SOCIALISM VERSUS LIBERAL CAPITALISM:
CONFLICT OR COMPROMISE IN THE WORKS OF JOHN STUART MILL?

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ABSTRACT

Modern Western liberalism is a further development of certain philosophical trends which were emerging in the 19th century. It reflects a particular confluence of utilitarian and natural law doctrines, and of ideological expressions of capitalism and socialism. The writings of J.S. Mill stand as among the earliest and most persuasive efforts to reconcile the often conflicting demands these trends have placed upon their interpreters. This study of Mill's philosophy explores the "incompatibility" of these conflicts as he strives to deal with them in the articulation of his democratic liberalism. Despite the increasing value that socialism held for him, I argue that Mill never really abandons his liberalist philosophy. His lifelong commitment to individualism and utilitarianism, coupled with his rejection of key socialist principles, is sufficient evidence for my conclusion that Mill's philosophy could never reach true socialism insofar as it retains the fundamental concepts of democratic liberalism.
Socialism Versus Liberal Capitalism:
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It is a popular view that socialism and liberal capitalism are ideologically conflicting viewpoints with often radically different points of departure. In the various treatises addressing this fundamental contrast, the writings of John Stuart Mill have been widely depicted as the classic expression of 19th century liberalist thought (in which era the foundation of liberalism may be said to reside). Nevertheless, the fact that Mill called himself a socialist in his later years, though not a well-known or universally accepted one, could suggest either a basic incompatibility in the evolution of his philosophy or perhaps a forum for the reconciliation of putatively inimical ideologies. This study will explore this "incompatibility" and, through an analysis of the concept of individualism, will attempt to clarify the relationship which the seemingly disparate traditions of liberalism and socialism hold with regard to Mill. The following pertinent themes may be noted as background to the present discussion.¹

In his earlier writing Mill positioned himself philosophically among the classical liberals. His portrayal of the multi-faceted relations between the individual and society testifies to his uncritical acceptance of certain classical liberalist themes which become gradually reformulated in his later years as features of his democratic liberalism.

This newer liberalism has been viewed as an attempt to render intelligible changing social conditions and to provide some direction through them. Thus, its principles might be applied to contradictory or conflicting interests, like those of labor and capital, with the result being an attempt to reconcile the claims of each on some elevated, or more abstract, plane of analysis. But this approach has encountered difficulties; foremost among them, for present purposes, is how to interpret Mill's avowed socialist affiliation consequent to his libertarian pursuit of truths

embodied in conflicting claims, notably, those of the propertied and of the laboring classes. Another obvious difficulty in this approach is how to reconcile Mill's "socialism" with his persistent individualism.

An interesting array of opinions have been expressed in the literature with respect to Mill's so-called socialist perspective. These may be categorized in the following tripartite way: those that hold that (a) Mill's individualism and his socialism are compatible. For instance, Briggs and Winch claim Mill gradually moved towards socialism, that he simultaneously stressed the need for "individuality", and thought it credible that the former may provide the latter with a proper context of growth (Briggs) or that Mill's attempted synthesis commands respect (Winch): or, concurrence with socialists on some issues, perhaps by deciding each issue on its own merit, need not mean conversion to socialism (Albee); (b) Mill's individualism and his socialism are incompatible. For example, he tried to reconcile irreconcilables (Bain); or his qualified socialism redefined the isolated "individual" as essentially a social being, so rejecting a vision of society based upon the former (Fosdick); and (c) Mill's individualism may entail his socialism (by extension). For instance, resembling a non-revolutionary syndicalism (Robbins) or voluntary workers cooperatives, Mill's socialism attempted to adapt liberalism to changing socioeconomic conditions (Wolff); and regarding these conditions, the classes of capitalists and of laborers "should be equally balanced so neither can dominate the other" (Shields).

Another writer\textsuperscript{11} (Barker) claims that Mill's theory of individualism was too abstract, and his theory of liberty, empty, and so therefore, Mill could allow that "voluntary" associations like trade unions offer great scope for (individual) liberty. Though this claim leaves untouched the question of the connection between individualism and socialism, it does permit us to see a serious shortcoming in a sociopolitical philosophy so abstract that it offers no rules for application to concrete affairs.

In contrast with the above views, the present study claims that Mill never abandoned his liberalist philosophy. Indeed, his "socialism" might best be interpreted in rather a different light than Mill intended: as enmeshed within the conceptual framework of democratic liberalism. Accordingly this study provides a general definition of the features of socialism--one that is broad enough in scope to encompass the somewhat diverse theories of that rubric--and in terms of which Mill's "socialism" will be systematically evaluated. This study will demonstrate that Mill's view of socialism did not conform to the characteristic elements of that philosophy, except in the most tangential way.

Mill's Classical Liberalism

In tracing the evolution of Mill's philosophy from its beginnings in utilitarian theory, other scholars have observed\textsuperscript{12} that notable landmarks in his intellectual development coincided with certain crises in his life. Considering the extremely young age at which Mill began his education, by his mid-teenage years, he was a serious scholar, publishing articles in the Westminster Review (his father's Liberalist journal) and holding a minor post with East India House.\textsuperscript{13} His philosophical contributions during those years were representative of classical liberal philosophy--the tradition in which he was meticulously educated by his father, James Mill, an arch-disciple of utilitarian, Jeremy Bentham. John Mill's philosophy evolved through several stages from classical laissez-faire liberalism to democratic liberalism, as evidenced in his reformulated individualism and his combination and modification of utilitarianism and natural law.

