on that of rights, implies three things. It means, first, that proprietary rights shall be maintained by the performance of service and abolished when they are not. It means, second, that the produces shall stand in a direct relation to the community for whom production is carried on, so that their responsibility to it may be obvious and unmistakeable, not lost, as at present, through their immediate subordination to the shareholders whose interest is not of service but gain. It means, in the third place, that the obligation for the maintenance of service shall rest upon the professional organisations of those who perform it, and that, subject to the supervision and criticism of the consumer, those organizations shall exercise so much voice in the government of industry as may be needed to secure that the obligation is discharged.”(21)

However despite the lack of strategy for the realisation of the functional society, it can be accepted that its description does uphold the conception of an economy based upon social purpose. Firstly, the right of property shall be defined in terms of service, which means that property is not abolished but instead it is made compatible with the interests of the community. Secondly, the act of production is no longer for the accumulation of wealth but is instead defined by the aspirations of the community and its aim to have high quality goods and services. Thirdly, industry is transformed into professional services that are under the scrutiny of the consumer. Tawney is aware that it is not adequate that industry shall be able to establish its own levels of quality and inspection. Instead its standards are established by a united community and conform to the aim of social purpose. However this development requires highly motivated workers and so the industry shall be transformed into a professional organisation based upon the importance of technical knowledge. In this manner the significance of efficiency is related to the influence of ethical principles, and the community is the ultimate guide as to whether industry is successful and is able to create high quality goods.

What would enable this standpoint to be more consistent is an elaboration of what occurs within capitalism that could enable the functional society to be created. This understanding would connect to the strategic issue of how transition to the social alternative from capitalism can be promoted. In this sense instead of suggesting that the working class is a mere vessel for the values and aspirations of the rich it would be more constructive and consistent to provide arguments that would imply that the working class is a potential revolutionary class because it represents the values of the functional society. In this context the actions of the workers in opposing the capitalist class would express the combination of morality with political aims in order to realise the functional society. This understanding would not deny the significance of bourgeois ideology but it would outline more emphatically than Tawney that class struggle is more than a defensive action and instead represents the potential to bring about the alternative to capitalism. In this context our understanding of the importance of morality can only enhance rather than obscure the possibilities of the class struggle.

CONCLUSION

It would seem that the development of capitalism with greater affluence and the production of high quality consumer goods has refuted the ideas of Tawney. However, he could argue that the sphere of economic activity is still based on the denial of the importance of moral principles. The role of ethics is limited to that of the private realm of family and individual relations whilst economics is still based on the aim of the acquisition of wealth for a few individuals and transnational corporations. In this context the functional society is still relevant in terms of its aim to create a society based on the obligations of social purpose. But the Labour Party has accepted the generation of inequality in the name of the interests of the market and global economy, whilst Marxists concern themselves with the collapse of capitalism and are not concerned with the ethical questions that are continually generated by the continuation of an unjust economic system. Hence the ideas of Tawney are relevant because they establish a relationship between economics and ethics and argue for socialism in moral terms. It could also be suggested in a controversial manner that it is not possible for socialists to convincingly argue against capitalism in terms of the issue of efficiency because of the capacity of the present system to continually develop the productive forces and create new and sophisticated products. But the ethical argument for socialism still remains because capitalism is unable to meet the requirements of human need and instead generates a system of tremendous inequalities of wealth. The society of Tawney would represent a united community that is based on the obligation of work and the creation of useful products that met a social purpose. The fact that everyone would fulfil a function would mean that the members of society would relate to each other in terms of shared obligations and the role of property would be reduced to an expression of this united community rather than being a means for the accumulation of tremendous wealth.

However it is also necessary to indicate that Tawney lacks a systematic political economy of socialism and so he does not tackle the issue of how resources would be allocated most efficiently in order to unite the objectives of high quality and cheapness. In economic terms he has not outlined a valid conception of what the future socialist economy could be like. But what he has carried out is a theoretical understanding of how economic and moral principles can be united within a socialist society based on the united objectives of a co-operative community. In this manner he has carried out a tremendous service to the forces of socialism and indicated that capitalism is found wanting because it is unable to unite economic activity with ethics. It has been neglect of his arguments that have contributed to the ideological hegemony of capitalism and therefore upheld the argument that capitalism is historically superior because it is efficient, productive and capable of creating prosperity. Tawney has undermined this rationalist reasoning because he outlines that the accumulation of unequal wealth is based on the rejection of any relationship between economics and ethics. The only basis for this situation being overcome is with the formation of the functional society or socialism. Only in this manner can working people be justly rewarded for their professional service and industrial democracy replaces the autocratic domination of the capitalist class. If the Labour Party had seriously supported the ideas of Tawney it may have become a more principled advocate of socialism. Instead it has justified the administration of capitalism and the work of Tawney has become forgotten. We must attempt to overcome this neglect and instead indicate Tawney’s relevance for the contemporary project of socialism.

FOOTNOTES:

(1)Anthony Wright: R.H. Tawney, Manchester University Press, 1987 p40-41

(2) ibid p52

(3)R.H. Tawney: The Acquisitive Society, G.Bell and Sons, London, 1921 p3

(4) ibid p5

(5) ibid p7-8

(6) ibid p29

(7) ibid p31

(8) ibid p43-44

(9) ibid p50-52

(10Ibid p51

(11)Ross Terrill: R.H Tawney and his Times: Andre Deutsch, London, 1974 p52-56

(12)Tawney op cit p94

(13) ibid p94-95

(14) ibid p99

(15) ibid p150

(16) ibid p169-170

(17) ibid p179-180

(18) ibid p182

(19) ibid p190-191

(20Ibid p198

(21) ibid p200

(22) ibid p222