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**KARL MARX**

*By the Same Author*

ROBERT EMMET

THAT DEVIL WILKES

NO EPITAPH (A NOVEL)

ETC

# KARL MARX

By

RAYMOND POSTGATE



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# KARL MARX

## LIFE OF MARX

WHEN Karl Heinrich Marx was born into the family of a well-to-do lawyer and jurist in Treves, Germany, on 5 May, 1818, he was born into a world which has long passed away. Napoleon had been crushed only three years before. The autocracies which had once been shaken were to all appearances re-seated firmly in the saddle. Far away, across the Channel in England, men were said to be using strange machines which sewed garments of themselves, and made remarkable goods for sale. But these goods were probably unnecessary, they certainly did not reach Treves and in any case their production caused the building of large, dirty and very miserable towns. Now, Treves, like other German towns, was small and clean and ceremonious. Life moved slowly, the classes were distinguished from each other, and rank received due respect. Karl's father had been a Jew, but he had been converted, and his whole family showed the usual convert's contempt for the unconverted. They received in return the respect due to the family of a

successful jurist This was not so great as that accorded to their chief friend, Privy Councillor von Westphalen, for that friend was not only a 'von' but also a Prussian official He was given to reading Shakespeare and Homer, he had (as German officials should) an affection for philosophical discussion, and he encouraged kindly his friend's intelligent son, Karl He did not know, when Karl left to go to Berlin University in 1836, that he was secretly engaged to his own pretty daughter, Jenny

At the University the young man threw himself eagerly into the study of every possible subject - History, Geography, Literature, Art, Philosophy and Jurisprudence But we are not to imagine him as a careful, unimaginative, dull student, with a strictly realist cast of mind Marx was the child of his time, and his time was one of Romance and Noble Sentiment We are to imagine a young man with fashionable black whiskers and a passion equally divided between an eligible young lady at home and Eternal Justice He wrote a great deal of poetry, which his deepest admirers admit is very bad and very high-minded He projected some short stories Then he burnt them all, having decided that they were unworthy He made an abstract of the philosophy of Law, covering three hundred pages He then burnt that, deciding that it was based upon wrong principles He wrote to his father, after a year's residence, a long, rather stilted, very young and naive letter, explaining his actions and announcing his discovery of the philosophy of Hegel His father, descended from an old Rabbinical family and

a man of common sense, replied that instead of lying awake all night, making himself ill, and then tearing up all the work he had done, Karl would be well advised to take more exercise, and a reasonable amount of pleasure, and not treat his problems with such frantic seriousness. But this advice was one that at no time Karl would have accepted. He met his father's adjuration by writing a new poem, of which one verse is quite sufficient:

'Let us not in base subjection  
Brood away our fearful life  
When with deed and aspiration  
We might enter in the strife'<sup>1</sup>

He had not to resist his father for long — the elder Marx died suddenly in 1838.

He had not left his family rich. He had expected Karl to take up a respectable, official career, and had provided him with an education to that end. Instead of so doing, Karl had wasted his time in accumulating every kind of learning but that of law, and now that he was dead, abandoned every attempt to study jurisprudence and plunged headlong into the fascinating study of philosophy. His friend, Bruno Bauer, a lecturer in theology, encouraged him, and the two indulged in hopes of an academic career. Bauer was to be a professor at Bonn and Marx a lecturer. Neither of these hopes were fulfilled. Marx became a Ph.D. in 1841 only to find that Prussian universities had no use for young men

<sup>1</sup> Translated by Partington and Stenning, in Beer's *Life of Marx*

of inquiring temperaments and violent language. His academic career ended with his having received a thorough training in Hegelian metaphysics and having acquired an encyclopædic, but as yet, unsifted mass of information of every conceivable kind. It was this remarkable mass of knowledge, to which he added patiently and unceasingly throughout his life that alone as yet distinguished him from thousands of other young, romantic, high-minded and Hegelian students. He had not as yet put his knowledge in any sort of order, though his mind had received indelible imprints of the philosophy which was to enable him to do so. All through his life Marx's mental processes were shaped by the Hegelian training he had given himself. Even the obscurities of his style can be traced back to Hegel's influence

Since the reactionary policy of the Prussian Government had closed the universities to him, and since he had, in one way or another, to earn a living, Marx took to journalism. The Liberals of the Rhine province were contemplating the issue of a journal, the *Rheinische Zeitung*, and the first number came out on the first of January, 1842. Marx became a steady contributor, and in October he was appointed editor.

His duties now brought him sharply into contact with economic and then political facts, and his education took a sudden stride forward. Economic facts were forced to his attention when he had to comment editorially upon the actions of the Rhine Province Diet in regard to wood-stealing and the minute subdivision of land, by a controversy with the

president of the Diet on the condition of the Moselle Valley farmers, and by a discussion on protection and free trade. He discovered that a knowledge of academic philosophy was not sufficient to enable him to cope with these questions. His political knowledge was enlarged when as a result of his comments the censor forbade the *Zeitung* to appear.

He resigned his post early in 1843, in consequence, married Jenny von Westphalen with characteristic improvidence, and went to Paris, where he took part, in conjunction with his friend, Arnold Ruge, in a fresh journalistic attempt, the publication of a large work called the *Franco-German Year Book*. Only one number appeared, the editors having quarrelled. This one number contained several articles by Marx and one by a young German living in Manchester, named Friedrich Engels.

Marx was highly impressed by the article. Till then he had considered Engels (whom he had met once in the office of the *Rheinische Zeitung* and not liked) as only another Utopian Socialist. Now, he expressed so marked an appreciation that Engels came to Paris to see him in September, and at their meeting the two men began a lifelong friendship and collaboration.

There is no possibility, at this date, of separating Engels's work from Marx's. Marx's, we know, was the master-mind; Engels's the assistant. Engels had neither Marx's learning nor his genius. But his mind was clear and exact, and infinitely more practical than his more gifted friend's. Without the intellectual assistance, by argument and research,

that Engels gave him, Marx would never have been able to go even so far as he did with his life's work. Without his financial aid, he would probably have starved to death

The two men's collaboration began at once. They realised that they had discovered, as they thought, the foundations of a scientific socialism. They had till then been under the influence of Hegel, who taught that only ideas were real, and expounded a system of thought called the dialectic - a complicated theory that truth is discovered by a process of contradiction (1 an affirmation - 2 a contradiction - 3 a contradiction of that contradiction which embraces in itself both the two previous statements). The two men never abandoned the dialectic, but, under the influence of a philosopher named Feuerbach, decided that Hegel's system must be turned upside down. So far from ideas being reality, it was material facts that were real and controlled ideas. Men's thoughts and actions were conditioned by their social relations. The process of history, the growth of class divisions, and probable progress of the revolution began forthwith to become clear. They could, fortunately, be mapped out by the dialectical process.

The two men immediately began, in a characteristically polemical way, to fall upon their late friends. A joint work called *The Holy Family* exposed the errors of Bruno Bauer, Marx's one-time tutor, who had remained an adherent of Hegelian idealism. An essay in the Paris *Vorwärts* by Marx similarly castigated his colleague Ruge

Engels was employed as an agent in Manchester for his father's firm of Ermen and Engels. He brought to Marx valuable information about the actual processes of industry and the effects which the astonishing progress of capitalism was having on the workers. He began at once to co-ordinate his knowledge in a book called *The Condition of the Working Classes in England*. He went back to his father's home in Barmen, announced that he was a communist and would take no more part in the family firm, quarrelled with his father, and came to Brussels, where Marx also had gone in 1845, as the French Government expelled him on the request of Prussia. There they resumed their common work with renewed delight and enthusiasm.

The first fruits appeared in the form of a book by Marx called *The Poverty of Philosophy* (1847). This was a reply to a book by P. J. Proudhon called *The Philosophy of Poverty*. Proudhon, a self-taught French working man of unusual abilities, had slowly and rather confusedly evolved a system of peaceful Anarchism on a federal basis. His first most famous book, had been called *What is Property?* ('Property is robbery'); its success had given him a boastful self-confidence which no doubt in part concealed an inferiority feeling arising from his proletarian origin. He posted his new book to Marx with a warm invitation to make a personal and detailed criticism. He got far more than he bargained for. The opportunity was one for which Marx's mind had long been unconsciously groping. Here was a man of sufficient eminence to be worth tackling and yet not so brilliant

that Marx could not be sure of defeating him. Proudhon had attempted to systematise his economic theories by using current philosophical terms, and a young man who fully understood both Hegel and Hegel's essential error could ask for no better chance to exhibit his knowledge. The result was a book which is a minor masterpiece of the rather brutal derision at which Marx and Engels and their followers became expert. The foggy, inexactitude and plain unreason of Proudhon's arguments became appallingly clear, and are thrown into relief by sarcastic jesting. That Proudhon was so wholly wrong and Marx so wholly right as seemed on the appearance of the book is not so certain to-day. But the immediate effect was decisive. Proudhon never forgave the smart young man from a university for having made him publicly look a fool; Marx, elated by triumph, ever afterwards regarded the anarchist ranks as populated in equal proportions by dolts and police spies.

In Brussels the two men had not confined themselves to writing polemical books. They had earnestly sought to get in close touch with the working-class, which alone, according to the theory which had formed in their minds, had any chance of becoming a genuine revolutionary force. They established a German Workers' Society in Brussels and ran a small paper. Their inquiries and lectures ultimately brought them to the notice of a secret society of German working-class revolutionaries, called the League of the Just. Its headquarters were in London; its ideals high-minded but far from



clear. It was sufficiently impressed by the reports of the new revolutionary science being taught in Brussels to send a representative across to investigate in January, 1847. His conclusions were so highly favourable that Engels attended the conference of midsummer, 1847, at which the change of the title League of the Just to Communist League was approved and a general assent given to the two men's views. At a further Congress in November (all these were held in London) both men were present and wholly dominated the meeting. The detailed exposition of their views were endorsed and ordered to be printed in as many languages as funds would run to (indeed, in more). It saw light in the end as the famous *Communist Manifesto*, a document which has perhaps been more influential in human history than any other, except the French *Declaration of the Rights of Man*. It will be found analysed later in this book.

Momentarily, however, it did not receive anything like the attention it deserved. The thoughts of revolutionaries were distracted by such exciting events that they had no time for theory.

During the thirty years that had passed since Marx was born, not only Treves but all the small, slow and reactionaries societies of Europe had been radically changed. The machines and the capitalism of England had spread across the Continent. Railways had begun to unite once distant places. textile mills, mines, factories had piled together great masses of poverty-stricken workers and made huge fortunes for vulgarians. Beneath the surface on which privy

councillors, grand dukes, chancellors and even kings strutted in complacence and in complicated security, there were vast heavings like the rolls of an imprisoned animal. The strength of the animal, or animals, was far greater than its bonds, had it but realised it. As soon as it did, what was scarcely more than a twitch sufficed to break them.

In February, 1848, the Government of Louis Philippe prohibited the holding of a political banquet in Paris. There was nothing new about this, and the Government had no reason to expect the humiliating consequences that followed. But Paris had just passed through its first experience of a serious commercial and financial crisis, and the workers and small employers were exasperated. They wished to hit somebody, and this silly and vexatious Government seemed as good a butt as another. They poured out on the streets to protest, fought not very vigorously with the soldiers, and found to their surprise that after a little more than a day the King and his Government had run away. A Republic was installed, amid universal rejoicing, with a Government consisting of a muddled collection of mild and extreme republican politicians, poets, doctors and astronomers, and one gasworker.

As the news of these interesting events spread across Europe, a feverish excitement spread with them. The moribund English Chartist movement burst into a last flare of activity; the Irish made a fresh attempt at an upheaval. But as the British Government was well-based on the middle class these efforts were resisted. The Chartist meetings

were broken up and Smith O'Brien was chased and caught in a cabbage-patch. Everywhere else, however, the success of the revolutionaries was fantastically easy. The King of Naples abandoned his absolute power and granted a constitution; so did the Grand Duke of Tuscany, and so did the Pope himself. The people of Milan rose and after five days of really serious fighting chased out a disciplined Austrian army; Venice did the same. Carlo Alberto, King of Piedmont, having equipped himself with a constitution, bravely declared war on Austria as the champion of free Italy and with the hope of some successful fishing in troubled waters.