\textsuperscript{13}Briggs, Autobiography, pp. 75, 80-81, 97.
Mill's early concept of the individual, shared by certain Enlightenment and early 19th century philosophers, placed the formation of human nature prior to human involvement in society. This putative pre-social nature of the individual was seen to originate and operate in accord with appropriate general laws for understanding social relations and forces. In "Essays on Some Unsettled Questions of Political Economy," Mill distinguished three levels of analysis on which the concept of the individual could be addressed. The most rudimentary level represented the individual's essential nature, viewed as distinct from societal contact. The second level, that of interpersonal interaction addressed the activities of individuals in contact with each other as individuals. On the third level, the nature of the individual was regarded as conditioned by his membership in a larger society. This "larger society" was merely an abstract term applied to individuals in a sort of inseparable association. Together, but from different perspectives, natural law and utilitarianism portrayed the natural condition of the individual in society as characterized by a fundamental antagonism.

Natural law theorists in Mill's day viewed the individual as morally autonomous creatures of nature who, in social organization, were protected by a system of natural rights. All social institutions gained legitimacy to the extent that they respected the beneficent natural order.

Premised upon an ethic of self-interest, the Benthamite ideal of utilitarianism, to which young Mill subscribed, postulated that "individuals seek their own happiness (pleasure or the removal of obstacles thereto) and seek to avoid pain." The utility principle represented the idea that certain institutions of society may be more conducive than others to greater happiness, either qualitatively or quantitatively, and, thus, should be promoted.

Classical liberalism was basically a reformist movement committed to the following tenets: (1) intrinsic moral

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14Philosophers such as Kant, Smith, the British empiricists and Bentham start their philosophical analyses from an "abstract" individual.
worth of human individuals constituted by "higher laws governing human affairs;" (2) maximum personal/individual freedom; (3) minimum social control or societal interference; (4) encouragement of economic competition among individuals as a natural state most promotive of happiness; and (5) derivative value of social institutions as sanctioned by higher law.18

In his early years, Mill followed closely in this tradition believing that natural laws govern both individual behavior and social relations. He believed that the ideal state would be one which possessed no interests of its own save those of its individual members taken in the aggregate.19 Mill here cautioned against assuming that man's essential nature became somehow transformed into another kind of substance when living in a society. In the ideal state, the happiness of a single individual and that of the greatest aggregate of individuals would be naturally consistent. However, Mill viewed the institution of government in existing sociopolitical arrangements as essentially antagonistic to the interests of the individual. While at some point in his later years he would advocate representative government as the only form of government able to insure the greatest happiness for the greatest number, his earliest philosophy led him to the brink of anarchism—to a "philosophical radicalism" calling for widespread societal reform on certain social issues such as population control (if not on universal suffrage).

During his early twenties, Mill suffered a profound crisis in his life20 which caused him to question the values and orientations of his utilitarian radicalism. That his "coming of age" could produce near suicidal effects can be explained by the rigors of his early academic training which denied to him a balanced emotional life. Thus, the very "happiness principle" that he sought as a utilitarian philosopher was unattainable in his personal life. Mill sought solace in art and poetry—forms of expression disdained in classical utilitarian theory as vehicles not of truth but of pleasure. Mill's partiality to poetry signaled his eventual departure from the Benthamite traditions21 which held that truth can be

18Rosenbaum, "Socialism...", p. 17.
19This view persisted even in his System of Logic, p. 879.
approached only through empiricism and rationality. During this time, Mill's transitional phase from classical to democratic liberalism was reflected in his changing concept of utility, of natural law and the role of the individual.

Mill's Democratic Liberalism

Mill emerged from his mental crisis as an incipient "democratic" liberal with a reconceived individualism as first expressed in his "Spirit of the Age." This five-part work was essentially a philosophy of social change à la Comte (Cours de Philosophie Positive, 1832-1842) which segmented the history of society into natural ages and transitional ages. Mill saw worldly power and ethical judgment in the natural ages as exercised by the "fittest," thus facilitating harmonious cultural development and human progress in general. In the transitional ages (where Mill placed his contemporary society) power is no longer in the hands of the fittest; the people have outgrown the old order and drastic reform of revolution is required to restore society to its natural balance.22 Whereas on first analysis, these views squared with classical utility theory, their emphasis on human nature as evolved rather than static was a significant departure from Benthamism. Similarly, while Bentham had portrayed happiness as "pleasure," Mill's Spirit depicted it as "improvement." The transitional Mill promoted open-mindedness as a personal quality which would enable the individual to re-examine old truths; Mill saw the nature of such truths as relative--their component principles changing in relevance and emphasis through the ages which people passed. Thus, a new idea (thesis) might provoke conflict (antithesis) but in a society of open-minded individuals, a synthesis would eventually occur.

