Outline

Main Themes

Life & Major Influences

Old & Young Marx

Old Marx
  Communist Manifesto
  Critique of Political Economy
  Capital

Discussion Points
Main Themes

- distinction between
  - philosophy-oriented younger Marx
  - economics- & sociology-oriented older Marx
- main themes of work already present in *Communist Manifesto*
- goal of older Marx is to derive scientific demonstration of scenario of capitalist evolution
Karl Marx (1818–1883)
Life & Major Influences

▶ born Trier, Rhineland (Catholic region of Prussia)
▶ family:
  ▶ intellectual liberal Jewish
  ▶ father successful lawyer
  ▶ descendant of rabbis
  ▶ converts to Lutheranism (Prussia’s official religion) to continue practicing law
▶ 1835 U. of Bonn to study Law
▶ joins Trier Tavern Club drinking society
Karl Marx (1818–1883)
Life & Major Influences

- 1836 Friedrich-Wilhelm U., Berlin
- joins Young Hegelians
- 1841 PhD in Philosophy, U. of Jena
  - dissertation *The Difference Between the Democritean and Epicurean Philosophy of Nature*
- marries Jenny von Westphalen, daughter of German baron
- 6 children, only 3 survive
Karl Marx (1818–1883)
Life & Influences

1843 move to Paris:
  ▶ meets Friedrich Engels
  ▶ becomes communist
  ▶ reads work of Proudhon
  ▶ write *The Jewish Question*

1845 Marx & Engels move to Brussels, Belgium, and then between Brussels, Paris & Germany
  ▶ 1847 *The Poverty of Philosophy*, a critique of Proudhon
  ▶ 1848 *The Communist Manifesto*, platform of the Communist League

1848 revolution in France
Karl Marx (1818–1883)
Life & Major Influences

- Friedrich Engels in 1856
Karl Marx (1818–1883)
Life & Influences

- 1849 Marx & Engels move to London:
  - Marx supported by Engels (revenue from family industrial business)
  - 1864 First International (International Workingmen’s Association 1864–1876)
  - 1867 *Capital*, volume I
  - 1881 Jenny dies
  - 1883 Karl dies
  - buried in Highgate Cemetery
  - complete works not published until 1931
Marx’s work traditionally divided into two periods: younger & older. “Young Marx” (1841 to 1847 or 1848):

- writings are mostly philosophical
- main works include:
  - *Holy Family*
  - *Poverty of Philosophy*
  - *Economic & Philosophical Manuscripts of 1844*
  - *German Ideology*
  - *Communist Manifesto* (transition to second period)

- several works not published until after Marx’s death

- publication of complete works (1931) generated wave of reinterpretations of Marx in the West
Karl Marx (1818–1883)
Old & Young Marx

“Old Marx” (1848 & after):

- Marx becomes a sociologist & economist
- views himself as a scientist
- main works include:
  - *Communist Manifesto* (transition between younger & older Marx)
  - *Contribution to the Critique of Political Economy*
  - *Capital*

- Raymond Aron notes:
  - heart of Marxist thought is *Capital*
  - in it Marx attempts to scientifically demonstrate inevitable evolution of capitalism
  - cannot be downplayed, as some reinterpretations emphasizing younger works do
Karl Marx (1818–1883)

Old Marx

Marx late in life
Karl Marx (1818–1883)  
Old Marx

Raymond Aron (1905–1983)

- Marx’s core ideas:
  - antagonism between labor (proletariat) & management (capitalists)  
    key fact of modern (capitalist) society  
  - antagonism inherent in functioning of capitalism  
  - leads to inevitable self-destruction  
  - implies activism to help fulfill this prearranged destiny
In *Communist Manifesto*:

- “The history of all hitherto existing society is the history of class struggles.”
- always an oppressor and an oppressed class:
  - freemen & slaves
  - patricians & plebeians
  - artisan masters & journeymen
  - nobles & serfs, etc.
- always a tendency to polarization into 2 groups
- in modern (capitalist) society
  - means of production improving constantly
  - relations of production (relation of ownership & distribution of income) not changing (pauperization & proletarianization)
  - contradiction will lead to revolutionary crisis
Karl Marx (1818–1883)
Old Marx – Communist Manifesto