In Germany, the inordinate number of minor royalties were the first to follow the same path, anxiously handing out constitutions on a democratic basis almost before they were asked. Baden was the first, Hesse – whose Elector was informed by the inviting committee that he was personally distrusted for crooked behaviour – probably the second, though it would need a skilled referee of school sports to determine the order of arrival. But until Austria or Prussia moved the fate of Germany was in doubt. With unusual delight, therefore, the revolutionaries heard that a revolution had broken out in Vienna, that centre of all reaction, on 13 March, not three weeks since Louis Philippe had fled from Paris. Metternich, the chief of all reactionaries, had fled; the Emperor himself had promised a constitution. Naturally, on top of that, people were less surprised to hear that Hungary, under the leadership of a writer named Kossuth, had wrested a similar free-

dom. Next, Berlin blew up; fighting took place in the streets. But before long King Frederick William was compelled to surrender. He granted a constitution, and was forced to stand on the balcony to watch the funeral of the victims of his fusillade, with his hat in his hand and crocodile tears running down the Hohenzollern nose. The King of Bavaria, half-cracked and wildly extravagant, was forced to dismiss his lovely, expensive, languorous, so-romantic 'Spanish' mistress, Lola Montez (her real name was Lizzie Gilbert), to grant a constitution and to abdicate. An all-German Parliament was even summoned at Frankfurt, to unite all Germany and put an end to all these royalties.

Events like these sent nearly all revolutionaries frantic, and though Marx and Engels kept their heads they had little enough influence in such a time of spring madness. They ran up and down Europe, like the rest of their more hysterical colleagues, doing what they could. From Brussels to Paris, from Paris to Cologne, from Cologne to Paris, from Paris to London. They were not together all the time — when Marx was making his last journey to London, Engels after a fruitless descent on Elberfeld and on Baden, had fled to Switzerland. Their most important contribution during this period was the issuing of the *Neue Rheinische Zeitung*, a periodical which despite its passionate tone, is far more clear-headed and realistic than any other of the papers issued in that period. A close knowledge of obscure revolutionary parties and incidents is necessary to appreciate in detail how well-informed and sagacious

the journal was. But its general thesis was amply proved by events. No sooner had the revolution proceeded a little way than behind the victorious bourgeoisie appeared the working-class, the class which was foredoomed to take its place. The bourgeoisie stopped in the middle of its rejoicings. All energy passed out of its attacks on the kings and nobles. Far, far better, to its mind, were these elderly nuisances than this ~~monster from the depths~~, which was demanding social equality, control of private industry and confiscation of property. The average middle class republican called alarmedly on the highness or excellency whom he had so recently and rudely kicked out of his seat. In Paris, the conflict between the workers and the bourgeois republicans ended in a savage three-day street-war which was quite another matter from the good-humoured scuffle which had chased out Louis Philippe. After that was over, the fate of the revolutions was sealed. Some of the outlying portions made an attempt to stand. Engels was in the ranks of the only German revolutionary army that fought, that of Baden. Mazzini in Rome and Manin in Venice put up resistances which were on the heroic and ancient scale. The Hungarians would probably never have been defeated at all if the Austrian Emperor had not been able to overwhelm them with an uncounted sea of barbarous and wholly obedient Russians, provided by the Tsar. But by 26 September 1849, the last revolutionary stronghold had fallen; the revolutionaries were dispirited and in flight; Marx was in London wondering how on earth

he should live; Engels, who had joined him, speculating if perhaps it might not be wise to be reconciled to his father after all.

They endeavoured, in 1850, to reconstruct the Communist League out of the ruins, only to find that the disasters so far from aiding unity, had led to more violent recriminations than ever. They offered to the defeated revolutionaries the explanation that as the outbreak of the revolutions had been due to the commercial crisis of 1847, so their defeat had been due to the sudden revival of prosperity due to the discovery of the Californian goldfields. Mazzini, Ruge and others, publicly declared that the failure was due to jealousies among the leaders, whom they called to unite under one European flag. Probably a majority of the Communist League were inclined towards Marx's explanation and to the line of thought which it represented, but the organisation was dwindling so fast and so torn by dissensions that it could not recover. After violent dissensions at a Central Executive committee in September, 1850, it passed out of existence.

Marx was now living in the most extreme poverty. His family increased steadily – the Marxes had in all six children of whom only three girls survived – he had no certain income at all, sometimes actually no income whatever. His only income that was at all regular came from a letter to the *New York Tribune*. The privations of those days made an indelible mark on him and upon his family. So poor was he that to get paper to write a pamphlet on the Cologne Communist trial in 1852 he had to pawn his only

overcoat. In the same year, when his child, Francisca, died, he had to borrow two pounds for the coffin. He had at this time four young children (one had already died in 1850). To support them he had a small irregular income from journalism. Engels, with less responsibilities, had no more income. But he had a father to turn to, though a father who harshly insisted on his giving up revolutionary agitation and going to work. At last, as much perhaps for his friend's sake as his own, he made his decision. He sighed as a Communist and obeyed as a son. He left London, and took a post in Manchester in his father's firm, as instructed. For twenty years the men rarely saw each other, though they wrote to each other regularly. From time to time, Engels was able to give Marx small financial assistance, but Marx remained wretchedly poor. Then in 1860 Engels's father died, and he was able to aid Marx more effectively. In 1868 – he was a good man of business – he induced his partner, Ermen, to buy him out at an excellent price, which enabled him to allow Marx a regular sum of three hundred and fifty pounds a year. On receipt of this news, and of the information that Engels could now devote himself entirely to revolutionary theory and organisation, Marx was so delighted that for once in a way he drank too much.

Marx was by no means naturally a recluse or an enemy of pleasure. Had he had the opportunity he would have enjoyed the pleasures of art, of music, and of the table as much as any other civilised man. It was his extreme poverty that enforced on him the life and manners of a *farouche* and Puritanical scholar.

All the energies that his half-starved and overworked manner of life left to him had to be consecrated to revolutionary thought and study. When circumstances allowed him some release he could be as gay and irresponsible as his one time friend, Heinrich Heine. Wilhelm Liebknecht tells an unexpected story of Marx and others, in an exuberance that was only partly alcoholic, breaking the street lamps in Dean Street at two in the morning and then fleeing from the police with an agility which was hardly to be expected in a famous philosopher and his admirers. His life in London was not unhappy; his wife and children were devoted to him, and the admiration of the working men whom he patiently and devotedly instructed made up for the loss of many other pleasures. As time went on and his fame spread, more admirers clustered round him from foreign countries, and a relaxation of his grinding poverty allowed of certain simple pleasures, though these were rarely more than family excursions to Hampstead Heath or disputations with fellow-Germans over mugs of beer.

His earlier years in London produced little of value. The book *Herr Vogt* (1860) is a quarrelsome attack, no longer of any interest, upon a one-time revolutionary, who had gone over to the support of Napoleon III. His letters to the *New York Tribune*, though unusually good journalism, are little more than journalism.<sup>1</sup> An essay on Napoleon III, reprinted as *The 18th Brumaire of Louis Bonaparte*, was

<sup>1</sup> Many of these, still good reading, are reprinted in *Revolution and Counter-revolution in Germany* and *The Eastern Question*.



so brilliant as to be more than journalism and rank as history. Most of his work deals with political events of a period which is not of great interest to us to-day, and is further injured by the excessive weight he attached to the views of David Urquhart, an anti-Russian politician, who saw in every event the malignant and ubiquitous power of the Tsar.

At the end of this period, in 1859, appeared a work which showed that Marx had been earnestly and steadily working upon the problems of revolution. Having decided that the revolution would arise out of the ~~economic contradictions of capitalism~~, he had resolved to investigate in the fullest possible detail the processes by which capitalism worked. This introductory volume containing his preliminary remarks and called *A Critique of Political Economy* was greeted with considerable but not very widespread applause. It appeared in the same year as Darwin's *Origin of Species*, with which it was sometimes compared, to Marx's evident pleasure. Eight years were to pass before the second volume appeared, and when it did it was cast in an entirely different mould, being the first volume of *Capital*.

During the whole of this period his researches were devoted almost exclusively to studying the works of past economists and the working of the system around him. Engels devoted his attention more to the theory of historical materialism. As things must have appeared to the two men Marx's work was more, practical and important, Engels's more distant and theoretical. It is, possibly, however, to be regretted that the division of labour was not the opposite, and

that the more powerful mind did not examine and elucidate the theory of history and the theory of the class struggle, rather than investigate economic phenomena which have now enormously changed

This period, from 1859 to 1867, was the most peaceful period of his life. Edgar, his son, had died in 1855 and he was not again bereaved. Although he was poor, he was not miserable and half-starved. His friendship with Engels was a continuous help to him. It was only interrupted once, in 1863, when Mary Burns, Engels's mistress, died. Engels, who was deeply attached to her, wrote a heartbroken letter to Marx, who answered coldly, in a letter complaining of his own poverty. Engels replied with a quick rage; Marx, whose imagination had really been dulled by the continual scraping of his financial difficulties, apologised earnestly and the incident was forgotten. Next year Engels married his dead lover's sister, and lived a happy, uneventful, bourgeois life for fourteen years more.

But though his worst difficulties were over, the seeds of disaster had been sown in Marx. The extreme poverty of the previous eight years had made ravages which could never be mended. Marx, in 1859, was only forty-one, but his health had been undermined. When underfed and overworked he had taken to smoking as a drug. His heart may have been affected slightly, but the gravest damage was done to his digestive system. Nicotine poisoning was injuring a half-starved body. His liver ceased to function properly, and he attempted to cover the pangs of digestive trouble with yet more smoking,

finding even cheaper tobacco, even viler and ranker cigars. In 1857 he had his first grave attack. Before long illness was to be a regular companion to him.

The first volume of *Capital* appeared in 1867. Its contents will be found analysed later in this book. Meanwhile, we are to consider the patient work to complete it, as a background to all the rest of his life, and a background which was to him perhaps more important than the foreground.

His foreground activities, however, shortly made him for the first time an international figure of wide reputation. The reputation was unjust for it presented him as the grim and icy-hearted head of a vast international conspiracy for bloody revolution, sitting as quietly, patiently and certainly in London as a spider in the centre of his web. The cause of this unexpected fame was the foundation of the First International and its first-fruiting in the Paris Commune.

In 1864 certain French working men were allowed by Napoleon III's Government to cross to London to attend a meeting organised to protest against the oppression of Poland. The meeting was held in St. Martin's Hall, Long Acre, now Messrs Odham's printing office, was addressed by a positivist professor and attended by British trade unionists, Polish refugees, Germans and Italians. At this meeting a project for an international union of the working-class was carried, and a committee was appointed to carry it out. On the committee sat Mazzini's secretary, Major Wolff, Marx and several British trade unionists.

Major Wolff, in committee, proposed rules which would have made the new International a secret conspiratorial society, like Mazzini's 'Young Italy'. Marx opposed, and produced a counter-proposition, an 'Address and Rules', which easily carried the day. The Rules were vague enough, but the Address was precise and enlightening. It made it clear that the new body must be an organisation of the workers against the capitalist class. It showed how the misery of the workers was a direct result of the capitalist system, and proclaimed that in the end the workers would expropriate their oppressors. Major Wolff, who understood the Address's real meaning, withdrew, taking the Italians with him; the British trade unionists, who almost certainly did not, stayed.

As a result of the meeting there was not, in 1865 and 1866, any very impressive organisation. Groups belonging to the International were to be found in France and Switzerland. A fairly large number of British trade unions was affiliated. The German Labour movement, which was not small, was still under the influence of Lassalle and had not joined in any numbers. The groups that existed discussed the best organisation of the working-class, the forms of society which they would prefer, and by correspondence kept alive the feeling of international workers' solidarity. Marx was not as yet taking a predominant part. The British trade unionists thought that trade unionism should be extended to the Continent. The French working men thought that the ideas of Proudhon should be adopted. The thoughts of the Swiss were obscure.

