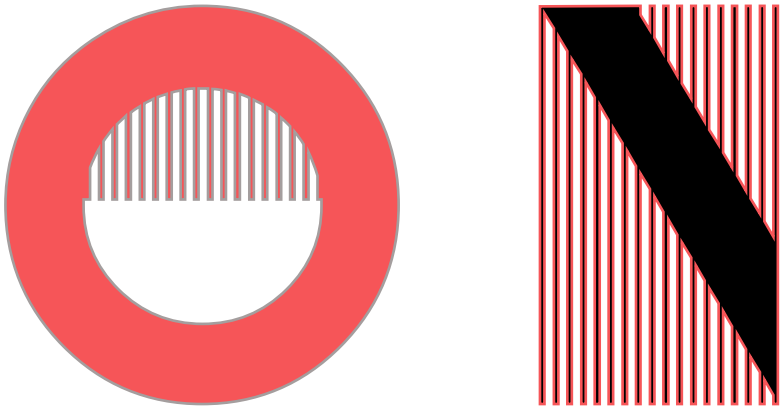


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DSA-LA's Political Education Committee is proud to present a Class on Class. This study series examines a selection of foundational concepts and inquiries, with the goal of more deeply grounding our collective struggle in rigorous socialist analysis. As organized socialists in the resurgence of a popular socialist movement in the United States, we have the responsibility to study and learn from the radical visionaries who have built and sustained the movement many of us have recently joined — we see this Class on Class as a way to undertake this important work together.

The Class on Class is comprised of four distinct modules which conceptually build on one another. Each module features a selection of readings and initial discussion questions (contained in this reader), as well as an in-person component where a short presentation is followed by ample opportunity to discuss, dissect, and debate these concepts in facilitated group conversations.

The construction of the Class on Class was the product of five months of collaborative work undertaken by new and long-time leftists in DSA-LA's Political Education Committee. From the beginning, it was never our goal to assemble an authoritative or comprehensive reading list, but instead, to work together to curate a selection of readings from a range of classic and contemporary materialist thinkers that would bring key analyses and arguments into conversation with debates and organizing projects in our own chapter and beyond.

The topic of the study series itself (class) was informed by polls of both the Political Education Committee and the chapter at large, and all Committee members were invited to contribute suggested readings. While teams of 3-4 volunteers took the lead on developing each Class, both leads and members met together to consider, debate, and select readings for several evenings over tea, beer, and fried rice. This communal, participatory process was itself a form of study, and reflects our deeply held belief in the capacity of all people to serve as co-learners and educators, and acknowledges our collective responsibility to share our analysis in a way that builds popular support for an alternative politics.

So, if this is your first time reading Marx, Luxemburg, Bhattacharya and others — welcome. If you're already well-acquainted with these concepts — welcome back. Today, the potential to build a new socialist society in our time is greater than it has been in decades, and this is part of our work together.