The model introduced in Spirit of the Age whereby truths were interpreted as relative to their sociopolitical context persisted throughout Mill's later writings. Attaching the paternalistic treatment of the laboring classes in "The Claims of Labor," Mill reiterated his stance on relativity by suggesting that "the essential requirements of human nature may be alike in all ages but each age has

its own appropriate means of satisfying them."23 Later, in The Subjection of Women, he re-emphasized that social institutions correspond not to the features of human nature but, more likely, to the historical conditions of a given age.24 Mill advanced his theory of democratic liberalism as the appropriate philosophy for the transitional age through which he was living. Nevertheless, democratic liberalism maintained the same general focus as did its precursor; both phases of liberalism reflected the ideology of capitalism by supporting the utility of the private property system as contributory to the general social well-being. However, in other respects, democratic liberalism was clearly a departure from classical liberalism in its reformulation of utility theory and in its re-evaluation of natural law with respect to democracy.

Democratic ideals and principles were not always a part of the liberalist philosophy. Mill's view of democracy interpreted the concept of "right" as an essential contributor to human happiness in society by granting to all people a natural entitlement to equal moral consideration. Mill advocated for all individuals "complete equality on all legal, political, social and domestic relations,"25 as conditional for personal improvement and happiness. At first he placed more control in the hands of individuals over some of the institutions and affairs affecting them and thus over the grounds of their moral and social betterment. Later, in Considerations on Representative Government he expressed the idea that the state should intervene to promote the commonwealth because he felt that public well-being could only be assured in the long run by a representative government.26 In this view, government would serve and be justified by the individuals to whom it would belong. While he worried that moral and spiritual decay might befall the individual by merging into group identity, he envisioned that growth could be accomplished in this manner without revolution.27

23J.S. Mill, Principles, passim.
26J.S. Mill, Considerations on Representative Government, pp. xi-xii, 43-44, 55.
27My interpretation is in basic agreement with Hayek's, Vide: J.S. Mill, The Spirit, pp. xxx-xxxii.
Mill had always found it necessary throughout his writings to link the progressive development of liberalism to the theory of individualism. For it was the greater happiness of this "individual" as the basic presocial unit of analysis that would provide the ultimate moral justification for any type of social action. Mill's essay On Liberty may be regarded as transitional between his two related though distinct theories of individualism: the "atomic" (classical) and the "social" phases. In the classical manner, he believed certain provinces of human existence to be naturally inviolable; he acknowledged that the free development of individuality was not only one of the main requirements of well-being but was also a necessary part and condition of civilization, culture and education. However, he also recognized the formative contribution made by society in providing the reciprocal foundation of a "negative" freedom (i.e., non-interference in self-regarding matters) with reference to the liberties of thought and discussion. In addition, Mill reworked the concept of atomic individualism by recognizing the government's duty to foster "positive" freedom by establishing conditions for individual "happiness" (qua improvement) in changing social circumstances. Thus, in his transition from atomic to social individualism, Mill retained his concept of the individual's pre-social nature but he altered his concept of the role of government in the concerns of the individual.

Throughout his writings, Mill's idea of the highest form of government was always one which would encourage the most beneficial results. Notwithstanding the relativity model of Spirit, this fundamental principle remained constant in Mill's work. It was his particular recommendations on how to achieve beneficial results that would vary according to circumstance. Recognizing that a utility principle too narrowly conceived was actually counterproductive, Mill

29J.S. Mill, On Social Freedom, pp. 40-50. The Individualist argument for positive freedom was taken to its extreme point of departure in a work of questionable authorship, On Social Freedom. Here, society was explained as a condition for individual growth, and human beings were described as social beings requiring the society of others for the fulfillment of their self-regarding interests. Left to themselves, humans would be in continual misery and their "freedom would be practically limited to their freedom to starve." (p. 46)
first endorsed representative democracy on the ground that in larger societies, all individuals cannot participate in public business.30 However, in his Autobiography, he later explained in utilitarian fashion that he ceased to consider representative democracy as an absolute principle; he regarded it as a question of time, place and circumstance.31 Mill argued further that social conditions may be altered deliberately to better promote the moral demands that "the human condition" made upon society. Mill could accept on utilitarian grounds the idea of a "higher" or moral law ultimately sanctioning social, political and economic relations. Utilitarian calculations were not bound to underscore the claims which were equally considered from the viewpoint of the natural rights of all individuals, but rather, utilitarian concepts accented the sorts of methods which individuals and societies could use to attain the greatest happiness. In principle, democratic liberalism could not encompass a greater happiness on any ideal grounds other than the equal rights of all individuals to minimally some happiness. Mill advocated a gradual change for this goal on the moral basis of utility and natural rights.

Mill's Socialist Heritage

Mill's philosophical references to socialist alternatives appeared more frequently in his later writings and with respect to questions about the most just and productive governance of society. These writings about socialism reflected the influence of history, social conditions, and biography. In Principles of Political Economy, Mill criticized the capitalist modes of distribution and offered suggestions for their improvement that were, with each


31Briggs, Autobiography, p. 129.
successive edition, increasingly tolerant of socialism. Mill acknowledged the liberalizing influence of his wife, Harriet, when in his Autobiography, he stated that he and Harriet should be classed "decidedly under the general designation of Socialists." Though some have argued that Mill was retreating from socialism after Harriet's death, there seems to be no clear proof for this view as Mill died before completing his Chapters on Socialism which might have provided the definitive answer to this dilemma. Nevertheless, the present study proposes to circumvent biographical data in the examination of the question of Mill's socialism by contrasting the internal consistencies of Mill's philosophy with several independently-derived features of socialism.