In 1866 was held the first real delegate conference, at Geneva in September. It created as great a stir among bourgeois as among working-class circles. The sight of a genuine conference of working men, organised by themselves and discussing a remodelling of society was as alarming as it was unexpected. Were the lower orders to walk and talk and think, as if they were real men? The kindly bourgeois applauded this childish effort, the unkind flew into a frightened rage. The worker who heard of it swelled with pride. More for its existence than for its proceedings – which were almost confined to the discussion of general political and economic questions, mostly on Proudhonist lines – the conference was influential. Its dissolution was followed by a sudden increase in membership. More British trade unions joined up. The French workers formed unions under the leadership of the International. Large Belgian groups sprang up. Communication was established with Germany and America. International support was secured for strikes, and sums of money were transmitted.

So healthy was the organisation that Marx began to rejoice extravagantly. 'Things are moving,' he wrote to Engels in 1867, 'and in the next revolution which is perhaps nearer than it seems, we (i.e., you and I) have this powerful machinery *in our hands*.' A second conference at Lausanne in 1867 confirmed his hopes. Confused and frantic ideas – small holdings, simplified spelling, compulsory atheism, federal anarchism and so forth – were ventilated in the debates as before, but his own views were now

receiving proper attention and intelligent representatives expounded them at the conference. In the General Council, which sat in London, Marx was henceforward the predominant force. He was delighted to observe that every month the International grew stronger in numbers and stronger in mind as well. The queer jumble of confused Utopian ideas which had been poured out at the first and second conferences were being sorted out by the workers themselves, and the valuable elements alone retained. More and more stress was being laid upon the formation of class bodies like trade unions – it was becoming understood that the movement of the future was a struggle against the bourgeoisie by the workers. Proposals were being judged not merely by the standard ‘Are these things ideally desirable?’ but ‘Are they to the advantage of the workers and do they help in their victory?’ Bitter class struggles in Belgium caused the membership figures to shoot up. A large section of the German unions – that portion which followed Marx rather than von Schweitzer – joined the body. Adhesions even came from Austria. The Paris centre was broken up by the police, but the influence of the International was thereby only scattered all over France.

At the next conference, in Brussels in 1868, Marx scored his second victory over Proudhon, whose voice, though he was dead, spoke through the French delegation. This delegation decided to make a frontal attack on the new theories of Socialism and the class war. They fought their battle upon the resolution, declaring for the socialisation, with workers’

control, of landed property and the means of communication. They put up against it a programme of peasant proprietorship, handicrafts and cheap banking. They were defeated by 30 to 4.

After the conference, though the British trade unions seemed to be flagging in interest, Marx could still feel he had under his hand a powerful and growing organisation. The German membership was reported as 110,000 (perhaps the only membership which was counted with any care). Holland and Spain were approached and serious organisation was begun in Italy by the Naples Federal Trade Committee. Trade union organisations spread in France, and in America the National Labour Union, claiming 800,000 members, joined up. At the next conference, at Basle in 1869, this growth was reflected in the presence of a more vigorous, larger and more intelligent body of delegates. The subjects debated were more closely and less verbosely handled. Proudhonism returned to the struggle again, and was routed by a vote of 54 to 4. As a result of the publicity of the conference, organisation was extended effectively to Holland, Denmark, Spain and Italy. Enormous powers and membership were ascribed to the International by the Press: one account gave it several million members in China, organised in a secret society called Tin-te-hui, meaning 'The Fraternal Association of Heaven and Earth.'

In success, however, was hidden trouble. One of the new members in Switzerland was a Russian, Michael Bakunin, an anarchist of a far more bellicose

temper than Proudhon, and one whom it was going to be far more difficult for Marx to overcome. In the ferocious and embittered struggle which followed the International was torn to pieces. It was by far the fiercest controversy of Marx's fiercely controversial life, and in it Marx was forced to define for himself and for us points of tactics and method which he had till then ignored. He did not indeed put out positive and constructive descriptions of the methods of which he approved, but he indicated with great emphasis the methods of which he did *not* approve. As these methods are continually being revived by parties which are convinced of their revolutionary orthodoxy the battle is of considerable present interest.

Bakunin claimed to derive his views from Proudhon, 'The great master of us all' (but he also proclaimed himself Marx's 'disciple' only a year before, and arranged to translate *Capital* into Russian, a task before which even his great energies faltered and failed). His constructive ideas were few. We see him advocating atheism, communism, and the complete unleashing of 'destructive passions'. He demanded that the object of the revolution should be the destruction of the State and the ending of all coercion. Mankind would then swing back into a simple anarchist communism, which only the greed and oppression of the owning class was now preventing. Bakunin is one of those figures, like Spurgeon, whose importance it is most difficult to understand once the breath has left their bodies. They have not the still impressiveness of an extinct volcano. rather



they leave the untidy scoriæ, stones and lava that are left by an eruption. No one who reads Spurgeon's ranting sermons can understand from them why the speaker was a great force in Victorian days. No one who reads Bakunin's foggy, verbose and incoherent books can understand why his influence grew so immense as to wreck the life-work of a brain so much his superior as Marx's was. His power lay in his personality. He was an untidy Russian giant with limitless energy; words and enthusiasm poured out of him; he was inexhaustible in organisation, in speaking, and in courage. His ideas may have been uncertain, but the zeal which he put into securing their success was indisputable

He had, moreover, certain well-defined principles of organisation. They appeared to contradict his general principles, but probably did not in fact. They were shortly, three. Firstly, instantly after the revolution the State must be abolished (Marx and Engels considered this a sufficient proof that he was a police spy). Secondly, since we are faced with an unscrupulous enemy, all methods must be used, including theft and murder. To shrink from this, is to accept the ideals of our enemies. (Marx and Engels replied, in effect, that the anarchists were thieves and murderers. But as the appeal to a new system of morality based upon a new class fitted into their theories so well, their reply was a little unconvincing). Thirdly, that although the new society would be free to the last degree, in the meanwhile its battles must be fought by a highly disciplined body of men, who would sacrifice everything for the cause,

follow orders blindly, and stop at nothing. Incidentally, they would join every body that suited their purpose and gain control of it by skilled propaganda, vote-catching, vote-faking, deception of their opponents, passing under false colours, creating imaginary constituents, and every other means that could be devised.

The passionate enthusiasm behind this idea was the ruling emotion of Bakunin's life. To Albert Richard, his lieutenant in France, he wrote, 'Have you never thought what is the principal cause of the power and vitality of the Jesuit order? Do you wish me to name it? Well, it is the complete effacement of private wills, in collective organisation and action . . . I shall die and the worms will eat me, but I want our idea to triumph. I want not the more or less dramatic growth of my person, not of *a* power, but of *our* power, the power of our collectivity, in whose favour I am ready to abdicate my name and personality.'

In the Swiss sections, where Bakunin worked, he rapidly secured adherents. His views ran through Southern France and gained a firm hold on Italy and Spain. His most active supporter was another Russian, Nechayev, who extended his views to their logical limit and in the end used them even against Bakunin himself. Nechayev formed a secret, sacred clique within every organisation; very small and consisting only of people wholly and utterly devoted to the revolution. Other persons were to be treated as cannon fodder, used up in forlorn conflicts and tied to the revolutionary organisation by fear and

craft. He practised (as Bakunin alleged) spying and blackmail. He stole private correspondence, and kept it for the purpose of compromising fellow revolutionaries. He invented slanders to break up friendships which appeared menacing to his power. He seduced young women in order to give them a baby, so as to force a revolutionary protest against bourgeois morals upon them, and make them more dependent on revolutionaries' aid. He died in Russia after carrying out the murder of a fellow revolutionary.

Exaggerated as Nechayev's applications of his theories were, Bakunin for a while closely co-operated with him, and at all times favoured 'propaganda by deed'—i.e., the assassination of individuals. Naturally, the Bakuninist policy rapidly came into conflict with the General Council under the influence of Marx. The field of battle chosen by Bakunin was the permissibility of political action. Since the State was the enemy, to take part in any State organisation was improper. The object of the workers must be to overthrow the State by an insurrection and declare it abolished. Parliamentary action, the Bakuninists claimed, must be forbidden.

Marx, who had in mind vast movements of the working-class and not armed raids by drilled conspirators, reacted instantly. He declared himself in favour of political action and against illegal 'direction action' bodies. Bakunin fought the question within the Swiss section of the International and won. His Swiss 'Federal Committee' (there was a rival Marxist one soon) was by the middle of 1870

in open conflict with the General Council of the International. A battle was joined on points of principle and both sides prepared for a grand conflict, Socialism versus Anarchism, at the next conference.

Before the fight could be fought out, a disaster overtook the working-class which deeply affected the strength of the International, and made it sure that it would not survive the struggle that was coming. In ~~July, 1870,~~ the Franco-Prussian War broke out. France was speedily defeated, and Paris besieged. The Emperor was dethroned, and a Republic proclaimed. In the February of 1871 the French gave up the struggle. A newly-elected assembly, with a Monarchist majority concluded a defeated peace. The head of the Government, Thiers, suspecting the extreme republicans who controlled Paris, attempted to seize the cannon of the Paris National Guard. The Guard turned on the soldiers, who mutinied, when invited to fire. Within a few hours the Government had fled, and the short story of the Paris Commune had begun.

There is no space here to tell it. It must be sufficient to say that the International took a large part in its direction, holding about a third of the seats on the governing body, though not being effectively responsible for its wavering policy. When it fell, the International in France fell with it. The monstrous massacre with which its fall was celebrated by the victors was deliberately intended to make certain that the working-class would be so weakened and terrified that it would be many years before it dared to discompose the French bourgeoisie again.

Refugees poured across the Channel; some were placed on the General Council. They found the Council leaders, the chosen of the workers of the world, occupied in a furious faction squabble in which by now personal bitterness had obscured all sense of working-class solidarity. The Marxist-Bakunist literature rises to a height of personal and mean vituperation which has seldom been equalled outside religious circles. Communards, who had been fighting on the barricades in common comradeship, were shocked: they declared that the International was rushing to its ruin, a truth which neither Marx nor Bakunin could perceive.

The next conference met at The Hague in 1872. Marx and Engels were present, but not Bakunin, who was represented by a Swiss anarchist named Guillaume. The Marxists had a majority – whether this was a real majority or the accident of delegations is uncertain. Both sides were too headstrong to care. Jung, a Swiss worker, who lived in London and had sat on the General Council, begged Engels to be prudent. ‘Damn prudence!’ answered Engels as he looked round the hall and counted the votes. The Marxists declined to discuss the question of anarchism and socialism, put up instead a motion expelling Bakunin and Guillaume, carried it, and split the conference.

The two halves lived, like a severed worm, for a short while. The Bakunist half was effectively extinguished by the fiasco of the Spanish Revolution, in 1873. The Marxist half was formally wound up by a conference at Philadelphia in 1876. Marx’s

'powerful machinery' which was to have made the revolution 'sooner than we think' was smashed to pieces. Its double epitaph was a noble and able defence of the Commune, called *The Civil War in France*, written by Marx, and an ignoble and savage attack on Bakunin, called *The Alliance of Social Democracy*, written by Marx and Engels.

The blow to Marx was severe, the more so as his health was worsening every year. He still read enormously. He studied American and Russian agriculture; he investigated geology and physiology, the Stock Exchange and banking; he started on the higher mathematics; he learnt Russian. But it became more and more difficult for him to co-ordinate his results. Vast heaps of manuscripts, showing the extent of his researches, piled up on his desk, but the effort of condensing and assembling them into a finished work became more and more exhausting. His devoted friend Engels sent him to spas on the Continent. Temporary recovery set in, he fell to work again, and illness returned. He was not oppressed by a consciousness of failure. The Commune had fallen, the International had died, but his work was clearly not in vain. In almost every European country a growing working-class movement recognised the truth of his views and was organising for the ultimate victory. The men who interpreted his theories were no longer the opinionated, ignorant, half-trained idealists of 1848; they were men of superior abilities, trained by himself, fully conscious of the truth, and respected by the workers - Guesde, Hyndman, Liebknecht,

Sorge. It was his body, not his spirit, that was failing.

