

The main features of
karl marx's analysis
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Introduction

Karl Marx (1818-1883) is argued to have been responsible for the foundation of many Communist regimes in the twentieth century. Although trained in philosophy, Karl Marx had his greatest influence upon the modern world in the fields of Politics and Economy. One of the most important arguments that shaped the world today can be seen in his theory of Historical materialism. This theory forms around the idea that societies rise and fall as they advance and then impede the development of human productive power. This historical process advances its way through a series of modes of production, before finally culminating in Communism. His analysis is based upon the labour theory of value, in which capitalist profit is extracted from the exploited proletariat. Marx argued that there would be an eventual breakdown of Capitalism, arising with the emergence of Communism. (Wolffe, 2008)

For Marxists the dynamic force behind human development is the struggle to control the forces of production. The political structure of society is therefore defined by its economic structure. For Marxists a socialist economy is a genuine democracy. It should be noted that it is not the aim of Marxists to achieve this genuine democracy because, in their eyes, democracy is no more than a necessary evil. In terms of Marxist politics, Marxists view the world as a struggle between those who own the property and the means of production (the bourgeoisie) and the workers (the proletariat). In terms of modern politics today, the democratic state or republic which exists within the current capitalist system, is seen by many Marxists as undesirable.

Engels described the capitalist system as: “ The modern state, no matter what its form, is essentially a capitalist machine” (Engels 1984)

Marx argued that the determinant of social life was work. Specifically, work that resulted in the provisions that provided the basic necessities of life. (Grinnel 2010) In essence, Marx' fundamental argument arose out of societies need to survive. He argued that human beings must organise themselves in such a way that they produce essentials, such as food and shelter. He called this ' The Mode of Production' For Marx; the mode of production becomes the driving force in determining the structure of society. This structure is further determined by who produces the commodities. From this we derive his concept of the ' class structure' (Schneider, 2010)

Marx summarised his views as follows:

In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. It is not the consciousness of men that determines their existence but determines their consciousness. (Marx 1971: 20)

Marx was not unique in his discovery about the existence of class, however he recognised that the existence of class was bound up with particular <https://assignbuster.com/the-main-features-of-karl-marxs-analysis-of-the-capitalist-mode-of-production-essay-sample/>

modes of production. As a result of these modes of production, each society created a ruling class and a subordinate class. Whether the society is Tribal, Feudal or Capitalist, the characteristics remained the same. Marx referred to the relationship between these ruling and subordinate classes to be antagonistic in nature. His argument being that the two classes had different interests. For example, the Feudal economy was characterised by a landed aristocracy and a large group of landless peasants. The Capitalist economy was characterised by a small group of property owners (who also owned the means of production) and an ever increasing working class. Marx referred to these capitalist's as the ' bourgeoisie' and the working class producing the commodities as the ' proletariat'. Marx ultimately believed that this growing proletariat would organise themselves into industrial armies and destroy the ruling class, therefore creating a society free from exploitation and oppression. (Burke, 2000)

In discussing the mode of production it must be noted that Private property and division of labour are a necessary prerequisite to the mode of production. (Mandel 1975) Once the division of labour has reached a certain stage, the division of labour within manufacturing and modern industry can develop. The conversion of products into commodities becomes accelerated, an essential distinguishing feature of the capitalist mode of production. (Marx 1977)

Three distinguishing features are essential in determining whether a mode of production is capitalist. The first of these is competition. Mandel argues that the coercive nature of the relations are inherent to the capitalist mode of production, therefore competition is a distinguishing feature of the capitalist
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mode of production. The second feature is credit. Credit centralises the means of production with those who have the money, in doing so, perpetuates and propagates the bourgeoisie. (Marx 1977) The third feature is that of overproduction, a crisis in which large amounts of commodity remain unsold. In any case the distinguishing feature of the capitalist mode of production is that the means of production ceases to be controlled by the worker, but that the worker is controlled by the means of production.

Note however, that the two poles of the dialect cannot exist without each other. The bourgeoisie are as much trapped by the means of production as the proletariat. Marx analogy of 'the uncaught fish' illustrates this. In other words, a controller cannot exist without the controlled. (Marx 1977)

To elaborate further, the mode of production determines the way in which surplus value is extracted from the labour process. The economic base generated from this creates the social and political superstructure. Capitalism therefore, is a mode of production. This mode of production determines the general organisation of production, distribution and consumption of goods as well as the dominant patterns of social stratification, politics and cultural life. It should be noted that Marx recognised the logic of profit maximisation in capitalist behaviour, although (mistakenly) he argued that the principle strategies for creating such profit would inevitably face internal limits. As a result of this process, he argued that capitalism would face a crisis that brought about social revolution. This crisis, in which technological advances made possible vastly greater production, would result in an uneven distribution of income. A capitalist society would then turn Conservative in its efforts to hold the system

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together, while workers turned to Socialism in an effort to create a more equally distributed wealth system. (Marx, 1844)