04

***CLASS  
UNDER  
CAPITALISM***

The Communist Manifesto 06  
chapter one

Karl Marx, Friedrich Engels

What Keeps Capitalism Going? 14

Michael A. Lebowitz

Why the Proletariat? 19

Hal Draper

28

***SURPLUS  
VALUE &  
EXPLOITATION***

Value, Price, & Profit 30

Karl Marx, Friedrich Engels

The Contradictory Unity Of 62

Production And Realisation

David Harvey

66

***CLASS STRUGGLE  
& POLITICAL  
STRUGGLE***

Selections From 'The Mass Strike' 68

Rosa Luxemburg

The Marxist View Of Labor Unions 92

Dan La Botz

Why Class Struggle Is Central 125

Ellen Meiksins Wood

Liberation Praxis Of Social 128

And Political Movements

Enrique Dussel

100

***CAPITALISM TODAY  
"LATE CAPITALISM"***

Neoliberalism Is A Political Project 139

David Harvey

Globalisation And US Prison Growth 145

Ruth Wilson Gilmore

How Not To Skip Class 162

Tithi Bhattacharya

Right To The City 178

David Harvey

# CLASS UNDER CAPITALISM

Capitalism is not the inevitable, natural organization of society—but this reality is too often obscured by capitalism's near total victory over all aspects of our lives. As individuals, we often feel powerless in the face of a ruthlessly entrenched world system built to dehumanize us, extract value from us, and discard us. Yet, dismantling capitalism and building a different society—a radically democratic society structured around human need, dignity, and freedom—is possible, and it's our shared obligation to do so. As socialists, a material analysis of the current conditions of society and power (along the lines of class, race, gender, origin, ability, and more) is critical to defining and manifesting a winning strategy, and ultimately building the world we envision.

This first module seeks to lay a foundation for the entire Class on Class—readings have been selected to introduce and reintroduce members to what we mean when we talk about “relations of production,” why socialists focus on the working class, and why our collective liberation necessarily requires that we go beyond mitigating the harms endemic to capitalism and dismantle the capitalist system entirely.



# *MODULE ONE*

The Communist Manifesto states, "The bourgeoisie cannot exist without continually revolutionizing the instruments of production, hence the relations of production, hence social relations as a whole." Why do you think the bourgeoisie has this characteristic?

Lebowitz claims that people need to believe that an alternative to capitalism is possible in order to move to abolish it, that simply struggling for justice within capitalism will not lead to socialism. Do you agree? Why or why not?

Draper notes that the depredations of capitalism have alienated and bankrupted members of the capitalist class itself—how and why are the interests of these disaffected capitalists still antagonistic to those of the working class?

# Communist Manifesto

## *Bourgeois & Proletarians*

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Karl Marx, Friedrich Engels

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The history of all hitherto existing society is the history of class struggles.

Freeman and slave, patrician and plebeian, lord and serf, guild-master and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes.

In the earlier epochs of history, we find almost everywhere a complicated arrangement of society into various orders, a manifold gradation of social rank. In ancient Rome we have patricians, knights, plebeians, slaves; in the Middle Ages, feudal lords, vassals, guild-masters, journeymen, apprentices, serfs; in almost all of these classes, again, subordinate gradations.

The modern bourgeois society that has sprouted from the ruins of feudal society has not done away with class antagonisms. It has but established new classes, new conditions of oppression, new forms of struggle in place of the old ones.

Our epoch, the epoch of the bourgeoisie, possesses, however, this distinct feature: it has simplified class antagonisms. Society as a whole is more and more splitting up into two great hostile camps, into two great classes directly facing each other — Bourgeoisie and Proletariat.

From the serfs of the Middle Ages sprang the chartered burghers of the earliest towns. From these burgesses the first elements of the bourgeoisie were developed.

The discovery of America, the rounding of the Cape, opened up fresh ground for the rising bourgeoisie. The East-Indian and Chinese markets, the colonisation of America, trade with the colonies, the increase in the means of exchange and in commodities generally, gave to commerce, to navigation, to industry, an impulse never before known, and thereby, to the revolutionary element in the tottering feudal society, a rapid development.

The feudal system of industry, in which industrial production was monopolised by closed guilds, now no longer sufficed for the growing wants of the new markets. The manufacturing system took its place. The guild-masters were pushed on one side by the manufacturing middle class; division of labour between the different corporate guilds vanished in the face of division of labour in each single workshop.

Meantime the markets kept ever growing, the demand ever rising. Even manufacturer no longer sufficed. Thereupon, steam and machinery revolutionised industrial production. The place of manufacture was taken by the giant, Modern Industry; the place of the industrial middle class by industrial millionaires, the leaders of the whole industrial armies, the modern bourgeois.

Modern industry has established the world market, for which the discovery of America paved the way. This market has given an immense development to commerce, to navigation, to communication by land. This development has, in its turn, reacted on the extension of industry; and in proportion as industry, commerce, navigation, railways extended, in the same

proportion the bourgeoisie developed, increased its capital, and pushed into the background every class handed down from the Middle Ages.