Jenny, his wife, the pretty dark girl whom he had loved in Treves forty-five years before, died at the end of the year 1881. The shock was heavy; and his loneliness was increased by the death of his eldest daughter, Jenny too, Charles Longuet's wife, at the beginning of 1883, on 8 January. He rallied from this second shock and his strength seemed to return. At the beginning of March he decided that he would finish *Capital*. But no sooner did he attempt to work than a sudden collapse supervened, on 14 March. His distracted household sent for the doctor, and for Engels. Engels came. 'Where is he?' 'He is in his study, in his armchair. You can go up; he is half asleep,' said Lena, the devoted housekeeper. Engels went upstairs; Marx was indeed in his armchair, not half asleep, but asleep for ever.

His friend survived him till 1893. He piously collected all his manuscripts and saw to their publication. As best he could, he took Marx's place as adviser and father-confessor to the whole working-class movement. He would himself have been the first to admit that he performed this task far less adequately than Marx would have done.

## THE MATERIALIST CONCEPTION OF HISTORY

THE most important, by far, in the present writer's belief, of Marx's theories is the theory of historical materialism. His philosophy can conveniently be divided into three portions—the purely philosophical and logical section, generally known as the Dialectic, the pure economics; and the theory of historical materialism. If continued use and survival be a proof of value, then the last named is of far greater value than the other two added together. It is, as we will show later, not mere prejudice that has caused modern writers to pass by the first two sections of Marx's work. But prejudiced or not, they have been unable to resist the theory of historical materialism. There are very few theorists to-day who consistently defend the old idealist theories in history; what is more, there are even fewer who succeed in effectively writing history upon idealist lines. How great the change has been English and American readers can realise if they are able to remember the textbooks of thirty or forty years ago and compare them with the teaching of history in colleges and even high schools to-day. In the textbooks which I and most others studied, we were presented with a history which was partly untrue, partly—in the



theological sense – inapprehensible. The excursions through history of Alexander, Edward III, George Washington, William the Conqueror and Napoleon were recounted to us as the chief events in history. We were offered a pageant of Great Men as true history; and, as pageants are, it was very false and very tedious. A great deal of noise, a great deal of killing, and the conquest of jumbled and obscure countries, infinitely repeated and infinitely the same provided nothing but a ‘great man’ theory of history which solaced vicariously the oppressed individuality of neglected authors and professors. When we passed beyond these stories of great men we were taught details of the constitutional history of Elizabeth, the Georges, Victoria, and I know not what. Jacobean Parties, as inconvenient and apparently useless as Jacobean furniture, were analysed for us in great detail. But as we were never told why it mattered (if it did) which Tudor thief succeeded to which, or how one noble Whig peculator intrigued another out of office, this history was even more unappetising to us. This portion was in truth inapprehensible; the mind could not hold it, and the moment we left the schoolroom it fortunately fell right out of our heads.

But not even professors of history, who made money by it, could be satisfied with this teaching. Certain genuses, like Macaulay, could make a ‘rattling boy’s story’ out of some of the more highly-coloured parts, but history as a whole was a pile of unconnected incidents – a dust-heap, if not a refuse-tip. To sort out this dust-heap, to extract the

valuable material from the refuse, was a task which if it could be done, would restore vitality to history and sanity to its teachers. By taking economic history as the explanatory key to political history Marx made this winnowing possible and all history books to-day show the effects of his action.

Historians often accept his fundamental thesis, but do not accept all his deductions. They will accept for example, his theory of the supreme importance of economics while evading his exposition of the theory of the class struggle. Nevertheless, the two are integrally connected, and almost certainly stand or fall together.

The theory of historical materialism was expounded by Marx and Engels in their first publication of importance – *The Communist Manifesto*, written in 1847, it was restated more philosophically (and also more obscurely) by Marx in 1859 in the Preface to his *Critique of Political Economy*, it was popularised in pamphlets by Engels. Let us follow first the exposition given in the *Communist Manifesto*. All that we need to consider is the first of the three sections composing it, the section headed ‘Bourgeois and Proletarian’; the other two are now out of date.

It opens with a famous phrase: ‘The history of all hitherto existing society is the history of class struggles’. To this Engels afterwards added a not-too-happy footnote, explaining that this phrase meant ‘all written history’ and that later researches had shown that primitive man was communist. This rather doubtful and wholly superfluous affirmation became incorporated into Marxist teaching,

and for those Marxists to whom Marxism is a dogma primitive communism is one of its Articles. /

As originally written, however, the *Manifesto* began, after a few introductory sentences, by describing the rise of the bourgeoisie. Bourgeois society (it said) has not ended class-conflict, but it has simplified it. Instead of the complicated gradations of the Middle Ages, we find society falling steadily into only two sharp divisions; Bourgeoisie and Proletariat.

The bourgeoisie has developed from the burgesses, who themselves rose from the serfs. The bourgeoisie was given the chance to expand by the discovery of America, the rounding of the Cape and the establishment of the India and China trades. It broke up, or circumvented, the old guilds, it set up a manufacturing system instead, it invented and used machinery, it ultimately made that strange new thing, the world market. Each step that it took forward was accompanied by a parallel step in political power: once an oppressed class subservient to a feudal nobility it has progressed until it has become the supreme power in the State.

'The bourgeoisie, historically, has played a most revolutionary part.' It has broken up all the complex, patriarchal, feudal and religious institutions and relations which preceded it. It has let no relation survive that cannot be expressed in financial terms. Every sentimental illusion has been destroyed: exploitation has been left naked. It has shown what man's activities can do when used to their fullest; its achievements are far more astonishing than any of those of ancient Rome or Egypt.

The bourgeoisie cannot exist without continually revolutionising the means of production, and with that, overturning continually social relations and conditions before they have had time to settle. All that appears solid melts. man for the first time in history 'is forced to face with sober senses his real conditions of life.' The bourgeoisie is compelled to rush to every corner of the earth to sell its products and collect its raw materials. No quaint national cultures survive its attack they are all forced to adopt bourgeois civilisation.

It subjects the country to the rule of the town, rescues 'a considerable part of the population from the idiocy of rural life' It centralises population, means of production, and even government.

It was generated in feudal society, but the feudal organisation of agriculture and industry soon became an obstacle to its growth—the feudal relations of property, in short, became fetters upon productions and were burst. Into their place stepped free competition.

A similar process, said the *Manifesto*, is proceeding to-day. The construction of bourgeois society is choking production. Periodically, society is flung back into famine. A commercial crisis paralyses the world; amid excess of plenty masses of people are ruined, are starved, and suffer horrible privations. Production, by the nature of bourgeois society, now is fettered. Bourgeois society is headed to disaster; as it develops the disasters become more frequent and cataclysmic.

It is, moreover, producing the class which will

take advantage of these contradictions to destroy it – the proletarians, the modern working-class.

As the bourgeoisie – i.e., as capital – increases there must increase with it the class of people who can only live by selling their labour. Modern industry has changed the little workshop of the patriarchal employer into vast establishments where the workers are regimented and organised like soldiers: they are enslaved hourly and daily, men, women and children. 'All are instruments of labour, more or less expensive according to their age and sex' Their ranks are continually recruited from the lower middle class – tradespeople, handicraftsmen and peasants – who are unable to withstand the competition of big capital.

The struggle of the proletariat passes through various phases. Originally, the struggle is only against the individual employer and is carried on by the workers in his factory. It is directed not against the system of production but against the means of production – against the machines. This conflict is scattered and ineffectual. Whenever the proletariat is united and its power co-ordinated, it is co-ordinated not by the workers but by the bourgeoisie, which calls in the force of the workers to secure its own ends in its struggles against the landed aristocracy or the king. As a whole, in the early stages, the proletariat never fights for its own advantage.

'But with the development of industry the proletariat not only increases in number; it becomes concentrated in greater masses, its strength grows and it feels its strength more.' It forms permanent

and wide combinations against the bourgeoisie, such as the trade unions. Sometimes these organisations conduct victorious struggles, more often not; but they are continually victorious in the sense that they cause the union of the workers to expand ceaselessly. This union is continually shattered by competition between the workers, and is continually reformed. It secures advantages, such as the restriction of hours, by exploiting divisions within the bourgeoisie.

As the bourgeoisie approaches its doom, it sees that it has itself provided the workers with the arms which destroy it. It has taught them political tactics, given them education and brought them into the political arena. Portions of itself, ruined by the advance of big capital, are thrown continually and violently into the ranks of the workers and aid their enlightenment indeed, even a section of the unruined bourgeoisie perceives what is happening to society and clearheadedly and intentionally joins the revolutionary movement.

Nevertheless, the bulk of the revolutionary army is and must be proletarian. The proletariat alone is the product of capitalism. Other apparently revolutionary classes are doomed to disappear. The small manufacturer, the shopkeeper and the peasant fight to preserve their existence as members of the middle class against the advance of great capital. They are not revolutionary, but conservative. Nor is the lowest class, the criminal, rotting layer of society, genuinely revolutionary; it is more likely to take money to form a gangster's guard for capitalism.

The proletariat, unlike the classes which preceded

it, has no need to enforce upon society its own methods of appropriation. It has no class below it off which it must live; it is the movement of the immense majority, and as it moves the whole structure of society is shot off its back into the air. Ultimately, it will transform the present veiled civil war into violent revolution. This it is forced to do, because, unlike previous medieval oppressions, this present oppression does not even assure a livelihood to the oppressed class. It lets that class decline into pauperism: it produces a state in which, instead of being fed by the workers, society has actually to feed them.

‘What the bourgeoisie produces above all, is its own gravediggers. Its fall and the victory of the proletariat are equally inevitable.’

These words are the closing words of the first section of *The Communist Manifesto*. The last words of all declare that communist ends can only be attained by ‘a forcible overthrow of all existing social conditions.’

‘The proletarians have nothing to lose but their chains. They have a world to win. Workers of the world, unite.’

The general theory that lies behind this description was expounded by Marx (and more coherently by Engels) in later years. It is that the economic relations into which men enter constitute the real foundations of society, and that all the superstructure of politics and ideas merely reflect this more or less accurately. Marx did not argue that the sole conditioning circumstance of human life was the

economic system. There is no doubt that climate, geography, race and so forth – all the circumstances mentioned by anti-Socialist speakers, including the Human Heart – have an effect on mankind. So does the fact that air consists of oxygen and nitrogen. If the air were suddenly to consist of oxygen alone, the importance of its constitution would become suddenly obvious. If the contents of Lake Michigan were to move without warning in a due south direction, the importance of geographical features would also become swiftly observable. But we know that such events will not occur – these conditions are static or at the best very slow-moving. Marx is concerned with factors in change. ‘Philosophers,’ he said, ‘have till now interpreted the world; it is our task to change it.’ And the only rapid cause of change, the only extensively variable factor, is change in economic relations.

Definite forms of social consciousness, Marx continues, correspond to these definite relations of production. They will be found to be conditioned by the economic system in which they rise, even though they are often unconsciously so conditioned. The Puritans no doubt honestly believed themselves to be following eternal verities, announced by God; nevertheless, in fact their beliefs squared exactly with the economic needs of the class to which they belonged. Parsimony and free competition, hard living and no holidays were needed for their success; and the Lord God was found to approve of these.

Marx considered that in broad outline he could distinguish the Asiatic, the ancient, the feudal, and



the modern bourgeois systems of production as the chief epochs in human history. In each of these periods the dominant class has consistently followed its own collective interest. In each of these periods the art, the religion, the organisation of politics, justice, and social life – in short, the civilisation as a whole – has reflected the social relations on which it is based. But men's thoughts, their deductions from facts around them, always lag behind the facts. It is not the moment that a new form of society emerges that a new philosophy suited to it takes control. Rather it is when a new society is established, or even verging to its decay, that its ideological explanation is phrased and accepted 'The Owl of Minerva', in Hegel's famous saying, 'takes its flight in the evening.'