Whilst thinkers such as Comte and Durkheim amongst others, believed that the progress and growth of industry would lead to the penultimate stage of world development, Marx argued that it was in fact only an antepenultimate stage in which a political revolution would lead to a classless society. It could be argued that today, the dominant theory of development in the core countries has changed little from the theorizing of Marx. Instead, further analysis and an ever increasing number of models have developed to attempt to explain the deviations from empirical expectations. Indeed, to the present day Marxism remains the official state doctrine in certain countries. It is at this point however, that problems arise when attempting to view Marx's historical materialism in a modern political world. His historical process, following through a series of modes of production, falls into question when attempts are made to create such stages of development within a single empirical framework. For example, within today's capitalist world economy we would have to argue that some of these stages or modes of production had been skipped. From a traditional Marxist viewpoint, this is not possible and leaves only the possibility of totalities. The only existing totality today being world systems. (Wallerstein 1974)

In order to adequately discuss what is different about modern capitalism and what has changed we must first discuss how modern capitalism came into being. The emergence of the world economy in the sixteenth century was partly due to the necessities of expanding the division of labour on a geographic level. The old notion of a world empire became unrealistic and <https://assignbuster.com/the-main-features-of-karl-marxs-analysis-of-the-capitalist-mode-of-production-essay-sample/>

unattainable. Efforts made by Charles V and the Spanish to absorb this new economy failed. By 1640 the world economy had developed with North West Europe becoming the Core state whilst Spain and Northern Italy fell into Semi-Peripheral states.

North eastern Europe and Iberian America became the Periphery. The system wide recession of 1650-1730 resulted in the survival of only one core state, as large empires withdrew from the world market. Industrial capitalism followed which led to the further geographic expansion of the European world economy to include the entire globe. As a result of this expansion all other world systems became absorbed, including slavery which had become no longer economic. This rise in manufacturing created a large scale urban proletariat which in turn created organisational forms such as trade unions. These new unions posed a threat to capitalist forces which coincided with the problems caused by surplus agricultural goods. The problem was rectified by expanding the purchasing power of the industrial proletariat, which in turn corrected the rising class conflict of the core states (Wallerstein 1974)

Furthering the discussion on economy, In an attempt to maximise profits, actors would often turn to nation states to liberate them from non-market constraints. In doing so, they created a set of new constraints within a new market. This market being the European World Economy. This new economy then expanded from the traditional agricultural specialisations into textiles, shipbuilding and metal wares amongst others. Within this new world economy, tenancy and wage labour become the modes of labour control.

Comparisons can be drawn at this stage between the 16th - 18th century

agricultural capitalism of which Marx wrote extensively on his mode of production, and the post 18th century stage of industrial capitalism. This capitalism involves the appropriation of the surplus-value by an owner from a labourer, but also the appropriation of surplus from the whole world economy by core areas.

Historically, world economies are unstable in nature. After disintegration or conquest, the result is a transformation into World Empires, Great Britain and France being examples of such. These empires cannot be regarded as capitalist in form, rather long distance trading and redistributive in nature. It is not until sixteenth century Europe that the full development and economic predominance of market trade emerges, known more often as capitalism. According to Marxist doctrine, this European world economy should be transformed into a re-distributive world empire, and yet remains a capitalist world economy. It is here that the problems associated with historical materialism develop. (Wallerstein 1974))

Further discussing whether Marx's political doctrine could be valid today, it could be argued that underdeveloped countries are not merely in an earlier stage of transition to industrialisation, but a causality of becoming a raw material producing area for a capitalist world economy. In such underdeveloped countries, the Marxist view would point to a Feudal society in a pre-bourgeois stage. Contrary to this view, thinkers such as Frank argue that such countries are indeed capitalist in nature based upon a concept of 'dependence'. (Frank 1968)

It could be argued that there are marked differences between the modern capitalism of today and the capitalism that existed at the beginning of the sixteenth century. Marx argued that the transition from feudalism to capitalism involved force and violence when separating labourers from their means of production. This concept being known as 'primitive accumulation'. It could be argued whether this concept is only applicable to a pre-nineteenth century world, or whether it is just as applicable today. Marx himself was reluctant to discuss 'primitive accumulation' in a modern sense, but preferred to relegate it to a distant past. Perelman argues however that separation from means of production is a continuing factor in the modern world he argues that: "Primitive accumulation remains a key concept for understanding capitalism - and not just the particular phase of capitalism associated with the transition from feudalism, but capitalism. Primitive accumulation is a process that continues to this day" (Perelman 2000)

Marx himself argued that: "In the history of primitive accumulation, all revolutions are epoch-making that act as levers for the capitalist class in course of formation" (Marx, 1867)

Luxemburg also argues that the process of primitive accumulation is historical:

At the time of primitive accumulation, i. e. at the end of the middle ages, when the history of capitalism in Europe began, and right into the nineteenth century, dispossessing the peasants in England and on the continent was the most striking weapon in the large - scale transformation of means of production and labour power performs the same task even today, and on an

even more important scale by modern colonial policy.... With that we have passed beyond the stage of primitive accumulation: this process is still going on. (Luxemburg, 1913)

Evidence to discuss whether Karl Marx's central mode of production is applicable to modern capitalist events can be derived from Leninist Russia. Cliff argued as follows:

Marx's analysis of capitalism involves a theory of the relations between the exploiters and the exploited, and among the exploiters themselves. The two main features of the capitalist mode of production are the separation of the workers from the means of production and the transformation of labour power into a commodity which the workers must sell in order to live, and the re-investment of surplus value - the accumulation of capital - which is forced on the individual capitalist by their competitive struggle with one another. Both these features characterised the Soviet Union during the first Five Year Plan. (Cliff 1928)

It should be pointed out that the relations of production within Leninist Russia did not change. Workers did not control their workplaces and still sold their labour to the managers of state owned workplaces. Cliff acknowledges the unchanging nature of the relations of production, so when viewed within the international economy there is still accumulation of capital. Therefore the presence of wage labour within Leninist Russia signalled capitalism, and as such a mode of production. Marx's argument of a mode of production was indeed relevant to Leninist Russia.

Georgie Shakhnazarov, an aide to the former Soviet President Mikhail Gorbachev writes: " Our epoch is the epoch of the revolutionary transformation of capitalist society into Communism" (Shakhnazarov 1981)

To find the beginnings of this revolution he continues: " The building of a new world order was begun in 1917 by revolutionary Russia, proclaiming Socialist principles" (Shakhnazarov 1981)

To further argue that Marxist approaches are applicable today, it could be argued that in terms of communist Russia, the ultimate goal of Marxism, the establishment of communism was achieved, although by no means on a world level. As Lenin argued:

Only in a communist society, when the resistance of the capitalists has been completely crushed, when the capitalists have disappeared, when there are no classes.... Only then the state ceases to exist, and it becomes possible to speak of freedom, so long as the state exists, there is no freedom, when there is freedom, there will be no state. (Lenin 1984)

It could be argued and as stated in the Manifesto of the Communist Party that " Communism is already acknowledged by all European powers to be itself a power" (Chp 1 1848) However as Apple reminds us the outcome of its fruition is in its " Applicability to the interrogation of concrete situations" (Apple 1982)

What is different about Modern Capitalism today is that many of the debates surrounding Marxism took place during the period of Industrial Revolution, there has been some confusion when applying theories to capitalism. For

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example, a post 1945 U. S. S. R had become industrialised despite being a non-capitalised society. From this confusion we find the birth of new concepts such as ' socialism' and ' liberal capitalism' designed to help explain such phenomena. The difference of the modern capitalist world is that problems arise when trying to determine the mode of production. More specifically it is after the industrial revolution that modes of production appear less relevant, compounded even more so by the fact that these stages pertinent to the mode of production, appear to have happened at different times in different countries. Regardless of the setup of the economy within the country, whether it be agricultural capitalism or industrial capitalism or slavery where labour power is the commodity, capitalism will always ensure labour as a commodity. (Wallerstein 1974)

It would be incorrect to state that capitalism has only become world wide in the twentieth century. Indeed it could be traced back to the European division of labour after 1450. Capitalism has also never been contained by the appearance of national boundaries created by capitalists in defence of their economic position. Both the world system and the world empire system with distributive economy, and the world economy with its capitalist market economy have a marked uneven distribution of wealth. From a Marx perspective, this would eventually lead to the downfall of the economy and the ushering in of a new more evenly distributive wealth system. The difference of this modern capitalist economy as opposed to a capitalist economy of the past can be seen in three ways:

The first being the concentration of military strength in the hands of dominant forces.

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The second is the pervasiveness of an ideological commitment to the system as a whole.

The third being the three layered structure, where the majority of the staff are in the larger lower stratum and the smaller middle stratum (Wallerstein 1974)

In conclusion, it could be argued that Marxist history is not deterministic in nature, rather that historical epochs express their own historical conditions. These historical conditions are therefore subject to historic and economic constraints within their social institutions. The Marxist aim, being the understanding of the nature of relationships between economic forces of production in specific historical circumstances. (Down, 1994) Regardless of the arguments made, in the world today there is only one world system. This world system by its very nature is capitalist in form. In order to follow the projection of Marxist thinkers into socialism, a new world system would have to evolve. 'This new world system would be neither a re-distributive world empire nor a capitalist world economy, but a socialist world government' (Wallerstein 1994)

It should always be noted that the military and political history of Marxism has always been a bloody affair. From the October Revolution of 1917, to the Tiananmen Square student uprising of 1989. According to University of Hawaii professor R. J. Rummel: "The death toll of this scientific socialism has exceeded the 100 million mark" Rummel summarises the period by saying it is "as though our species has been devastated by a modern Plague" (Rummel 1994)

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