We see, therefore, how the modern bourgeoisie is itself the product of a long course of development, of a series of revolutions in the modes of production and of exchange.

Each step in the development of the bourgeoisie was accompanied by a corresponding political advance of that class. An oppressed class under the sway of the feudal nobility, an armed and self-governing association in the medieval commune: here independent urban republic (as in Italy and Germany); there taxable “third estate” of the monarchy (as in France); afterwards, in the period of manufacturing proper, serving either the semi-feudal or the absolute monarchy as a counterpoise against the nobility, and, in fact, cornerstone of the great monarchies in general, the bourgeoisie has at last, since the establishment of Modern Industry and of the world market, conquered for itself, in the modern representative State, exclusive political sway. The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie.

The bourgeoisie, historically, has played a most revolutionary part.

The bourgeoisie, wherever it has got the upper hand, has put an end to all feudal, patriarchal, idyllic relations. It has pitilessly torn asunder the motley feudal ties that bound man to his “natural superiors”, and has left remaining no other nexus between man and man than naked self-interest, than callous “cash payment”. It has drowned the most heavenly ecstasies of religious fervour, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation. It has resolved personal worth into exchange value, and in place of the numberless infeasible chartered freedoms, has set up that single, unconscionable freedom — Free Trade. In one word, for exploitation, veiled by religious and political illusions, it has substituted naked, shameless, direct, brutal exploitation.

The bourgeoisie has stripped of its halo every occupation hitherto honoured and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage labourers.

The bourgeoisie has torn away from the family its sentimental veil, and has reduced the family relation to a mere money relation.

The bourgeoisie has disclosed how it came to pass that the brutal display of vigour in the Middle Ages, which reactionaries so much admire, found its fitting complement in the most slothful indolence. It has been the first to show what man’s activity can bring about. It has accomplished wonders far surpassing Egyptian pyramids, Roman aqueducts, and Gothic cathedrals; it has conducted expeditions that put in the shade all former Exoduses of nations and crusades.

The bourgeoisie cannot exist without constantly revolutionising the instruments of production, and thereby the relations of production, and with them the whole relations of society. Conservation of the old modes of production in unaltered form, was, on the contrary, the first condition of existence for all earlier industrial classes. Constant revolutionising of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones. All fixed, fast-frozen relations,

with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober senses his real conditions of life, and his relations with his kind.

The need of a constantly expanding market for its products chases the bourgeoisie over the entire surface of the globe. It must nestle everywhere, settle everywhere, establish connexions everywhere.

The bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country. To the great chagrin of Reactionists, it has drawn from under the feet of industry the national ground on which it stood. All old-established national industries have been destroyed or are daily being destroyed. They are dislodged by new industries, whose introduction becomes a life and death question for all civilised nations, by industries that no longer work up indigenous raw material, but raw material drawn from the remotest zones; industries whose products are consumed, not only at home, but in every quarter of the globe. In place of the old wants, satisfied by the production of the country, we find new wants, requiring for their satisfaction the products of distant lands and climes. In place of the old local and national seclusion and self-sufficiency, we have intercourse in every direction, universal inter-dependence of nations. And as in material, so also in intellectual production. The intellectual creations of individual nations become common property. National one-sidedness and narrow-mindedness become more and more impossible, and from the numerous national and local literatures, there arises a world literature.

The bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilisation. The cheap prices of commodities are the heavy artillery with which it batters down all Chinese walls, with which it forces the barbarians' intensely obstinate hatred of foreigners to capitulate. It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilisation into their midst, i.e., to become bourgeois themselves. In one word, it creates a world after its own image.

The bourgeoisie has subjected the country to the rule of the towns. It has created enormous cities, has greatly increased the urban population as compared with the rural, and has thus rescued a considerable part of the population from the idiocy of rural life. Just as it has made the country dependent on the towns, so it has made barbarian and semi-barbarian countries dependent on the civilised ones, nations of peasants on nations of bourgeois, the East on the West.