On the face of it, this task has a veneer of futility, for why would anyone wish to contravene Mill's own stated preference for the socialist designation? Are there really grounds, we might have asked, for denying him this classificatory preference, that is, without predetermining the outcome of inquiry by fashioning peremptorily or arbitrarily a preferred definition of socialism? This study seeks to show that the evidence does offer grounds for withholding from Mill and from others whose similar judgments have been directed by Mill's own statement, a ready endorsement of his view of himself? Again the question is whether a solid basis is discernible in his philosophy which supports his preference. Basically, the case may be made on the grounds of Mill's lifelong commitment to democratic liberalism and not only on what one writer has observed as "the convenient ambiguity of terminology which then prevailed" with respect to the term socialism.

Prior to an elaboration of Mill's view of socialism, a concise statement is necessary about what socialism meant

34 Actually the case may be made on the ground of Mill's basic utilitarianism, his naturalism, his individualism, his related objections to paternalism, and perhaps, many more. We have singled out his "democratic liberalism" because as his fundamental philosophical orientation, it is most descriptive of his thought, subsuming as components, all of the above theories. Nevertheless, each relevant component is treated later in this paper.
in Mill's time because, as this study will show, Mill should be received more as an interpreter than as an innovator of socialist thought. However, his writings did contribute to the development of some later socialist ideas, notably those associated with English Fabian Socialists.

In Mill's time socialism was largely a response to unhappy or intolerable industrial conditions. It meant "chiefly a criticism of the existing political order as unjust and the advocacy of a new order consistent with moral values." The socioeconomic goal of these early socialists was to place the control of capital in the hands of the workers and, thereby, to guarantee the complete dominance by the working class of society's productive means. Before 1848, the distinction between "socialism" and "communism" focused on their respective goals of nonviolent reform (cooperation, association, and reconciliation of social classes) and revolutionary activism (class struggle and eventual domination by the proletariat).

Ultimately, Mill's conjectures about the prospective success of socialism had to be restricted materially to his knowledge about so-called "utopian" socialist experiments (such as those of Owen, Fourier and St. Simon, etc.), the more radical attempts of workers to violently seize power (like that of the Parisian Workers of 1848), and, for various reasons, their respective failures (as well as to Harriet Taylor's socialist views). For not until the first quarter of the 20th century, did socialism become an established basis for a national entity. Mill could be said to have expected socialism to emerge successfully only when humankind attained a much higher moral condition.

Whether socialist states today owe their origins to a more highly developed moral condition of their respective peoples is debatable. At any rate, socialism, contrary to Marx's expectations, did not occur first in an industrialized country. Mill recognized the multiform and often

40 In Mill's defense of the interests of agricultural laborers, he anticipated in one of its facets the important distinction made by later political theorists between the industrial and peasant worker (between "town and country").
confusing uses of the term "socialism" as a "designation under which schemes of a very diverse character are comprehended and confounded." While he had no precise idea of the institutional forms that socialism would take, Mill's "socialist" recommendations were characterized by the following considerations: (1) the elimination of social divisions based on the idle and the industrious; (2) the impartial application of the rule that only those who shall not work will not eat; (3) the common acknowledgment of the principles of justice as a basis for the division of the produce of labor; and (4) the universal rejection of the idea that "one can work strenuously for one's own personal, but not for society's gain." In considering himself (and Harriet) as socialists, Mill was mainly referring to his views on the ultimate prospects of humanity and to his preference for gradualist measures to attain the desired ends. Mill expresses the claim that socialism implies at least a remodelling of existing society in the interest of the working classes and only under social conditions favoring intelligence and morality.

In these recommendations, it appears that Mill made an assumption that bona-fide socialists do not make: that government can be constituted so as to represent truly the interests of those individuals avowedly represented. One may assert that Mill has confused a socialist concept of government with his own liberalist ideal of what government should be. Is not the idea that society ought to be organized on the basis of all individual interests the very equality principle that underlies Mill's democratic liberalism? The democratic foundations of Mill's philosophy can also be seen in what he regarded as the social problem of the future: "how to unite the greatest individual liberty faction with a common ownership in the raw materials of the globe and an equal participation of all in the benefits of combined labor." Whereas democratic notions may find their place in either socialist or liberalist philosophies, socialism and liberal capitalism themselves cannot ultimately be reconciled. Based on Mill's continued support of irreconcilably liberalist themes throughout his later writings, "socialism" seems to this writer to have extended rather than to have replaced his liberalism.

43Briggs, Autobiography, p. 142.
The Features of Socialism in Mill's Philosophy

The General Features of Socialism.

The Polemics that flourish among certain socialists and liberalists can easily obscure the boundary lines between socialism and liberal capitalism, in general. Some socialists have peremptorily reclassified as "liberal" others' avowedly socialist views; many liberalists have referred to radical but quite disparate criticisms of capitalism under the general rubric of "socialist." Nevertheless, as the following discussion will demonstrate, some clear boundaries can be drawn between the two philosophies. As we have shown, Mill himself appears to have formulated a conception of what he regarded as true (nonpolemical) socialism. Consequently, in order to evaluate (at least by his own standards) the appropriateness of Mill's designation as "true" socialist and, at the same time to avoid the polemical pitfalls noted above, some universally-recognized formal criteria about what constitutes a socialism must be set. For present purposes, the following criteria may be considered as descriptive of 19th and 20th century societal forms of socialism which have been acknowledged universally. Included among these would be the many varieties of both Marxian (and democratic) socialism, and of communal cooperatives (e.g., Owen's villages of cooperation, Fourier's phalansteries, and Proudhon's mutual associations). Those forms excluded from consideration are the fascist National Socialism (Nazism) and some extreme variations of anarchism (e.g., Stirner's Union of Egoists, Godwin's nonauthoritarian society of free persons). The following discussion of the essential criteria of socialism should reveal what a "socialism" must have to distinguish it from other theories.

