

Analysis of marxist critiques of liberal capitalism



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The standard litany of Marxist critiques of liberal capitalism rely on a common theme which presupposes that capitalism is fundamentally flawed and evil because it relies on a structure of exploitation, i. e., the bourgeoisie, those who own the means of production, ruthlessly exploit the proletariat, the individuals who sell their labor and do not own the means of production. Marx believed, essentially, that capitalist empires are built on the backs of the proletariat, who reap inadequate rewards for their work. He hypothesized that the essential difference between the various economic forms of society, between, for instance, a society based on slave-labour, and one based in wage-labour, lies only in the mode in which this surplus labour is in each case extracted from the actual producer, the labourer. (Marx, 1859[1967], p. 209)

While well intentioned and valid in some ways, Marxists critiques generally fail on intellectual, practical, and empirical levels. The first intellectual failure is manifest in Marx's own quote, above, which presumes that wage-labor is effectively the same means of oppression as slave labor. This is only true if the proletariat serving as the labor have no means or hope of achieving ownership stake in the work that they do or the organizations for whom they do the work. Though it may have been true in 1859 when he wrote it, liberal capitalism has evolved, particularly in the United States, to the state of an individual-ownership society, where opportunities abound for individuals to assume a stake in the work that they do, not merely collect a paycheck for their labor. In Marx's mind, the only way for workers to free themselves from this slavery was to collectively own the means of production. The efficacy of

this intellectual model has thus far been an abject failure in terms of the results when it has been attempted.

On an empirical level, the simple truth is that the vast majority of governments that have been formed using Marxist or Communist theory have themselves tended to be exploitative disasters in comparison to the capitalist societies over which they were intended to demonstrate moral and economic superiority. The Soviet Union, which launched its Marxist revolution in 1917 under Vladimir Lenin, became a great economic and military power, but ironically did so only by exploiting its proletariat under the corrupt, oligarchic rule of totalitarian and in the case of Stalin, genocidal — dictators who ruled with a combination of an iron fist and a vast, ossified bureaucracy.

The Soviet Union collapsed under its own weight, a complete ideological failure, and its member states turned to capitalist economies and democratic forms of government. (To be fair, some Soviets, at the time of Lenin's ascendancy, believed it was too soon to implement Marxist philosophies, since Marx's own requirement had not been met — that the country's capitalist economy had reached its evolutionary endpoint.) China, though still a viable nation-state which wields considerable economic power, has managed to avoid the Soviet Union's fate by introducing a considerable number of free-market elements into its state-controlled economy.

Unfortunately, China shares the former Soviet Union's penchant for ruthless suppression of individual rights. The only other currently remaining bona fide Marxist/Communist state is North Korea, whose atrocious economic conditions, cultish culture of worship for its dictators, and lack of regard for

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individual rights, speak for themselves. That in 2005 Marxism would have been so absent from the global political map would have been a heartbreaking blow to Marx, as would the fact that the only attempts at implementing his philosophies in their purest forms have led to brutal, totalitarian regimes which have arguably disrespected the proletariat as acutely as any unregulated capitalist economy.

On a political level, Marx may have also underestimated the power of the marriage of democratic forms of government to liberal capitalist systems. In theory, at least, representative democracies are inherently structured to empower the proletariat by giving them participatory voice in the decision-making that goes into governing the economic systems of their nation.

Democracy, as we know it today and as the pre-eminent form of government on the planet, was arguably still a relatively young paradigm as Marx was developing his theories. The primacy of the concepts of the worth and choice of the individual individual rights, individual freedoms is an inherently democratic notion which both contradicts the passive collectivism suggested by Marxism and also provides a built-in safeguard against capitalist excesses when they begin to favor oligarchies over individual rights.

Democracy is unique in its ability to lessen ameliorate the harsher effects of unregulated market capitalism. When competitive markets are allowed to flourish unchecked, certainly great wealth is created, but Marx's critiques of exploitation become valid as monopolies and oligarchies spring up to choke off competition and create an environment in which the proletariat fail to benefit from the work they have put in on behalf of, for example, corporations. However, representative democracy has suffered the horrors of

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untempered market cycles and reacted accordingly. One of the best examples is the American Great Depression, in which a precipitous stock market crash in October 1929 set off an economic chain reaction that left tens of millions of Americans unemployed and in starvation. The collective clamor and cries of the proletariat prompted the elected government to take serious corrective measures over the next few decades to provide for means to temper the inherent boom and bust cycles of free market capitalism, and to create a social safety net for the poor and the elderly (e. g. Social Security, guaranteeing retirement income to senior citizens). Similarly, in Europe, countries where the scourges of free market industrialism once ravaged the countryside, such as England, democratic systems of government have gradually eased their economies into socialist hybrids, market economies with considerable elements of state control and welfare systems to ensure the proletariat are well-cared for.

Unfortunately, Marx either was unable to see the potential value of these future hybrid systems, such as market socialism, with their ability to compensate for inequities, or simply refused to believe in their viability because they failed to match his strident demand for idealistic purity within human interrelations: Even if such unjust inequalities were eliminated, Marx would still object to the quality of market social relations because they would continue to be predicated on a kind of self-seeking egoism contrary to the requirement of a true community. (Warren, 1998)

On a psychological level, Marxist critiques of liberal capitalism also fail because they lack practical insight into how the human psyche operates and instead rely too heavily on utopian ideals of human beings operating

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idealistically on a collective level. Marx's theory of human nature is a biological fantasy, and we have the corpses to prove it. Which may drive us to wonder: if communism is deadly because it is contrary to human nature, does that imply that capitalism, which is contrary to communism, is distinctively compatible with human nature? (Wilkinson, 2005) The truth of the matter is that human beings are a hierarchically inclined species that thrive on power and competition. Left unchecked, these impulses can result in ghastly, fratricidal behavior, but when harnessed and properly channeled, these impulses form the heart of the free market economy, which thrives on individual initiative, healthy competition, and the quest for self-improvement and leadership.

The psychological backbone of Marxist critique is the assumption of a perpetual state of victimhood on the part of the oppressed, which fails to take into account the inherent human tendency to resist oppression and reform existing systems into more egalitarian structures. In other words, Marxist-style revolutions may well be unnecessary, as the proletariat seems to frequently find ways within capitalist systems to assert their rights. People will always have their hunter-gatherer impulses, but this does not mean they are predestined to be deleterious:

There is no way to stop dominance-seeking behavior. We may hope only to channel it to non-harmful uses. A free society therefore requires that positions of dominance and status be widely available in a multitude of productive hierarchies, and that opportunities for greater status and dominance through predation are limited by the constant vigilance of "the people" the ultimate reverse dominance hierarchy. A flourishing civil society

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permits almost everyone to be the leader of something, whether the local Star Trek fan club or the city council, thereby somewhat satisfying the human taste for hierarchical status, but to no one's serious detriment.

(Wilkinson, 2005)

In the end, Marxism is a fundamentally pessimistic and pedantic philosophy, as are its critiques of liberal capitalism, which is a fundamentally optimistic and individualistic philosophy which endows each person with both the responsibility and the power to assume control of his or her own destiny and personal fulfillment. As sociologist Ellen Huang notes, under the lens of critical Marxist theories, inequality determines all human relations, and subsequently overemphasizes the oppressed nature of the colonized. Further abstractions of the dynamic of capitalism may overlook real forms of resistance, leaving utopian dreams as the only option for the oppressed.

(Huang, 2003) Humanity is always in dire need of practical options rooted in dreams, not merely the dreams themselves, no matter how well intended they may be.