The bourgeoisie keeps more and more doing away with the scattered state of the population, of the means of production, and of property. It has agglomerated population, centralised the means of production, and has concentrated property in a few hands. The necessary consequence of this was political centralisation. Independent, or but loosely connected provinces, with separate interests, laws, governments, and systems of taxation, became lumped together into one nation, with one government, one code of laws, one national class-interest, one frontier, and one customs-tariff.

The bourgeoisie, during its rule of scarce one hundred years, has created more massive and more colossal productive forces than have all preceding generations together. Subjection of Nature's forces to man, machinery, application of chemistry to industry and agriculture, steam-navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalisation of rivers, whole populations conjured out of the ground — what earlier century had even a presentiment that such productive forces slumbered in the lap of social labour?

We see then: the means of production and of exchange, on whose foundation the bourgeoisie built itself up, were generated in feudal society. At a certain stage in the development of these means of production and of exchange, the conditions under which feudal society produced and exchanged, the feudal organisation of agriculture and manufacturing industry, in one word, the feudal relations of property became no longer compatible with the already developed productive forces; they became so many fetters. They had to be burst asunder; they were burst asunder.

Into their place stepped free competition, accompanied by a social and political constitution adapted in it, and the economic and political sway of the bourgeois class.

A similar movement is going on before our own eyes. Modern bourgeois society, with its relations of production, of exchange and of property, a society that has conjured up such gigantic means of production and of exchange, is like the sorcerer who is no longer able to control the powers of the nether world whom he has called up by his spells. For many a decade past the history of industry and commerce is but the history of the revolt of modern productive forces against modern conditions of production, against the property relations that are the conditions for the existence of the bourgeois and of its rule. It is enough to mention the commercial crises that by their periodical return put the existence of the entire bourgeois society on its trial, each time more threateningly. In these crises, a great part not only of the existing products, but also of the previously created productive forces, are periodically destroyed. In these crises, there breaks out an epidemic that, in all earlier epochs, would have seemed an absurdity — the epidemic of over-production. Society suddenly finds itself put back into a state of momentary barbarism; it appears as if a famine, a universal war of devastation, had cut off the supply of every means of subsistence; industry and commerce seem to be destroyed; and why? Because there is too much civilisation, too much means of subsistence, too much industry, too much commerce. The productive forces at the disposal of society no longer tend to further the development of the conditions of bourgeois property; on the contrary, they have become too powerful for these conditions, by which they are fettered, and so soon as they overcome these fetters, they bring disorder into the whole of bourgeois society, endanger the existence of bourgeois property. The conditions of bourgeois society are too narrow to comprise the wealth created by them. And how does the bourgeoisie get over these crises? On the one hand by enforced destruction of a mass of productive forces; on the other, by the conquest of new markets, and by the more thorough exploitation of the old ones. That is to say, by paving the way for more extensive and more destructive crises, and by diminishing the means whereby crises are prevented.

The weapons with which the bourgeoisie felled feudalism to the ground are now turned against the bourgeoisie itself.

But not only has the bourgeoisie forged the weapons that bring death to itself; it has also called



into existence the men who are to wield those weapons — the modern working class — the proletarians.

In proportion as the bourgeoisie, i.e., capital, is developed, in the same proportion is the proletariat, the modern working class, developed — a class of labourers, who live only so long as they find work, and who find work only so long as their labour increases capital. These labourers, who must sell themselves piecemeal, are a commodity, like every other article of commerce, and are consequently exposed to all the vicissitudes of competition, to all the fluctuations of the market.

Owing to the extensive use of machinery, and to the division of labour, the work of the proletarians has lost all individual character, and, consequently, all charm for the workman. He becomes an appendage of the machine, and it is only the most simple, most monotonous, and most easily acquired knack, that is required of him. Hence, the cost of production of a workman is restricted, almost entirely, to the means of subsistence that he requires for maintenance, and for the propagation of his race. But the price of a commodity, and therefore also of labour, is equal to its cost of production. In proportion, therefore, as the repulsiveness of the work increases, the wage decreases. Nay more, in proportion as the use of machinery and division of labour increases, in the same proportion the burden of toil also increases, whether by prolongation of the working hours, by the increase of the work exacted in a given time or by increased speed of machinery, etc.