In each of these epochs of society, the material forces of production have in time 'come into conflict with the existing relations of production' – that is to say they conflict with the property relations within which they had been at work before. These property relations, which once had assisted production, now bind it down. This time is the period of social revolution. It may not be – indeed, most often is not – fought out in terms which exactly express the economic dissensions behind it, but we must not be misled by that, any more than we would judge an individual by what he thinks of himself.

The antagonisms which we see existing in every previous form of society will only cease to exist with the overthrow of the bourgeois system. With that, there is no oppressed class below to revolt, and, freed

of this continual conflict, human history will at last begin

It follows from this view of history that we must regard the chief organ of society, the State, in a somewhat different manner from that favoured by the elder philosophers. We are to beware of speaking of it as an association of all the inhabitants of the country, or in any other similar terms. If history is a history of class struggles, the State is clearly the most powerful instrument in such struggles. So far as it is powerful and sovereign, so far as it is a State, that is, then it will be the executor of the will of the dominant class, whatever that may be. It is to-day, broadly speaking, merely the executive committee of the capitalist class. Its duty is to protect and secure the reign of the capitalist class. It may have many other accrued functions – labour laws, education, factory inspections – which appear not to be part of this duty. But reflexion will show that these too are protective functions: they prevent ill-regulated members of the capitalist class from indulging in excesses which would endanger the rule of the capitalists as a whole.

Therefore we are not, like the anarchists, to expect that on the morrow of the revolution the State will disappear. Certainly, the State to-day is more and more an organ of bourgeois oppression. It is regularly, as the crisis approaches, equipped with fiercer and more ferocious powers to hold down the forces of revolt. But that does not mean that the proletarian revolution will have no need for force and coercion. A proletarian state will be needed to

beat back the forces of reaction Only when the dispossessed class has faded into the mass of the freed workers, will the State slowly vanish It will 'wither away' in a classless community there at last the ideals of Communist, Socialist and anarchist will all be achieved.

In the early days of its consciousness the proletarian movement will weakly look to great men of other classes to lead it – to 'Utopian Socialists' like Robert Owen But when it approaches victory it relies on its own forces, and its victory can only be assured by a form of state in which its dominance is secured. This form is the Proletarian Dictatorship. What form this should take Marx never clearly outlined He wrote too early in the century for that At one point we find him – after the Paris Commune – roundly stating that existing political machinery could not be just taken and used by the workers. At another we find him speculating on the possibility of an apparently constitutional revolution in England or Holland We observe Engels rejoicing over the skilled use of constitutionalism by the Social-Democrats, and saying that the bourgeoisie is crying 'Legality is killing us'. In 1850, when the German revolution was moving rapidly backwards, Marx addressed the League of Communists on revolutionary tactics. But his advice was couched entirely in the terms of those days of street-fights and Liberal-Radical governments. He advised the revolutionaries to keep up the ardour of the workers, punish noted enemies, and burn down buildings with hated associations They should preach

distrust of the Government, demand continual concessions, and insist on the distribution of arms to the workers, even if necessary setting up a Proletarian Guard. They must exaggerate all the demands of the petty Bourgeois Liberals; if the Liberals proposed a mild income tax they must demand a stiff one; if the Liberals proposed to purchase the railways they must propose to confiscate them; and so forth Presently they would require the socialisation of the chief industries All this, though acute enough in 1850, is very distant from the tactical problems of the days of Hitler. When the Bolsheviks used the Soviets for revolution in 1917 they had some difficulty in proving that their action was orthodox Marxian The most learned of all Marxists, Karl Kautsky, put up a very impressive argument to the effect that it was not, indeed, he proved to his own satisfaction that the Russian Revolution had not occurred at all

But it is fairly clear that one form of revolutionary action Marx considered to be mere folly. That was, secret conspiratorial action In 1862 he flew into a violent rage with Lassalle because the latter asked him to help a certain Captain Schweigert to buy arms. His conflict with Bakunin, the most savage conflict of his life, turned on just this point He considered that armed bodies of secretly organised revolutionaries were a dangerous nuisance. Dangerous, because they were by their nature nesting grounds for secret police agents. A nuisance because they could not be organisations of the mass of the workers, and only such organisations could secure a class victory.

The materialist conception of history is sometimes referred to as 'economic determinism'. The phrase is less exact, but it is not unjustified. There is a definite strain of determinism in the theory. Marx continually insists that the developments which he anticipates as well as those which he describes, are ineluctable results of economic forces. The victory of the workers 'is inevitable', it is independent of our wishes. Is it also independent of our actions? There have been Marxist parties which seem to have thought so. They have confined themselves to expounding in detail the pure form of Marxism, and have held aloof from any other parties or sections of the Labour movement, as these were invariably guilty of doctrinal errors. Their own task turned out to be only to await the revolution and to applaud. Their attitude, though unreasonable, was quite probably strictly Marxian. For although there are certain hesitations observable among the writings of Engels, both Marx and Engels in the end always return to their original statement of the inevitability of the proletarian victory. The certainty of this victory lies outside the domain of our control or activity. It is assured to us by a philosophical argument (which will be investigated later in this book) and neither you nor I nor Lenin nor Hitler can alter it. Plekhanov, the most orthodox of Russian Marxists, venerated by Lenin himself, stated this brutally: 'It is not a question of what goal this or that proletarian sets himself at a given time, or even the whole proletariat. It is a question of what the class itself is, and of what, in view of this its

being, it is historically bound to accomplish.' For not apprehending this, and for acting as though this was not so, Plekhanov added, Lenin was no Marxist.

Marx himself allowed for no deviations from this determinist attitude. There would, he admitted, be 'accidents' These accidents, which included the character of the leaders of the workers, might accelerate or retard the progress of history. But – lest we might think that free will was creeping back into a determinist philosophy – he adds the truly startling assertion: 'These accidents fall quite naturally into the general course of development, and are compensated for by other accidents.'

Such a statement is, in Marx's own phrase, 'mystical' It is in its nature incapable of proof

Engels, in his book on Feuerbach, makes observable 'deviations' (to use a modern Communist phrase) from this rigidity He even states that ideologies, arising from social relations, acquire a power of their own and then exercise an influence upon social conditions, even upon economic development. Upon these ideas, clearly, as much as upon the 'accidental' character of the revolutionary leaders must depend the acceleration or retardation of the victory of the proletariat. Since nowhere in Marxist writings is it stated (or could it be stated) what 'acceleration' or 'retardation' means in terms of years, it would be possible to argue that these factors may be decisive as between victory and defeat, in terms of the length of human lives or of generations of humanity. Then, the victory of the proletariat will depend on the courage of the workers, upon their

intelligence and their physical fitness, and upon a sufficient supply of men qualified to act as leaders. Bertrand Russell's statement that if a hundred men had been strangled at birth in the seventeenth century modern civilisation would not exist can, by this argument, be made to be orthodox Marxism.

But it is quite clear that no such theory would really have been countenanced by Marx or by Engels. Such aberrations as might be caused by the extinction of a number of unusual men, or by the play of the power of ideas, they obviously regarded as trivial aberrations. The process of history marched majestically and indifferently on.

That this is really true seems very doubtful. It is easy, but unconvincing, to prove that whatever has been was inevitable. The theory of historical materialism is stated in two slightly varying forms by Marx, and in this variation lies the key to the truth. The more extreme form of the theory states that the ideas current in society are a *reflection* of social and economic relations; the less extreme that they are *conditioned* by social and economic relations. The first statement claims that religions, philosophies and all active thought are as exactly dependent upon the economic organisation of society as the image in a mirror is upon the face of the observer. The second only states that this organisation sets limits outside which no system of thought can stray without extinguishing its influence. Even though the first statement was preferred by Marx, the second is more true. There is room, within the limits set by economic circumstances for more than one system of thought

and programme of action, nor is the outcome of the conflict between all of them settled inevitably beforehand by economic developments. The strength of will, the ability, the courage and even, perhaps, the arguments of their protagonists may play their part in deciding this.



## MARXIAN ECONOMICS

**I**N 1867 Marx published the first volume of *Capital*. Two other volumes were arranged and published by Engels after his death, and a further four volumes by Kautsky, on the history of surplus value. But these were in no sense Marx's finished work, though they were no doubt a legitimate continuation of it. All that can be described as Marx's completed work is this first volume.

It is not possible, even though we may consider that the economic side of Marx's work is the side that has least resisted the attacks of time, to ignore or even pass over relatively quickly, the book *Capital*. For Marx himself, for the vast majority of Marxists, and for an even greater percentage of anti-Marxists, the economic theory contained in that book is the largest and most important part of Marxism.

We shall therefore give as clear and as concise as possible an account of the theories of *Capital*, and, for greater authenticity's sake, we shall follow exactly the scheme and order of presentation given in the book itself. Most expositions follow an improved presentation of their own. There is some excuse for

this, for Marx is often obscure and sometimes repetitive. But nearly always it turns out that the expositor has, in presenting his analysis, quietly suppressed those portions which appeared to him to be of doubtful validity, unless indeed he was a detractor of Marx, in which case he has brought these parts prominently forward, and placed them in positions where they appeared even more ridiculous than they were by nature. What has appeared has thus rarely been a summary of Marx's views, but most frequently an account of what Professor X believed that Marx really meant.

In viewing the structure of capital Marx first inquires into the process of exchange, which is indeed obviously the most fundamental process of capitalism. He observes that commodities have two kinds of value, Use Value and Exchange Value. Use Value is independent of labour and of Exchange Value; it can exist, for example, in the air which is not produced by labour and is not exchanged. Also, products of no utility, or products made only for oneself have no Exchange Value.

It must be possible to discover some standard by which all commodities can be measured, since in fact they are measured by each other every day in the market. Now, apart from possessing Use Value, which, as we have said, cannot be the same as Exchange Value, commodities possess only one quality in common, which is, that they are the products of labour. We shall find, states Marx, that (as values) commodities are merely crystallised labour, and that their Exchange Value depends on the

amount of socially necessary labour-time required to produce, or reproduce them.

The productive labour, which alone is the source of Exchange Value, varies quantitatively only. Once we put aside the conception of Use Value, we see that 'how much labour does this contain?' is the only standard. In exchange, skilled labour, for example, is only counted as so-many-times ordinary labour, not as a different *quality* of labour. Double the amount of labour necessary, and the Exchange Value is doubled, though the Use Value is the same. If it is twice as hard to produce a motor car in the Kingdom of the Rajah of Yoni as it is in Detroit, then the Exchange Value is twice as great, though the Use Value is certainly no greater. Increased natural wealth, therefore, may thus mean decreased Exchange Value.

In the process of equating values of varying things, we translate Exchange Value into money. The simplest form of exchange,  $x$  equals  $y$ , a coat is equal in value to an electric fan, is barter and may seem to be integrally connected with Use Value, but as soon as the process is extended to cover other articles,  $x$  equals  $y$  equals  $x$  equals  $2a$  . . . a coat equals an electric fan equals a new biography equals two moderately good dinners . . . we see that the basis of comparison is undifferentiated human labour. Then, both in our minds and in the world, we re-arrange the sum to read  $x, y, x, 2a$ , etc. all equal  $b$ ; or; a coat, a fan, a book and dinner for two all equal seven and six, or two dollars. We measure them all by any one convenient commodity which is the universal

equivalent. This, of course, is money. When money ceases to be stable, it ceases to be convenient as a universal equivalent. It becomes as inconvenient as a thermometer which varied without warning would be in a hospital. But, *faute de mieux*, as the Frenchman said, we may have to continue to use it.

Price, it must be understood, is the monetary expression of value, Exchange Value is, in philosophical terms, the *Form* of value in capitalist society. Simple barter is a process of a Use Value being given for another Use Value; from it arises a process of a Use Value given for an Exchange Value (when the seller has no intention of eating the bunch of bananas that he has accepted as a fair price, but intends to re-sell them in the market); the full appearance of Exchange Value is only to be noted when articles are first produced for purposes of exchanges only.