- during proletarian revolution:
  - all classes (artisans, petite bourgeoisie, ...) will coalesce into two (bourgeoisie & proletariat)
  - revolution by the proletariat will sweep away old conditions of production
  - thereby sweeping away conditions for the existence of classes and political power
  - bringing about the end of classes
- according to Aron, aim of Marx in later works is providing a scientific demonstration of these Manifesto themes:
  - the antagonistic character of capitalist society
  - the inevitable destruction of that society caused by the antagonism
  - the revolutionary explosion that will abolish the antagonism
Karl Marx (1818–1883)
Old Marx – Contribution to a Critique of Political Economy

Essential ideas in *Contribution to a Critique of Political Economy* (long passage cited by Aron pp. 154–156):

- 1. men enter into definite relations that are independent of their will & preferences (thus one can explain history independent of individuals’ subjectivity)
- 2. in every society one can distinguish
  - *infrastructure* = economic base (forces & relations of production)
  - *superstructure* = legal & political institutions & ways of thinking (ideologies & philosophies)
- 3. mechanism of historical change is contradiction (at certain phases of historical evolution) between
  - forces of production (society’s productive capacity as function of technological knowledge & organization of collective labor)
  - relations of production (essentially relations of property & distribution of societal income)
4. in period of contradiction
   - one (conservative/reactionary) class is attached to old relations
   - one (progressive) class favors new relations of production which
     - promote optimal growth of forces of production
     - mark new stage in historical process

5. revolution only occurs when conditions are ripe, i.e. forces of production have sufficiently developed in the womb of old relations of production, e.g.
   - French Revolution when capitalism sufficiently developed within feudal system
6. distinction between
   - social reality (social relations)
   - individuals’ consciousness (ways of thinking)

Social reality determines consciousness, not consciousness reality.

7. four stages of human history distinguished by their modes of production
   1. ancient (slavery)
   2. feudal (serfdom)
   3. bourgeois (wage earning)
   4. Asiatic (subordination of all workers to the state)

Only first 3 modes have been realized in Western history.
(Asiatic mode basis of critique of Soviet society.)
Karl Marx (1818–1883)
Old Marx – Capital

Capital:

- Volume I published 1867
- Volumes II & III
  - published posthumously
  - assembled by Engels from Marx’s papers
  - incomplete, some passages contradictory

Overall plan of Capital:

- Volume I – structure & operation of capitalism (microeconomic)
- Volume II – circulation of capital & theory of crises (macroeconomic)
- Volume III – evolution of the capitalist regime
Marx’s approach in *Capital*:

- Marx views himself as scientific economist, heir to British political economy
- disagrees with British political economy in believing
  - economic laws not universally valid but specific to economic regime
  - economic regime cannot be understood apart from its social structure (including relations of production)
- “Marx was an economist who wanted to be a sociologist at the same time” (Aron I p. 162) simultaneously explaining
  1. economic functioning of capitalism
  2. social structure of capitalism (exploitation in regime of private ownership)
  3. future of capitalism (how it is doomed by its internal contradictions to revolutionary destruction)
Marx’s theory of exploitation:

- Value of commodity roughly proportionate to quantity of average human labor power crystallized in it.
- Labor power rented at its value = value of goods needed to support life of worker & his family.
- Total working day = necessary labor time + surplus labor time, where:
  - Necessary labor time is work needed to produce the value in goods needed to support worker & his family.
  - Surplus labor time is rest of working day.
- Value of surplus labor time is appropriated by employer, so:
  - Surplus value is value created in surplus labor time.
  - Rate of exploitation is ratio of surplus value to wages paid.
Issues in Marx’s theory of exploitation:

- theory crucial for Marx because
  - explains origin of profit
  - lends itself to denunciation of capitalism