Modern Industry has converted the little workshop of the patriarchal master into the great factory of the industrial capitalist. Masses of labourers, crowded into the factory, are organised like soldiers. As privates of the industrial army they are placed under the command of a perfect hierarchy of officers and sergeants. Not only are they slaves of the bourgeois class, and of the bourgeois State; they are daily and hourly enslaved by the machine, by the overlooker, and, above all, by the individual bourgeois manufacturer himself. The more openly this despotism proclaims gain to be its end and aim, the more petty, the more hateful and the more embittering it is.

The less the skill and exertion of strength implied in manual labour, in other words, the more modern industry becomes developed, the more is the labour of men superseded by that of women. Differences of age and sex have no longer any distinctive social validity for the working class. All are instruments of labour, more or less expensive to use, according to their age and sex.

No sooner is the exploitation of the labourer by the manufacturer, so far, at an end, that he receives his wages in cash, than he is set upon by the other portions of the bourgeoisie, the landlord, the shopkeeper, the pawnbroker, etc.

The lower strata of the middle class — the small tradespeople, shopkeepers, and retired tradesmen generally, the handicraftsmen and peasants — all these sink gradually into the proletariat, partly because their diminutive capital does not suffice for the scale on which Modern Industry is carried on, and is swamped in the competition with the large capitalists, partly because their specialised skill is rendered worthless by new methods of production. Thus the proletariat is recruited from all classes of the population.

The proletariat goes through various stages of development. With its birth begins its struggle with the bourgeoisie. At first the contest is carried on by individual labourers, then by the

workpeople of a factory, then by the operative of one trade, in one locality, against the individual bourgeois who directly exploits them. They direct their attacks not against the bourgeois conditions of production, but against the instruments of production themselves; they destroy imported wares that compete with their labour, they smash to pieces machinery, they set factories ablaze, they seek to restore by force the vanished status of the workman of the Middle Ages.

At this stage, the labourers still form an incoherent mass scattered over the whole country, and broken up by their mutual competition. If anywhere they unite to form more compact bodies, this is not yet the consequence of their own active union, but of the union of the bourgeoisie, which class, in order to attain its own political ends, is compelled to set the whole proletariat in motion, and is moreover yet, for a time, able to do so. At this stage, therefore, the proletarians do not fight their enemies, but the enemies of their enemies, the remnants of absolute monarchy, the landowners, the non-industrial bourgeois, the petty bourgeois. Thus, the whole historical movement is concentrated in the hands of the bourgeoisie; every victory so obtained is a victory for the bourgeoisie.

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 that strength more. The various interests and conditions of life within the ranks of the proletariat are more and more equalised, in proportion as machinery obliterates all distinctions of labour, and nearly everywhere reduces wages to the same low level. The growing competition among the bourgeois, and the resulting commercial crises, make the wages of the workers ever more fluctuating. The increasing improvement of machinery, ever more rapidly developing, makes their livelihood more and more precarious; the collisions between individual workmen and individual bourgeois take more and more the character of collisions between two classes. Thereupon, the workers begin to form combinations (Trades' Unions) against the bourgeois; they club together in order to keep up the rate of wages; they found permanent associations in order to make provision beforehand for these occasional revolts. Here and there, the contest breaks out into riots.

Now and then the workers are victorious, but only for a time. The real fruit of their battles lies, not in the immediate result, but in the ever expanding union of the workers. This union is helped on by the improved means of communication that are created by modern industry, and that place the workers of different localities in contact with one another. It was just this contact that was needed to centralise the numerous local struggles, all of the same character, into one national struggle between classes. But every class struggle is a political struggle. And that union, to attain which the burghers of the Middle Ages, with their miserable highways, required centuries, the modern proletarian, thanks to railways, achieve in a few years.