Money is two things – it is a socially recognised incarnation of labour time and a weight in metal, and it expresses two things – magnitude of value and price. Price, as any one of us knows who has dealt in Petticoat Lane or the East Side of New York, does not always in every deal correspond exactly to value. But it does generally – or we resent it.

The process of exchange is as follows: A commodity given for that commodity's money form. C – M. Then again, that money given for another commodity. M – C. The total process is C – M – C, therefore; and, leaving aside the exceptional circumstances of violence and fraud, the process should be an exchange of equals. M – C and C – M should be equivalents. If a large Bible cost seventeen-and-six

or four dollars and a bottle of brandy does the same, the transaction should go equally easily whether the man sells his brandy and buys a Bible, or headstrongly does the opposite.

Money goes steadily away from the seller; its currency is in the opposite direction to the stream of commodities, which fall out of the processes of production and are eaten or used up as the notes move perpetually on. How much money then is needed in the country? The total amount of all purchases at a given time? Yes, but this depends upon the velocity of money. If there is a process of exchange  $C - M - C - M - C - M - C$ , occurring almost instantaneously, it adds up to eight pounds if each  $C$  has been paid for at two pounds; but the same two pounds may have served all through. The quantity of money needed is thus the sum of prices divided by the number of moves. (Here Marx elaborates further: as the elaborations are not couched in the terms of modern exchange problems we abridge them.)

A stop at the point  $M$  in the process  $C - M - C$  means hoarding. Money is held back. If bank reserves grow, stagnation in the circulation of commodities follows.

This  $M$ , this money, is the first form of capital. Buying to sell again is the operation  $M - C - M$ , and the last  $M$  shows that capital is here. For you do not buy to re-sell without a profit. you want the final sum to read ' $M - C - M$  plus something'. Call this last  $M^1$ . And you hope that this process will go on for ever.  $M - C - M^1 - C - M^{11} - C - M^{111} . . .$

But mere circulation will not make M turn into M<sup>1</sup>. Simple exchange, of one object for another, produces a mutual gain in Use Values; but not in Exchange Values. Nor does this surplus value that we are trying to pin down result from all 'consumers paying too much'; an exchange so arranged would soon come to an abrupt end.

But if the surplus value is not in the 'M' part of the process, it must be in the 'C' part if it is not in the money, it must be in the commodity. So it must be found in what constitutes the commodity, which is the labour process.

We are approaching nearer to the discovery of the true nature of capital.

Let us inquire what this labour-process is. It consists of three parts (1) actual work, (2) material worked upon, (3) tools or plant used in working. In many cases, of course, the material worked upon is itself already a product of labour, which very frequently only changes one commodity into another. Nevertheless, the division is obvious. If we go far enough back we can always find the bare materials, or the raw metals and wood that have to be worked into tools.

The 'socially necessary labour' to produce, say, yarn includes, when we try to add it up, the labour already incorporated both in the cotton and the spindles. Add to these two the labour of the spinner and you will have the total value, the crystallised labour time of it all. There is no actual growth of value in the yarn itself to explain the capitalist's profit. But what there is is a difference between the

value of labour-power itself – which is fixed by the cost of the means of subsistence of the labourer – and the value *created* by that labour-power. Capital receives the second, the *value created* by labour-power, and only pays for the first, the means of subsistence of the labourer. Hence the profit system.

Of these three portions of the labour process the labour-power element appears to Marx the most variable, because on it depends the varying of surplus value annexed by the capitalist. Hence, he called the capital expended on this ‘variable’ (V) and the other, plant and materials, ‘constant’ (C). The extra value, the surplus value, received by the capitalist can thus be determined regularly: it is the difference between the necessary expenditure on labour – what the labourer needs to have to live – and the same plus the surplus value.

This is the key to Marxist economics. Marx realised, naturally, that what is ‘necessary’ for a labourer to subsist may vary in different centuries and countries. Especially, the working day assumed by the phrase may vary. The capitalist, who wishes continually to extend the working day, and the labourer who wishes to reduce, are in continual conflict here. In this sphere the labourer has achieved real victories, perhaps the only real victories he has achieved.

Marx, when he applied this key to unlocking the secrets of capitalist economics, delighted to express his conclusions in semi-algebraical form. The answer to the question ‘What is the total amount that the capitalist retains?’ he phrased as. The mass of SV

equals the rate of SV multiplied by the amount of V. That is to say, the total amount of surplus value can be found by multiplying the rate of the extraction of surplus value by the amount of variable capital. The rate of extraction, of exploitation, may vary, and an increase in it may compensate for an actual decrease in the total amount paid for labour-power (variable capital) But even though this be true, it is the case that the chief factor in the determination of the amount of surplus value is the amount paid for labour – the wages bill, in fact, odd though this may seem

The proportion of surplus value which comforts the capitalist may also be increased by the decrease of the share allocated to 'necessary labour'. Labour may become 'cheaper' because it costs less to live – bread, clothes, rents may fall in price Hence, we find capitalists hoping for a fall in all prices, except in the prices of their own goods

For the functioning of capital, for the production of this recurrent surplus value, three things are necessary (1) the assemblage of a large number of labourers, (2) the concentration of the means of production, (3) a directing authority. This is a form of co-operation, but in its development in modern manufacture it divides up again the labour which it has assembled Increased skill and increased differentiation of tools both cause such a division, and we find 'unskilled' labour and specially qualified labour. As the division of labour increases the individual labourer is more and more cramped and crippled at his work, being confined more and more



to the repetition of one operation, frequently a completely mechanical one.

The first volume of *Capital* is divided into two parts. This ends the first part. We already see that the analysis has a special objective. Marx is suggesting that he has discovered the point in the economic process at which the worker is exploited. The resultant phrase 'robbed at the point of production' used to be a commonplace of Socialist propaganda, and by certain syndicalists was regarded as a pointer which showed them the place to direct their attack.

After, as it were, taking a breath, Marx resumes with a long analysis of machinery, one of the longest chapters in the book

Machinery, he says, is not the same as a tool. It is made up of three parts, or three processes – a motor, or source of power; a transmission apparatus, a tool. When a man who uses a tool is merely motive power, when his energy is used repetitively and with little variation, then his place can most easily be taken by a machine. Because it contains far more labour-time than a tool, a machine is far more valuable. It transfers the value it possesses to the goods it produces, piecemeal, until in the end it is worn out and valueless (Or, of course, it may become obsolete and so lose its Use Value, and without Use Value Exchange Value cannot exist.) For a machine to be installed profitably it is not enough that it should be a convenience to the workers. It must be cheaper: that is to say, the labour-power it contains must be less than the labour-power of skilled workers or that contained in more primitive machines.

The installation of machinery has certain unexpected effects upon the workers. In the first place, it brings down sharply the value of labour-power, because it permits the employment of women and children. A man's labour-power value is the amount necessary to support a wife and family. When the wife and family can also be made to work, the labour-power value remains the same, but is spread over them all. In short, the whole family ultimately gets the wage that once would have gone to the head of the family alone. Further, it prolongs the working day. Machinery would run for ever, but for the weakness of human flesh. It depreciates by non-use, and its owner is aware all the time that if it could run without ceasing he would receive seven years' of surplus value in six years.

Reaction from this, which even in Marx's day was observable in ten-hour-day acts and so forth, causes a greater intensification of labour. More labour (and more Exchange Values) are squeezed into less time, partly as a natural result of shorter hours and partly by the use of faster or more complex machines. As industry becomes more and more automatic, the division of labour, which in itself was partly a product of machinery, itself disappears. The old classifications remain only as a habit, and a worker becomes a 'disciplined' appendage to a machine.

We see that it is inevitable that a war should arise between the worker and the machine. It is argued that this conflict can only be temporary as the introduction of machinery must necessarily set free capital enough to employ the discharged workers.

This Marx says, is not true. Capital is not 'set free'; the composition of capital is merely altered. The proportion of constant capital is increased at the expense of the variable, that is all. Also, the machinery which supplants labour must be cheaper than that labour was – in other words, it must employ fewer workers. In fact, the discharged workers cease to buy goods, prices fall, and more discharges follow. The discharged workers *may* be re-employed, but only by entirely fresh capital. The advent of improved machinery in itself gives ground for no such hope

Temporarily, more workers may be called for the industries which supply the machine-industry. But this is only temporary, for swiftly machines are called for in the supplying industries. Where there is a definite increase in the fields where the increased surplus value is likely to be spent, in other words, in the luxury trades, in long-term investments such as (in Marx's day) canals, and in the greater employment of unproductive lackeys and retinues.

Orthodox political economists defend this system (if it is a defence) by the odd statement that under it the numbers of the slaves of the machine go up; employment increases. Even this is only true when the increase of capital is so fast that it more than compensates for the relative increase of the constant portion within capital. As capital extends, it finds the constant portion of itself growing within it steadily at the expense of the variable. The growth of machinery, thus begun, is theoretically limitless: it should go on and on for ever. Practically, it is limited by the limited stocks of raw material. These

can be increased in two ways – by the application of machinery to them where possible, and by the exploitation of backward countries through imperialist methods or the dumping of unemployed labourers in colonies.

The method of sudden jerks and contractions by which the factory system progresses means a continual ebb and flow of labourers' wages, as the workers are continually sucked into industry and vomited out again. This is a regular and necessary result of the steady increase of constant capital

Marx illustrates this by contemporary examples, which we can pass by, only noting that he prophesies that capital will not for long keep the 'ossified' labourer who can only do one mechanical repetitive action eventually his place will be taken by a general shifting labourer who can do almost any simple mechanical job He recapitulates at this point, also, the theory of surplus value, stressing particularly the fact that simple or 'absolute' surplus value can be annexed by a mere prolongation of the working day The capitalist, or the slaveholder, takes just the extra amount of value, of labour-power, that the extra hours represent. Only under capitalism and with machinery do you find 'relative surplus value' dependent upon the relations between constant and variable capital.

The value of labour-power itself is not fixed· it changes with the prices of necessities, with variations in the cost of training, and with physiological differences. Its relations to surplus value extracted also vary. When other factors (hours, intensity of

labour) are constant and productiveness varies, the surplus value and labour-power vary in opposite directions. The value of labour-power goes down and surplus value goes up when productiveness increases. When the intensity of labour varies, the value of labour-power increases as it is used up more quickly in a given time. When the length of the working day is varied, the value of labour falls relatively to the surplus value produced. And so on.

The formula for discovering surplus value given in the older economists is thus incorrect. Marx's formula briefly expressed is the excess of Unpaid over Paid Labour. Capital is thus essentially the command of unpaid labour.

We must not say value is labour. We should, if we did, rapidly find ourselves arguing in a circle. Labour produces, let us say, six shillings a day in value. If the labourer gets six shillings for the day, then there is no capitalist system. If he does not, then we are tied up in an endeavour to construct a system in which equals are regularly exchanged for unequals. The exact phrase we need is that the workers sell not their labour, a tangible limited thing, but their *labour-power*, which can be made to work a longer time than is necessary for its own reproduction. This fact, though it is concealed under the criss-cross of buying and selling, alone makes it possible for anyone to have a command of unpaid labour.

The laws of time wages, as has already been suggested, correspond to the laws governing the relative value of labour-power and of surplus value. There are, however, certain peculiarities to be noted for

example, when a man is paid by very short time intervals he may never even produce his own subsistence. If he is employed by the hour, for instance, he may be employed in the total so few hours that he never can produce his own necessities, though surplus value has been extracted from him

In piece wages, also, any difference from the surplus value measure is illusory. If in twelve hours a labourer produces twenty-four pieces of whatever it may be, and half of these are the product of unpaid labour, then the price of twelve of them is the price of the labour-power, and of the other twelve is surplus value. Piece rates have merely the convenience for the capitalist of making the workers themselves force up the intensity of labour and remove the need for superintendence. Individual variations of pay due to individual spurts cancel out in the end, and the rate of surplus value all the time remains unchanged. Piece rates also always fall when productiveness rises. Nor do national differences in wages interfere with the application of our standard of determining surplus value. They are explained by the variations, which we have already described, in the prices of necessities, etc., and the consequent fall in the value of labour-power, which is determined by the cost of its subsistence and reproduction. More productive labour and more intense labour are, internationally, calculated as the same thing, and capitalism as it expands calls out them both. In capitalistically undeveloped countries money is rare, and both the wages paid and the surplus value extracted are often lower than elsewhere.