Competition.

Socialists and non-socialists alike in Mill's time considered the principle of competition, as against the principle of cooperation, to be an indefeasible feature of the private property system. Some attributed its existence solely to the workings of a system of private property, whereas others, often defenders of competition and so-called free enterprise, placed its origins in some natural condition of self-interestedness. The socialist writings and ideas with which Mill was conversant essentially

rejected private property's structural and motivating competitiveness, especially for life's necessities, as an immoral atavism that was in conflict with the organizational principles of socialist society.

Private Property.

All socialists share a principled opposition to the system of private property; in their writings they seek its eventual abolition, and therewith, its characteristic competitiveness for survival resources. However, socialists disagree about how best to accomplish this goal. Mill distinguished generally two types of socialists. In the first category were those in pursuit of a new social order that would be both free from private property and individual competition and be based on a country-wide proliferation of small autonomous units modelled on that of a village community (e.g., the systems of Fourier, Owen, et al.). In the second category he placed the communist or revolutionary socialists who advocated the management of a country's productive resources by one central authority (i.e., the national government) who intended to seize for the benefit of the working classes all the property in a country. According to Mill, communist doctrine forms the extreme limit of socialism.

Ownership.

Another fundamental difference between a socialistic and an individualistic (or private property) system concerns the conception each has of property and of the type of ownership of the means of production generally encouraged. Although in a given society "mixed" economies are possible to some degree, this is not the case with reference to the system's basic structure, for either private ownership or social ownership predominates. This fact allows us to keep clear our theoretical concept of the distinction between the two social systems as pure types.

Both socialists and private property theorists distinguish between public and private sectors of economy, but they define their respective domains in terms they

46A pithy comparison and contrast of the differing methods advocated by socialists may be found in: Martin Buber, Paths in Utopia (Boston: Beacon Press, 1960), Chapters II, III, VII, VIII.
consider closest to their principles of socioeconomic organization. Distinctive features of the public sector generally reflect the focus of ownership of a society's productive means. The public sector under socialism is much larger than under a private property system of production. Public—or state-owned companies in a socialist economy produce the greatest share of the state's total output. In a private property system they (are expected to) produce a much smaller proportion of the state's total production, and are usually restricted to service functions such as transportation and utilities.49 Generalizing about socialism, then, it advocates the predominant collective ownership of the means of production, as reflected in it's concept of the public sector.50

Economic Planning and Distribution.

The related notions of economic planning and distribution have distinctive forms in socialist theories. The idea of distribution involves the total social resources (e.g., goods, services, labor, those of nature, etc.) available for use in a given society. Specifically, it may apply to that amount earmarked for use by the society's productive apparatus, or it may refer to its allocation for use in the public sector as a whole. The distributive process refers not only to what one may get but also to what one may have to do to get it. In either case, distribution under socialism is accomplished through centralized social planning calculated presumably in terms of "the public good." In fact, it is this feature that socialists contend gives to their system its superiority over the productive anarchy that prevails in private property systems (e.g., with respect to their inefficiency and wastefulness), as far as service to the public good is concerned. Although socialism seeks to schedule all its economic activities, adjusting them to the needs of the community, a planned economy alone could not be considered as socialism but rather as one of its distinctive features. In contrast to socialist planning the premise of private enterprise has been that competing economic units within the private property system (as if led by "the invisible hand"of Adam Smith) serve the commonwealth, better than would the units


50The idea of social ownership is distinct from that of social production. Production is social in all societies because it is a result of collective effort or its labor.
of production based on cooperative association. Although it is an exaggeration of socialist ideology that capitalism is totally unplanned, it is true in the above sense.51

Mill's treatment of the features of Socialism

Mill could not embrace some of the basic principles or concomitant aspects of socialism (as has been indicated in Mill's defense of private property mentioned above). This point requires greater elaboration in order to show how Mill's "socialism" should be interpreted as an extension of his democratic liberalism.

Competition.

Writing under the influence of the St. Simonians, Mill declared competition to be morally objectionable both in creating a climate of antagonism and distrust and in making someone's gains dependent upon someone else's losses. Mill advised that the adversaries of socialism would do well to rethink their position on competitive individualism. On the other hand, he did concede that socialism for all its rightful criticism of competition had only objectionable proposals for its replacement.52 53 However, as undesirable as he considered the antisocial effects of competition, he remained much more concerned about supposed evils to be prevented by competition. Mill's early explicit dissent from what he considered to be the "most conspicuous and vehement part of" socialist teachings, "their declamations against competition,"54 is a position he espoused throughout his later writings. He considered it a mistaken idea to charge upon competition all the evils that exist in the system of free enterprise. Despite the inconvenience like hostilities and jealousies that attend competition, he believed its operation to obviate even greater ones like mental dullness and idleness. He made no radical distinction between competitiveness as a personal attitude or as a structural feature of a social system. Thus, Mill's view of competition can be said to receive much of its consideration from its libertarian worth, i.e., as a springboard to the clashes of interests sanguinely

54 J.S. Mill, Principles, p. 141.
effectuating both desired "truths" and "the greater good". His qualified but determined support for competition may also be indicated as follows. He viewed the remuneration of labor primarily as a result of the law of competition. Moreover, he asserted that competition is neither as harmful nor as anti-social as most socialists would believe. Instead, Mill considered all restrictions imposed on competition to be evil, and all extensions of competition, (however injurious to some "class of laborers") as always an ultimate good. His statement does not lend much support to those who place Mill near the perimeters of socialism (as a consistent champion of the working classes).