This organisation of the proletarians into a class, and, consequently into a political party, is continually being upset again by the competition between the workers themselves. But it ever rises up again, stronger, firmer, mightier. It compels legislative recognition of particular interests of the workers, by taking advantage of the divisions among the bourgeoisie itself. Thus, the ten-hours' bill in England was carried.

Altogether collisions between the classes of the old society further, in many ways, the course of development of the proletariat. The bourgeoisie finds itself involved in a constant battle. At

first with the aristocracy; later on, with those portions of the bourgeoisie itself, whose interests have become antagonistic to the progress of industry; at all time with the bourgeoisie of foreign countries. In all these battles, it sees itself compelled to appeal to the proletariat, to ask for help, and thus, to drag it into the political arena. The bourgeoisie itself, therefore, supplies the proletariat with its own elements of political and general education, in other words, it furnishes the proletariat with weapons for fighting the bourgeoisie.

Further, as we have already seen, entire sections of the ruling class are, by the advance of industry, precipitated into the proletariat, or are at least threatened in their conditions of existence. These also supply the proletariat with fresh elements of enlightenment and progress.

Finally, in times when the class struggle nears the decisive hour, the progress of dissolution going on within the ruling class, in fact within the whole range of old society, assumes such a violent, glaring character, that a small section of the ruling class cuts itself adrift, and joins the revolutionary class, the class that holds the future in its hands. Just as, therefore, at an earlier period, a section of the nobility went over to the bourgeoisie, so now a portion of the bourgeoisie goes over to the proletariat, and in particular, a portion of the bourgeois ideologists, who have raised themselves to the level of comprehending theoretically the historical movement as a whole.

Of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class. The other classes decay and finally disappear in the face of Modern Industry; the proletariat is its special and essential product.

The lower middle class, the small manufacturer, the shopkeeper, the artisan, the peasant, all these fight against the bourgeoisie, to save from extinction their existence as fractions of the middle class. They are therefore not revolutionary, but conservative. Nay more, they are reactionary, for they try to roll back the wheel of history. If by chance, they are revolutionary, they are only so in view of their impending transfer into the proletariat; they thus defend not their present, but their future interests, they desert their own standpoint to place themselves at that of the proletariat.

The “dangerous class”, [lumpenproletariat] the social scum, that passively rotting mass thrown off by the lowest layers of the old society, may, here and there, be swept into the movement by a proletarian revolution; its conditions of life, however, prepare it far more for the part of a bribed tool of reactionary intrigue.

In the condition of the proletariat, those of old society at large are already virtually swamped. The proletarian is without property; his relation to his wife and children has no longer anything in common with the bourgeois family relations; modern industry labour, modern subjection to capital, the same in England as in France, in America as in Germany, has stripped him of every trace of national character. Law, morality, religion, are to him so many bourgeois prejudices, behind which lurk in ambush just as many bourgeois interests.

All the preceding classes that got the upper hand sought to fortify their already acquired status by subjecting society at large to their conditions of appropriation. The proletarians cannot become masters of the productive forces of society, except by abolishing their own previous mode of appropriation, and thereby also every other previous mode of appropriation. They have nothing of their own to secure and to fortify; their mission is to destroy all previous



securities for, and insurances of, individual property.

All previous historical movements were movements of minorities, or in the interest of minorities. The proletarian movement is the self-conscious, independent movement of the immense majority, in the interest of the immense majority. The proletariat, the lowest stratum of our present society, cannot stir, cannot raise itself up, without the whole superincumbent strata of official society being sprung into the air.

Though not in substance, yet in form, the struggle of the proletariat with the bourgeoisie is at first a national struggle. The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie.

In depicting the most general phases of the development of the proletariat, we traced the more or less veiled civil war, raging within existing society, up to the point where that war breaks out into open revolution, and where the violent overthrow of the bourgeoisie lays the foundation for the sway of the proletariat.