In proceeding to consider the process of the accumulation of capital Marx explains that he is giving a general rule. How this works out in the process of the circulation of capital or by the sharing out of surplus value among many capitalists he proposed to explain in the volumes which he never finished.

A worker, he states, in fact is continually paid with a portion of the products that he has just made. Thus what we have called 'variable capital' is really a labour fund for the necessaries of life. The product of a labourer incessantly becomes, in part at least, more capital, while he forever remains under the necessity of selling his labour-power. What he consumes is, in part, raw material while at work, which is productive consumption, and in part his own food and clothes and so forth, which is no more than the conversion of past labour-power into fresh labour-power.

Surplus value becomes capital by the reinvestment of the annual growth of surplus value. The object of this reinvestment is, firstly, to replace used capital and, secondly, to give more surplus value for the personal use of the capitalists and also for more reinvestment. The reproduction of capital is not a circle, so to speak, but a spiral. There is no exchange of equivalents, capital is seen to be continually appropriating unpaid labour.

It is true that labour is continually creating capital so as to employ more labour. But we must beware of falling into the error of the orthodox economists who confused this accumulation with baronial spending or peasant hoarding, and believed that surplus value

was *all* spent on the employment of productive labourers. Nowadays the newly invested surplus value only repeats the same mixed composition as it has itself: it is expended partly in variable and partly in constant capital.

The reproductive part of surplus value is that which is reinvested, and every capitalist has to decide what he will reinvest and what he will spend on luxuries. This decision is, by orthodox economists, called 'abstinence', but whether the abstinent or the primrose path is trodden, the labourer really pays the bill. Apart from this decision, the amount of accumulation that goes on is determined by the degree of the exploitation of labour-power (where labour is wildly exploited, vast amounts of capital have been extracted) and on the increased use of machinery. The latter means that as accumulation proceeds the part played by past labour-power, crystallised in machinery, grows continually.

We see that the labour theory of value explains the growth and composition of capital as accurately at least, as any other. The 'value composition' of capital consists of constant and variable capital, the 'technical composition' of capital, a more commonly used term, consists of the means of production and the labour-power. These two divisions correspond to each other in fact, and the rate of accumulation as compared to the rate of wages is the same as the amount of unpaid as compared to the amount of paid labour.

The proportion of variable capital (labour-power) used decreases steadily as accumulation proceeds.



Absolutely, it may increase: there may actually be more workers employed, or more hours worked if the capitalist system expands with a sufficiently furious rapidity; but relatively it will fall, as raw materials can be used up faster in a given space of time. Even its absolute increase does not necessarily mean an equivalent absolute increase in employment; for this may be evaded by making labour more intense, or by bringing in women's and children's labour.

The increase in the difference of the composition of capital being, except in unusual times, too swift to be compensated by the total increase of capital, the increase in employment is proportionately slow. A surplus population arises, and the labourer is continually occupied in the process of making himself superfluous. This reserve army is of use for sudden expansions of capital and may be seen being used in the process known as the 'decennial cycle'. About every ten years, observes Marx, there is a crisis, which takes this invariable form. From average production rises a boom, the boom meets a crisis, and collapse follows. Wages rise and fall with this decennial crisis and do not rise, as economists say, with the accumulation of capital.

Socially this surplus population may be observed floating in the centres of industry, concealed among the broken peasants who drift in the end to the towns, or stagnant as in sweated and casual trades. The greater the social wealth – the functioning capital, the greater this reserve army of pauperism. Therefore, by a law which is however subject to modification,

we may say that increasing misery accompanies increasing accumulation.

Marx enforces this point with historical illustrations which we must omit. He goes on to observe that this process of automatic accumulation must have had some beginning. There must have been some 'primitive accumulation'. The smug textbooks of his day told an imaginary fable about 'idle' and 'industrious' men as beginning the division between capitalist and worker. Such a story is a nursery fairy-tale; there is no record of any such things. To make capitalism, it is necessary that certain men should be forced to sell their labour-power, to force them to do this it is necessary to deprive them of the means of production.

This, in fact, we find is historically exactly what was the origin of capitalism. Marx submits the history of England from the fifteenth century onwards to a close inspection, and shows that continually, and generally by violence, the English people were deprived of the means of production (especially land) and driven to sell their labour in the towns as the growth of capital required them. As the process develops, the expropriation becomes more extensive and more ruthless, it is protected by laws against vagrancy and against trade unionism, to prevent any forcible reversal of the process by those who were suffering from it.

The capitalist farmer, who was victorious after these changes, rose out of the bailiff, in most cases; the capitalist in industry out of the merchant, the usurer, or the small guild-master. By the foundation

of towns outside the guild limits and by the annexation of colonies the first accumulations were made possible. Colonial fortunes were made; public credit began to exist; and a public debt, a most convenient and flexible instrument for accumulation, was instituted. In the colonies, where land is free, wage labour is unprocurable. In order to make it procurable, and establish the capitalist system, either immigration must proceed fast enough to fill up all the land, or the native society must be broken up and taxation so arranged that the native cannot live on his land. In both cases, the precondition of the extraction of surplus value is seen to be the separation of the labourer from the means of production.

To sum up

Private property in the means of production by the producer himself is only possible in narrow and primitive societies

These private producer-owners are expropriated by capital.

This expropriation is followed by the expropriation of smaller capitalists by larger capitalists.

As these magnates of capitalism decrease in number, the co-operative character of labour grows, and with it the misery and the revolutionary capacity of the workers.

Eventually, the contradictions of capitalism make it a fetter upon production, and there follows a last expropriation, which, since its way has been prepared, is neither violent nor difficult. This occurs as a result of a peculiarly violent crisis. Exactly how it occurs Marx does not at any time explain;

nor did his actions and comments at the time of the Paris Commune, or at any other time, provide a guide for revolutionaries at a later date.

This completes Marx's own outline of his economic theory. To it there must be added certain elaborations made elsewhere.

Some mention must be made of what is called the Great Contradiction. Such an enormous clamour has been raised over this, and such violent scenes (on paper) have occurred between economists that it is impossible to omit an account of it, though the present writer will not conceal his opinion that its importance has been grossly exaggerated. However, here it is

It is stated that in Marx's unfinished and amorphous vol. II of *Capital*, dealing with the circulation of capital, he is found using an analysis which contradicts his own theory of labour value and knocks a hole in his argument in an essential point. The question which he is considering is, how is it that the rate of profit on capital is fairly even? We have postulated that out of labour alone comes surplus value. A greater amount of surplus value, therefore, is extracted out of 'variable' capital, which is all labour-power. When the composition of capital varies (as it does, there being some businesses with more, some with less, constant capital) and the rate of exploitation is unvarying, then the rate of profit should vary. But it does not, in observed fact.

Marx set out to prove that equal capitals might receive equal surplus value without *producing* equal surplus value. In so doing he appeared to forget his

own theories. In vol. I he said Exchange Value depended on labour-power. In vol. II he said that Exchange Value was actually fixed at a point independent of this. In vol. I he said profit came from a labour-created surplus value. In vol. II he showed profits as independent of the amount of labour absorbed. In vol. I he declined to admit the scientific character of the phrase 'cost of production'. In vol. II he is found using it. . . .

How far this contradiction is a real contradiction must remain debateable. Certain Marxian economists defended Marx by claiming that Exchange Value is only 'a mental fact' which is possibly never found in real existence they appeared contented with having discovered this phrase. Others, more astutely, argued as follows: The orthodox theory is that the Exchange Value of a commodity is the cost of production plus the average rate of profit on capital. The Marxian theory is that the Price of Production is the cost of production (meaning the value of its ingredients) plus the average rate of profit. Now, you may think that these are almost the same. But they are not. The first theory is just a running round and round. It means 'the value of a commodity is determined by the cost of production which is determined by the value of the ingredients contained which is determined by the cost of production which is determined . . .' and so on. There is no stop and no standard of comparison is ever found; but Marx's method gives you a standard by saying that the cost of production is determined by labour time. An average rate of profit means that each individual capitalist does not enjoy

his own workmen's surplus value himself. It is shared out over the whole capitalist class, by a very complicated and esoteric process, which cannot be explained here. It involves postulating an intermediate 'price of production' before the goods are sold to a consumer. Exchange Value only appears when goods are sold to a consumer; the price of production need not correspond to value and may be above it

Whether this explanation seems convincing or not, what is undoubted is that the whole question except for ardent controversialists, has become unimportant. The essential point of Marxist economics, upon which is based the theory of class-struggle, is one that emerges from almost any system of economics that has any claim for the consideration of a rational being. There are no systems of economics, however fantastic, which have any large body of sane adherents, which do not admit that the producers are unable to buy back the goods that they produce, and live in enforced misery surrounded by good things, which are restricted in amount or even destroyed in an endeavour to keep up prices. The exact method of the exploitation of labour may have been incorrectly described in detail by Marx, or the mechanics of it may have been so altered by the progress of capitalism that his description is no longer a true picture; nevertheless, the fact of exploitation which he first proved is in effect now universally admitted. Marx is frequently compared to Darwin: the comparison is at no point more apt than in economics. We no longer regard the *Origin of Species* as an up-to-date biological textbook. But only

biologists who are totally ignorant of human history deny that it is probably the most important single book in the development of science.

A lacuna of some importance in Marxist economic theory has been evident for many years. It has never been filled – largely, no doubt, because neither non-Marxist nor neo-Marxist theorists have been able to produce a wholly satisfactory theory to fill the blank. The process by which capitalism heads inevitably towards a crisis is lucidly enough described, and since *Capital* was written has been fairly frequently exemplified in history. But the process by which it recovers and restarts production is far from clear. At one time, indeed, Socialist writers began to think that the whole theory of crises was obsolete and sought to explain that trustification of industry had softened or 'ironed out' the violent crisis and substituted a gentler curve of prosperity and slump. But since the British crash of 1921 and the American crash of 1929 these elaborate explanations have seemed unnecessary. The crisis is there all right, what are the mechanics of the recovery? The latest theory, as advanced by G. D. H. Cole in his *Guide Through World Chaos*, is that the capitalist system does not, in its constitution, contain any mechanism of recovery whatever, and that the recoveries that have recurred in the past have been in each case due to accidental and ascertainable causes, such as the sudden discovery of great deposits of gold in California.

Marx's prophecy of the development of capitalism has been partly falsified in a rather important particular, and this falsification was responsible for

what, before the War, was called 'Revisionism' and caused a considerable sensation in Marxist circles when it was studied by the eminent Marxist, Eduard Bernstein, in his book, *Evolutionary Socialism*. Marx had anticipated that the process of the concentration of capital would go on steadily until a mere handful of capitalists would be confronted by a solid mass of expropriated workers. But early in the twentieth century it became clear that this was not happening. The middle class, so far from disappearing, seemed positively to be increasing in numbers. The joint stock company, in its infancy when Marx wrote, had become the standard form of enterprise. The man who once would have been an employer on a small scale was now a shareholder in an immense enterprise. Capital was indeed concentrated, but it was not centralised in a few hands. True, the shareholders were not genuinely in control of industry, which was run for them by a few financial and industrial magnates. But they were there, and they were a formidable obstacle to revolution. Even when they were distressed, the revolution that they made was not a Socialist but a Fascist revolution. Bernstein, it is true, never anticipated a Fascist revolution – he seemed rather to anticipate that in some way the extension of shareholding would lead to a gentle evolutionary socialism. But, however wrong he may have been there, the fact on which he insisted seriously disarranged the academic calculations of parties like the German Social Democratic Party.



## MARXIAN DIALECTIC

**E**VERY body of ideas, every philosophy, is according to Marx a reflection of existing economic circumstances. It is not truth, for there is no absolute truth while the present series of contradictions and class struggles continues to unfold itself. As economic circumstances change, the philosophies change and disappear. Marxism, consequently, is itself but a reflection within the minds of the proletariat of its circumstances. As these circumstances change, so Marxism becomes untrue. It is inconceivable that a system which was a true reflection of the social relations of 1847 and 1867 should be still valid to-day. Great portions of it must have, by its own standards, become obsolete.