Support of the Private Property Systems.

Insofar as Mill defended competition in social life, he consistently supported the type of social system that allowed competition to operate most freely, to wit, the private property system. Despite his conception of the future society as one having some socialistic features, he readily endorsed the system of private property. He thought that the various schemes of communitarian property should be examined by small-scale experimentation before being considered as replacements for the existing system. The present system of individual property should not be undermined, as called for by socialism, but rather improved upon through the equitable distribution of the full benefits of community life. Thus, Mill provided an early rationalization for the so-called "welfare state" phase of liberal capitalism in which the government is called upon to remedy the maldistribution of social wealth (caused by the disproportionate enrichment of the propertied classes.)

Economic Planning and Distribution.

Adversion to the cognate question of social planning and Mill's ideas respecting it, may be taken as further evidence of the greater distance separating Mill's philosophy from that of socialism than is often supposed. Social planning for a community requires some centralized mechanism for coordinating and implementing decisions. Considerations owing to community size may affect the character of a

specific mechanism but not the fact of the practical political connection between questions of planning and of centralization. Appropriate passages in his works will be cited to elucidate the position Mill takes regarding social planning and centralization (two principles crucial to socialism).

In spite of their differences with respect to the rules of association, socialists concur in their support for associative, as against competitive, relations as a basis of social organization. Mill discussed the association principle (or the Cooperative or Partnership principle) in the context of his views about the ideal future society; his socialist sympathies are made here most manifest. Mill promulgated his belief that a socialist system is better suited for survival if based on the harmony and not the opposition of interests. He saw in the industrial capitalist economy two fundamentally opposing components—the thousands of payers of wages and the millions of receivers of them; he predicted the future success of this economy to be ultimately dependent upon resolving the primary conflicts of these opposing groups. If their interests may be harmonized, the principle of association fundamental to such a system could come, Mill prophesied, in one of two forms: "in some cases associations of laborers with capitalists; in others and perhaps finally in all, associations of laborers finally among themselves." But by laborers, he does not mean simply hired-labor or wage-labor, a condition he surmises will be superceded after the sufficient increase in intelligence, and in the numbers of organization or associations of the working classes. Nor does this future social organization exclude the existence of capital. Mill writes: "Capital is as indispensable to labor as labor is to capital. It is true that laborers need capital, not capitalists."

Attempts by socialists to successfully manage the instruments of production undertaken upon the common account were viewed by Mill as practicable on the small scale of utopian socialist experiments. However, he

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59 For example, see: Mill, Principles, p. 126.
60 Mill, Principles, p. 129.
61 E.g., Mill, Principles, p. 126.
questioned the efficiency and likelihood of success of the whole production of a nation, by one central organization.\textsuperscript{63} It may be said that Mill opposed centralization, and hence overall planning, both considered basic to socialistic communities regarding economic processes; and with political processes, he also preferred localized decision-making, and conceded federal direction, like in modern states, only when necessary.

For the reasons mentioned above, Mill was adverse to centralized socio-economic planning on a national scale. He envisioned the probable future of the laboring classes to consist ultimately of discrete worker's cooperatives whose existence is multiplied throughout a given country. This conception resembles syndicalism more than it does collectivism.\textsuperscript{64} If social control and planning are to be localized, on what basis might a national entity be expected to sustain its vital activities and territorial integrity? To avoid internecine rivalry and anarchy on the national level, Mill advocated in effect, overall political planning to be carried through by the agency of representative government. Mill's liberalist solution to this problem is extrapolatable from his political writings.

Mill observed that there are two prime sets of interests in contemporary society: those of capital and of labor.\textsuperscript{65} He believed that the function of government was to balance conflicting interests to make a segment of one class of interests depend upon another segment of a second class and so to achieve a majority. Through this balancing function, no one class is permitted to dominate the other politically.\textsuperscript{66} In other words, he conceived government as the mechanism for reconciling through the political process the two apparently divergent interests of capital and labor.

These observations may now be pertinent. Mill rejected the socialist ideals of the elimination of competition, the abolition of private property, and overall centralized socioeconomic planning. However, he supported public or

\textsuperscript{63}Vide: J.S. Mill, "Chapters on Socialism," pp. 738, 739.
\textsuperscript{64}Vide: Lionel Robbins, The Theory of Economic Policy, p. 159.
\textsuperscript{65}J.S. Mill, Considerations on Representative Government, p. 100.
\textsuperscript{66}Mill, Considerations, p. 101.
community ownership of its productive means, but only on a relatively small scale.

Firstly, Mill encouraged competitive conditions as ultimately conducive to economic, intellectual, moral, and social growth; moreover, he was prepared to overlook the provisional "inconveniences" that accrue to its functioning as against those that would attend its elimination.