Hitherto, every form of society has been based, as we have already seen, on the antagonism of oppressing and oppressed classes. But in order to oppress a class, certain conditions must be assured to it under which it can, at least, continue its slavish existence. The serf, in the period of serfdom, raised himself to membership in the commune, just as the petty bourgeois, under the yoke of the feudal absolutism, managed to develop into a bourgeois. The modern labourer, on the contrary, instead of rising with the process of industry, sinks deeper and deeper below the conditions of existence of his own class. He becomes a pauper, and pauperism develops more rapidly than population and wealth. And here it becomes evident, that the bourgeoisie is unfit any longer to be the ruling class in society, and to impose its conditions of existence upon society as an over-riding law. It is unfit to rule because it is incompetent to assure an existence to its slave within his slavery, because it cannot help letting him sink into such a state, that it has to feed him, instead of being fed by him. Society can no longer live under this bourgeoisie, in other words, its existence is no longer compatible with society.

The essential conditions for the existence and for the sway of the bourgeois class is the formation and augmentation of capital; the condition for capital is wage-labour. Wage-labour rests exclusively on competition between the labourers. The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the labourers, due to competition, by the revolutionary combination, due to association. The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie therefore produces, above all, are its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable.



# What Keeps Capitalism Going?

Michael A. Lebowitz 06.01.2004

I want to address a very simple question: What keeps capitalism going? or, in the somewhat more technical language of Marxists, How does capitalism as a system reproduce itself?

Of course, the first point that we need to establish is what I mean by capitalism. People mean a lot of different things when they use the term. They may have in mind a market economy or an economy with wage-laborers—or maybe only an economy in which corporations dominate. Naturally, then, what they mean by anticapitalism will also differ—it may mean, anti-markets, anti-wage-labor, and it may simply mean anti-large corporations.

My definition is the one that Marx developed: capitalism is a relationship in which the separation of working people from the means of work and the organization of the economy by those who own those means of work has as its result that, in order to survive, people must engage in a transaction—they must sell their ability to work to those owners. But, the characteristic of capitalism is not simply that the mass of people must be wage-laborers. It is also that those who are purchasing that capacity to perform labor have one thing and only one thing that interests them—profits (and more profits); that is to say, the purchasers of labor-power are capitalists, and their goal is to make their capital grow.

What the capitalist gets as the result of purchasing that ability of workers is the right to direct workers in production and the right to all they produce. It is a set of production relations quite different from

the case, for example, of the cooperative or collective where workers direct themselves in production and have the property rights in what they produce themselves. Within capitalist relations, the capitalist has purchased the right to exploit workers in production. He pays them, on average, enough to meet their customary needs, but he has purchased the right to push them to produce more than it costs him for the use of them. As a result, the worker produces additional value, more money, profits, for the capitalist—the worker produces more capital for the capitalists. And that capital, the result of the exploitation of workers, goes into the accumulation of more means of production. What you see when you look at capital is the result of past exploitation.

This was the central message that Marx was attempting to communicate to workers. What is capital? It is the result of exploitation. It is the workers' own product which has been turned against them, a product in the form of tools, machinery—indeed, all the products of human activity (mental and manual).

But, turned against them how? Before talking about how this system keeps going, how it reproduces itself, we need to understand why this question is even important to ask. Think about the drive of capitalists to expand their capital, the drive to increase the exploitation of workers. How can they do this? One way is by getting workers to work more for the capitalists, for example by extending the workday or intensifying the workday (speedup). Another is to drive down the wages of workers. And, still another is to prevent workers from being the beneficiaries of advances in social knowledge and social productivity. Capital is constantly on the search for ways to expand the workday in length and intensity—which, of course, is contrary to the needs of human beings to have time for themselves for rest and for their own self-development. Capital is also constantly searching for ways to keep down and drive down wages, which of course means to deny workers the ability to satisfy their existing needs and to share in

the fruits of social labor. How does capital achieve this? In particular, it does so by separating workers, by turning them against each other.