But the man who endeavours to point out which portions of Marxism are obsolete had best be careful. The acquisition of a complete knowledge of Marxism, especially of the dialectic, puts such a strain upon the learner that the man who suggests that this effort is useless is apt to be met with a very human indignation. The Marxist who resents any effective criticism of his dogma does so not so much because he loves

dogma as because he resents having to believe that so much of his study has been wasted

Nevertheless, this resentment must be affronted, and the fact that certain portions of the work of a mid-Victorian philosopher and economist are sure to be out of date be admitted. The out of date portion of Marxism, then, is probably the dialectic, important though Marx and even Lenin considered it to be.

But before we explain why it is no longer of value, it is necessary to explain what it is. Marxian dialectic is Hegelian dialectic. It is inverted, it is true, in that Marx holds that ultimately the material is real, whereas Hegel held that the ideal is real. But the method of the dialectic remains the same.

It was, as we have seen, inevitable that two young Germans, born in 1818 and 1820, should be overwhelmingly influenced by the philosophy of Hegel. This philosophy was likely (by Marxist standards) to be one calculated to fit the circumstances of the ruling class of Germany of that day (Hegel himself drew the expected deduction – that the Prussian State should be supported). The existing complex hierarchy of officials and minor royalties needed to be retained, but place must also be found for the changes in knowledge and in production which were continually going on. Consequently, a reconciliation of contradictions must be found, and those things which appeared to be opposites must in some way be made to lie down together.

That this was all there was to the Hegelian dialectic is not true. There was also a genuine advance made by his system, and one which can best be seen

by comparing the dialectic with other systems of thought.

One of the first operations of the human mind is to fix categories for its own use. Distinction is the beginning of knowledge. The idea of the earth, as much as the idea of justice or of truth, is an essential tool of the mind. But it appears to be, at first, a necessary quality of these ideas that they should be exclusive just because they are fixed. The earth is the earth, and it is not the moon. The earth is round, or else it is not the earth. Justice is justice; it is not also injustice. Much of the most patient work of the greatest philosophers, from Plato onwards, was devoted to ascertaining exactly what these ideas were, so that men might know the real truth and be not deceived. What is the Good? What is the Beautiful? What is Justice? What is Truth? Even by the time of Pilate these interminable questions seemed to have become vexatious and the practical man stayed not for an answer.

Hegel's philosophy destroyed the rigidity of these distinctions. So far from ideas being absolute, they contained in themselves the seeds of their own opposites. Truth was only to be discovered by realising that ideas are flexible and changing. Each contains within itself its opposite, and implies it. Life implies death, existence non-existence, good evil. The universal process of thought, the succession of ideas is as follows. One idea gives birth to its opposite, which arises out of it, though it is a contradiction of it. From the conflict of the two arises an amalgamation of them, a synthesis of them both into a new idea,

which contains them both, though it is new. The first is called the Positive, its opposite and child is called the Negation. The final operation is the Negation of the Negation. (Or, the first term is called the thesis, the second the antithesis, and the third the synthesis.)

This theory, which combined the idea of definition with the realisation that these definitions were themselves changing, seemed an admirable discovery. Students found that their ideas were in fact so formed and as for Hegel the idea was the only reality, it was not necessary for them to inquire too closely to see whether the dialectic was exemplified in the external world, even though the Master used mundane illustrations like the boiling and freezing of water.

When Marx and Engels, however, took over the dialectic, a quite new set of problems arose. Feuerbach caused them to realise that they did not in the least believe that the Ideal was the Real. They believed in material reality, and their healthy minds rejected the opposite view as nonsense. But they found to their delight (as a psychologist, had there been one to watch them, might have prophesied) that the laws of thought they had so patiently learnt need not be rejected but still would work admirably, even though Materialism had thrown Idealism out of the throne in the centre of the system.

Their first exposition of the working of the dialectic under the new conditions is illuminating. In that early work *The Holy Family*, they wrote:

‘The Proletariat and wealth are antitheses. As such

they constitute a whole; both are manifestations of the world of private property. The question to be considered is the specific position that they occupy in the antithesis. It is not enough to declare them two sides of a whole. Private property as private property – as wealth – is compelled to preserve itself, and therewith its opposite, the proletariat. This is the *positive* side of the antithesis – private property satisfied with itself.

‘The Proletariat on the other hand, is obliged, as proletariat, to abolish itself, and with itself its conditioning opposite which makes it the proletariat – private property. This is the *negative* side of the antithesis, the internal source of unrest, and disintegrated and disintegrating proletariat.’

Here you have indeed a perfect reproduction of the Hegelian dialectic in material terms: here are the positive and the negation, the negation arising out of the positive and being a part of it and yet opposed to it. We can see the Negation of the Negation looming on the horizon and what it will be is fairly clear to us already. It is announced by two heralds, as indeed is also the real Negus Negusti, the Emperor of Abyssinia

But at the same time, surely, we can see that this method of analysing society is so clumsy and metaphorical, as to be almost useless. In what useful sense can the proletariat, a large number of persons, be considered as forming a ‘whole’ with private property; a relation and an idea? In what sense can they be its opposite? They may be ‘opposed’ in the conventional sense to the individual capitalists, in

the sense of wishing to do them an injury. But the description as it stands is almost meaningless. It is a confusion of terms such as humourless relatives torment schoolchildren with. 'Are you getting on well with your arithmetic, Georgie?' Then tell me, if you multiply six kangaroos by six herrings how many fresh eggs do you get? Ha, ha, ha! That's a good one, isn't it?'

Yet, clumsy though this may seem it is essentially what the Marxian dialectic is when applied to the problem of revolution. In the first volume of *Capital* Marx once again used the dialectic to describe economic development, and the passage is taken by his latest and most intelligent biographer – Max Beer – as a supreme example of the correct use of the dialectic. 'The capitalist method of appropriation, which springs from the capitalist method of production, and therefore capitalist private property, is the first negation of individual private property based on one's own labour. But capitalist production begets with the inevitableness of a natural process its own negation. This is the negation of the negation.' 'Here,' comments Mr. Beer, 'we have the three stages – the thesis – private property; the antithesis – capitalism; the synthesis – common ownership.'

This is less surprising than the crude form given in *The Holy Family*. At least the categories are not mixed. All of them are forms of property relationship and so can be compared with each other. But in shifting the figures in the pattern about the whole pattern has been changed. The proletariat is no longer the antithesis; it has disappeared. Instead, capitalism

is the antithesis to private property, and the synthesis has the unexpected shape of a synthesis of private property and capitalism – a solution which, one would think, would apply far more to the hopes of Hitler or Mr Belloc than to Marxian plans

But whichever of these interpretations be correct, it is surely clear that a method which lends itself to such varying uses in its own inventor's hands is a far from reliable tool. It does not add at all to our ability to analyse a situation if we use the dialectic. Nor can we be reassured of the truth of an analysis by someone else because it appears dialectically correct. A thing may be dialectically correct and fit exactly into this pattern of three, and, objectively, be counter-revolutionary nonsense. A theory may be a true revolutionary interpretation of a situation, and yet not fit into any pattern of three at all.

So far as the dialectic, applied to material things, is merely a statement that nothing comes from nothing, that historical events, relations and institutions, proceed out of each other, that they frequently proceed by means of evoking an antagonism, and that where that antagonism is evoked the ultimate result (if there could be such a thing as an ultimate result) often shares in the features of both antagonists – so far as the dialectic asserts this, it is true, and at the same time is no more than a pale reflection of a consciousness of evolutionary process which is now common. But so far as it claims that this trinitarian process is universal, or is in any way a practical guide to the world outside, it is nonsense. Why should events and social relationships fall into such a pattern

of three? Why should a Thesis only evoke one Anti-thesis? Why should it not evoke two, three, or five? And then where is your synthesis? Why should not capitalism evoke not merely the antithesis of proletarian socialism but also the antithesis of petty bourgeois Nazism? And when it does, as it has, in what way can the dialectic possibly enable us to know what is the synthesis?

The dialectic, in the Hegelian system, was not absurd. It was indeed a method which could only be satisfactory in an age in which the processes of the mind had never been investigated by psychologists. Its fault, to a modern reader, lies in the fact that it deals exclusively with an ideal form of thinking and not with thought as it actually goes on in human minds. But, within those limitations, it may be found satisfactory by those who are interested in philosophy. It is possible to claim that the mind moves dialectically, and that ideas can be classified and understood by the dialectic alone, and that they develop dialectically. But it is not possible to say that history proceeds dialectically because history, being an enormous mass of facts, is not a material which is capable of being so classified. 'History,' in the sense in which Marx uses it, and almost every writer uses it, is not the whole mass of past facts (which are not known, and, if known, could not be comprehended by the mind) but an excerpt from those facts made by the historian. Every historian, however diffuse, only selects from past life such facts as interest him. If those selected facts fall into a dialectic pattern, that proves nothing more than that



his mind has been trained to move in a dialectic pattern; just as the opposite result would only mean that his mind had *not* been so trained. It proves nothing whatever concerning the nature of the facts themselves.

Furthermore, the historian's selection of facts depends not upon the dialectic, but upon his own interest, and the cause of that interest is to be sought in his own psychology. It was Marx's existing desire for a revolution that made him select a certain range of facts for study. The beginning of study is most frequently, if not always, an attempt to satisfy a conscious or unconscious desire. This need not affect the methods of our study. If we are endeavouring to be scientific investigators at all, it should not. If we are conscious of our desires, indeed, we ought to be forewarned and be so much the more impartial and rigid in our investigation. But it cannot but influence deeply our selection of the material that we choose to study.

The reluctance to abandon the dialectic in the minds of Marxists arises from a highly practical consideration. The theory of the inevitability of the victory of the proletariat is bound up with the dialectic. Indeed, it arises solely from it: the moment the dialectic is seen not to be universally valid, at that moment the inevitability of proletarian victory is destroyed. Socialism may be possible, it may be probable, but it cannot be inevitable. But with the removal of this semi-religious conviction a great deal of the religious fervour that it aroused may also be destroyed.

Thus, a belief in the dialectic may be useful while it is untrue. Lenin, for example, clearly considered it useful, and announced the validity of the dialectic in very unmeasured terms. On the other hand, it is at least arguable that its utility is less than has been imagined. It is highly likely that a theory which may be proved to be untrue will not for long be a safe basis for prolonged activity. It is too liable to be found out, or to have to be ignored grossly under the pressure of circumstance. The dialectic, for example, appeared to indicate that the first proletarian revolution must occur in America or in Germany, the most highly-developed capitalist countries. When it occurred in Russia, Karl Kautsky proved on strictly orthodox Marxist lines, that it had not occurred there and that Lenin was committing a dialectical error in endeavouring to make it occur. Lenin's reply was that 'revolutionary dialectic must be infinitely flexible' and that Kautsky was an old fool.

Further, while a belief in 'inevitable victory' has certainly sustained gallant workers in misfortune, it has also petrified them in times of less stress. In England, in particular, the fact that no specific activity seemed to be necessary since victory was inevitable, kept the Social Democratic Party small and sectarian, and prevented its devoted adherents securing anything like the influence they deserved.

It is far more probable, as Max Eastman has argued in his *Marx, Lenin and Revolution*, that the abandonment of the dialectic will allow of the growth of a more scientific and therefore more practical revolutionary movement. Once it is recognised that

the victory of the proletariat is not an impersonal and inevitable process, but one which – though *conditioned* by economic circumstances – depends at least in part on the will of the proletariat, then it may be possible to approach seriously the problem of encouraging and enlightening that will. The nascent science of psychology can be taken hold of and used for revolutionary ends. Till that is done, the task of revolution will remain unnecessarily difficult.

To those who like to use the names of men as symbols, we may say that the next great task of revolutionary philosophy is the reconciliation of Marx and Freud.



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