- theory of exploitation dependent on
  - historical specificity of economic laws
  - specific social relation between entrepreneurs/owners & workers in capitalist society

- recognizes that exchange value also fluctuates with supply & demand, but assumes normal demand

- implies that rate of exploitation can be increased by
  - increasing labor time
  - reducing necessary labor time = increasing productivity
Marx on evolution of capitalism (Volume III):

- falling tendency of the rate of profit:
  - constant capital (CC) = machines + raw materials
  - variable capital (VC) = labor
  - total capital (TC) = VC + CC
  - organic composition of capital = relation of VC to CC
  - surplus value is relative to VC (since only labor creates value)
  - ⇒
    - VC ↗ ⇒ surplus value ↗
    - VC ↘ ⇒ surplus value ↘
    - mechanization ↗ ⇒ surplus value ↘
    - ⇒ surplus value should decline as mechanization increases

- But in reality firms with more CC make more profit, not less!
Marx’s answer:

- **rate of profit ≠ rate of exploitation:**
  - rate of exploitation proportional to VC
  - rate of profit proportional to total capital (VC + CC)
- otherwise capitalism could not function, because
  - organic composition (proportion VC) varies by sector
  - ⇒ rate of profit would vary by sector
- **But: why mode of profit ≠ mode of surplus value?**
  - mainstream economics: surplus value theory is simply false
  - Marx:
    - in capitalist economy competition causes surplus value to be replaced by an average rate of profit
    - ⇒ “falling tendency of the rate of profit”
Reasons for inevitable self-destruction of capitalism?

- *Capital* only discusses falling rate of profit
- other mechanisms already in *Manifesto* (written before Marx studied economics):
  - proletarianization:
    - during capitalist evolution intermediate classes (e.g. professionals) absorbed into proletariat
  - pauperization:
    - because of *industrial reserve army* (permanent surplus of unemployed manpower) caused by mechanization
    - proletariat grows poorer & eventually rebels (a sociological mechanism)
    - proletariat too poor to absorb industrial production ⇒ crisis of over-production (an economic mechanism)
Legacy of older Marx:

- powerful inspiration to Socialist movements internationally
- inspiration for Bolshevik Revolution (1917)
- basis for official ideologies of Soviet Unions & other Marxist-Leninist societies
- durable appeal as secular ethical-political “faith”
- several predictions failed:
  - capitalism did not self-destruct in the West
  - standards of living improved rather than declined
  - Marxist-Leninist revolution did not produce classless society
  - many Marxist-Leninist regimes overturned or transformed (China)
Raymond Aron writes (Aron I, p. 208):

“All I should like to establish here [...] is that the rise of the proletariat cannot, except by mythology, be compared with the rise of the bourgeoisie and that herein lies the central, immediately obvious error of the entire Marxist vision of history, an error whose consequences have been considerable.”

What does Aron have in mind?

How serious is the issue raised by Aron?
Variants of Marxism have been adopted by numerous political parties over the world and (at the peak of its success) Marxism was the official ideology for billions of people.

What features of Marxism might explain this extraordinary success of Marxism as a political ideology?
In *Manifesto* Marx & Engels predicted that the proletarian revolution would, by removing the very basis of class antagonisms, replace the capitalist system by a classless, egalitarian association of producers.

▶ How well did actual takeovers by Marxist parties conform to that scenario?
▶ What might be reasons for deviations from the future envisioned by Marx?
▶ How would one argue (from a Marxist perspective) that apparent deviations are, in fact, consistent with the Marxist vision?
Raymond Aron, among others, has argued that the Marxist vision is *sociological* as well as *economic*.

- What features of Marxism are more specifically economic? Which sociological?
- How essential are the sociological mechanisms for the Marxist vision of the evolution of capitalism?
A contemporary theme of historical sociology is an emphasis on the role of the state in the unfolding of social revolutions (e.g., in the work of Theda Skocpol).

- What role does the state play in the Marxist conception of the evolution of capitalism?
- How can Marx’s conceptualization of the state be improved?