Secondly, he held that the private property system is capable of further development along political democratic lines that would harmonize both the interests of capital and of labor on higher moral grounds. On balance, Mill placed his faith in the "corrective" powers of capitalist democracies for the reason that they were never afforded the opportunity or fair chance to rid themselves of their inequities. Later, Fabian socialists, whose ideas were greatly influenced by Mill and Marx, believed that even an ideal capitalist society would be unjust; as socialists, they sought to preserve in their analysis of capitalism a theory of 'surplus value', and hence, were opposed to the idea that unpaid labor as the basis of capitalism has a role in the just society.67

Thirdly, he could support social ownership of a society's productive apparatus at some unspecified future date, but on the provision that the general moral condition of its citizens was far superior to that of those in presently existing society; until and unless this condition applies, the system of private property ought to prevail for the reason it serves the ultimate "public good" under this condition. Mill's professed socialism is further qualified by his implication that the cause of the sufferings of laboring classes qua laboring classes lies in the sphere not of economics but of education and morality.68

Mill's libertarian suspicions were aroused, one might believe, by the concentrations of power that would ensue from collectivizing or centralizing the overall planning function for a society; he seems to have feared the tyrannical use of power that can be expected to ineluctably attend the removal of institutionalized mechanisms for

protecting the freedoms, rights, and interests of "the governed."

In connection with a discussion about the nature, justification and ethical purpose of a society's governance, one further question must be posed. It concerns whether Mill's objections to "paternal government" constitute obvious grounds for his continued commitment to liberalism. In considering whether Mill's particular objections are incompatible with a socialist philosophy, we must address not only the extent of these objections but also whether they seriously or directly account for the qualifications with which Mill approached socialism. As the larger purpose of this paper has been to consider the scope of the qualifications themselves, the paternalism issue, in this context, becomes somewhat tangential. Nevertheless, regardless of whether the "case against socialism in Mill" can be established independently on socioeconomic grounds, a consideration of Mill's views on paternalism has value in that it illustrates the deeply-rooted liberalism in Mill's utilitarian philosophy.

"Paternalism" in Mill's writings is most frequently discussed with respect to governmental interference, coercion, and tyranny, with an occasional reference to paternal government. Whereas a uniform definition of "paternalism" does not appear in Mill's writings, Dworkin suggests a compatible definition of paternalism as "the interference with a person's liberty of action justified by reasons referring exclusively to the welfare...of the person being coerced." Accordingly, "tyrannical" interference by governments (or by other individuals) against individuals can be paternalistic when coercion is used to achieve a good not recognized as such by those persons for whom the good is intended. This definition is in accord with the view that certain instances of governmental interference may be nonpaternalistic when individuals need compulsion to give effect to the collective judgment of their own interest by guaranteeing to each individual compliance by others. While Dworkin's definition squares well with Mill's general orientation, it is noteworthy that Mill's treatment of paternalism is an evolved view.

An examination of Mill's writings shows a changing perspective on governmental interference. Mill clearly recognized, particularly in *On Liberty*, the threat to individual liberty posed by excessive government or by the coercive practices of paternal government. He argued that the support of the individual's own interests could not provide sufficient warrant for the use of compulsion. Nevertheless, he was willing to accept certain instances of governmental intervention in the provision of alternative institutions to the market as long as these instances did not jeopardize individual liberty. Elsewhere, in *Principles of Political Economy*, Mill endorsed some types of governmental interference in the affairs of the individual. He accepted the state enforcement of education, of parental responsibility, and of a system of individual rights. One might question whether these two views are a major inconsistency in Mill's philosophy, or whether they represent the respective contributions of his ethical and his political perspectives. While, on the face of it, Mill both repudiated and allowed paternalistic interference, the "inconsistencies" harmonize with Mill's basic utilitarianism and run in accordance with the evolution of his individualism. However harshly he may have repudiated governmental interference, he was never an anarchist; the manner in which he viewed the reciprocal roles of the individual in society were consistently support by contingent and noncontingent arguments. These arguments represented the confluence of the utility principle and the natural law doctrine.

Mill's noncontingent argument was based on his concept of the individual personality as a phenomenon of nature and governed by the natural law. Yet, in his utilitarian view, he continually reassessed what the circumstantial actions of the individual must be to maximize the "good" (contingent principle). In Mill's philosophy, the idea of abstract right was not independent of utility. In fact, he regarded utility as the ultimate appeal of all ethical questions grounded on the interests of man as a progressive being. Throughout his earliest works, Mill was a (classical) laissez-faire liberal who viewed the individual abstractly, in relative isolation from a social setting. The "greater happiness" of individuals would, in this view, be maximized if only the forces of society would leave the individual free to

develop his own faculties and execute his will. The mature individual alone was regarded as the best judge and executor of his own affairs. In *On Liberty*, we see another configuration of the contingency and noncontingency arguments as a closer alignment of utilitarianism and natural law in the democratic liberal phase. The abstract individual now gained social awareness, acknowledging that a suitable adjustment must be made between individual independence and social control. While Mill continued to believe in the sanctity of the individual personality and its ability to choose the good, the role of government was ultimately reconsidered in light of the individual's social needs.

In his later years, during the phase in which we consider his status as socialist, Mill allowed an increasing role to government in the individual's affairs. The idea itself of the individual was gradually redefined as a social individual, whose very essence could not be separated from his place in society. While freedom from tyranny remained a precondition for happiness, life in society demanded of the individual a greater sense of social duty. Accordingly, changing political circumstances compelled Mill to reconsider the duties and power of the society with respect to the individual human being. As a result, Mill came to recognize not only the ordinary functions of government but also the utility of social forces in achieving collectively agreed upon ends that individuals themselves could have neither the resources nor the power to accomplish. While Mill's attitude on paternalism per se remained as consistently harsh as throughout his earlier writings, he now regarded fewer instances of intervention as paternalistic.

For present purposes, the reader should be reminded that Mill's conjectures about the ranges of future socialist governments were built largely upon his (limited) exposure to small-scale experiments all occurring within the context of liberal capitalism. Furthermore, his support of socialism was more or less energetic according to the particular philosophical issue or biographical period under consideration. During the time that he repudiated "that tyranny over the individual which socialist systems are supposed to involve," it might seem that Mill should have held socialism to embrace a wider form of paternalism and to unequivocally reject them both. However, Mill totally rejected neither

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in keeping with his tradition of avoiding absolutist positions. Implied in his comment about "the tyranny over the individual" is the individualism at the cornerstone of Mill's thought: his evolved interpretations of paternalism ventured no farther than his theories of the individual--either abstract or social. Thus, one cannot rightfully add "acceptance of paternalism" to a list of criteria for true socialism; allowing such a criterion would be, if not entirely misleading, at least sufficiently lacking in relevance and distinctiveness for socialists themselves to appreciate. As paternalism is a related concept of individualism, Mill's reluctance about paternalistic intervention is testimony to his lifelong view of the individual as the basic unit of society. Therefore, Mill's status as socialist must be determined by other factors than a mere repudiation of paternalism—itself a second-order distinction. Rather, the appropriateness of the socialist designation should be evaluated by its consistency with respect to competition, private property distribution and planning, and from its compatibility (or lack thereof) with individualism.

Mill's Qualified Socialism: Conflict or Compromise?

By means of the above examination of the first principles of socialism, we have sought to establish evaluative criteria for categorizing Mill's socialist views in the light of his whole philosophy. Yet, the goal of categorizing Mill's thought has been somewhat elusive, for he apparently vacillated throughout the years in certain of his theoretical positions. Indeed, numerous scholars have accused him of inconsistency on fundamental issues. Earlier in this paper, we classified the scholarly opinions concerning the consistency of ideas in Mill's writings into three major groups: (1) those holding Mill's socialism and his individualism to be compatible; (2) those holding his socialism and his individualism to be incompatible; and (3) those holding his socialism to entail his liberalism by extension. This writer maintains that Mill's socialism and his individualism were compatible only in the limited sense that the former amounted to a qualified socializing of certain features of the private property system while never truly veering from liberalist foundations. Hobhouse recognized this possible turn of events when he held that, up to a certain point "a thoroughly consistent individualism can work in harmony with socialism." In other words, "individualism when it grapples with the facts is driven no
small distance along socialist lines."\textsuperscript{75} We may recognize Mill's individualism to be "thoroughly consistent," but its consistency is most clearly seen from the standpoint of his continuing commitment to such basic liberalist ideals. However, his socialism became incompatible with his individualism as an intentional redefinition of his philosophical identity. Indeed, it is a serious attack on Mill to call him inconsistent in claiming to be a socialist while adhering to the principles of individualism. Mill's philosophy appears as consistent only if we ignore his self-designation and consider the whole of his writings.

Since other philosophers called socialists have made qualifications in their theories and have continued to be regarded as socialists (e.g., the Fabians), an appropriate classification system requires that an unambiguous line of demarcation be drawn between socialism and non-socialism. In this paper, the first principles of socialism and of liberal capitalism have been depicted as mutually incompatible in their respective positions on competition, private property, planning and distribution as well as on individualism. From Mill's inclinations toward the liberalist variations on these themes, his place in the capitalist tradition cannot be seriously questioned. Nevertheless, by claiming to have at least one foot in the socialist camp, Mill virtually challenges the reader to reconcile the disparate positions in his writings. Mill certainly moved a far distance from his classical liberal roots. Was it perhaps by contrast with his early years that Mill called himself a socialist? For a liberalist philosopher, Mill offered a considerably more progressive view of society than had any of his predecessors, but, in this writer's view, his socialism was no more socialistic than the institution of social security or national health insurance in a modern nation such as the United States. In its rejection of fundamental socialist principles, it seems that Mill's philosophy approached but fell short of true socialism.

Historically transplanted, Mill's liberalism has its affinity to John Dewey's renascent (or social) liberalism. Both philosophies reflect variations on the same liberalist theme of the perfectability of the private property system. Mill case an ancillary role for socialism as deserving "attentive study,...affording in many cases the guiding principles of the improvements necessary to give the

present capitalist economic system of society its best chance."76

Mill's liberalism anticipated the twentieth century view that the best means to a social democracy envisioned by liberalism is through a political democracy.77 Thus, Mill believed that, through enlightened and organized social effort, the democratic liberal system of rights, responsibilities and benefits was capable of promoting the greatest human happiness. We may conclude, in this vein, that Mill should be called a social democratic liberal when we take into account his whole philosophy. His utilitarianism, his philosophy of natural law and his individualism may have formed several configurations through the various periods of his development; nevertheless they remained as steadfast consistent themes throughout his progressive libertarian career.

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76 J.S. Mill, "Chapters on Socialism," p. 736.