The logic of capital has nothing to do with the needs of human beings. So practices such as the use of racism and patriarchy to divide workers, the use of the state to outlaw or crush trade unions, the destruction of people's lives by shutting down operations and moving to parts of the world where people are poor, unions banned, and environmental regulations nonexistent—are not accidental but the product of a society in which human beings are simply means for capital. We could go on about the character of capitalism, but I think the point is clear.

So, back to the topic—how is it that this continues? What keeps capitalism going? How is such a system reproduced? Let me suggest a few answers.

First, the exploitation of workers is not obvious. It doesn't look like the worker sells her ability to work and that the capitalist then proceeds to get all the benefits of her labor. The contract doesn't say—this is the part of the day you are working for yourself (reproducing your requirements), and this is the part that you are working for the capitalist and adding to his capital. Rather, it looks like the worker sells a certain amount of her time (a day's work) to the capitalist and that she gets its equivalent in money. So, clearly the worker must get what she deserves—if her income is low, it must mean that she didn't have anything very valuable to sell, nothing much to contribute to society (certainly, very little compared to the capitalist); in fact, she should be happy she got anything. On the face of it, in short, there is no exploitation. Marx was very clear on this point—the very way that wages are expressed as a wage for a given number of hours extinguishes every trace of exploitation—"all labour appears as paid labour." This disappearance of exploitation on the surface, he noted, underlies "all the notions of justice held by both the worker and the capitalist, all the mystifications of the capitalist mode of production". Note that it is not only the capitalist who will tend to think there is no

exploitation; it is also the worker. If that's the case, when workers struggle, they are struggling not against exploitation but against unjust wages or working conditions—they are struggling for a better wage or shorter day, for what they see as fairness: a "fair day's work for a fair day's pay." In short, they do not see themselves as challenging the system, only some of its unfair results.

Second (and closely related), if it doesn't appear as if there is exploitation of workers in the process of production, then capital cannot appear as the result of exploitation—it cannot be recognized as the workers' own product. So, where does all that wealth come from, then? What is the source of machinery, science, everything that increases productivity? It must be the contribution of the capitalist. Having sold to the capitalist their ability to work (and thus the property rights to all they produce), the social productivity of workers necessarily takes the form of the social productivity of capital. Fixed capital, machinery, technology, science—all necessarily appear only as capital. Marx commented, "The accumulation of knowledge and of skill, of the general productive forces of the social brain, is thus absorbed into capital, as opposed to labour, and hence appears as an attribute of capital" (156). What I am describing here is the mystification of capital. The more the system develops, the more that production relies upon fixed capital, on the results of past labor which take the form of capital—the more that capital (and the capitalist) appear to be necessary to workers. It is no accident, in short, that workers would see themselves as dependent upon capital. Marx made a very significant comment in this respect:

The advance of capitalist production develops a working class which by education, tradition and habit looks upon the requirements of this mode of production as self-evident natural laws. The organization of the capitalist process of production, once it is fully developed, breaks down all resistance.

Given the hidden nature of exploitation and the mystification of capital, we obviously already have a strong basis for the reproduction of capitalism as a system. But, there is more.

A third reason why capitalism keeps going is that society does not only appear to be dependent upon capital and the capitalist for all advances. As individuals within capitalist relations, workers really are dependent on capital to meet their needs. As long as they are separated from the means of work and need to sell their ability to work in order to get the money to buy the things they need, workers need the capitalist, who is the mediator between them and the realization of their needs. For the wage-laborer, the real tragedy is not the sale of her labor-power; it is the inability to sell it. What can be worse for one who must sell a commodity than to find no buyer? Workers, it appears, have an interest in the health of capitalists, have an interest in expanding demand on the part of capitalists for their labor-power—by education, tradition, and habit, they come to look upon the needs of capital as self-evident natural laws, as common sense. The reproduction of workers as wage-laborers requires the reproduction of capital.

Do we need any further reasons for the continuation of capitalism as a system? Let me throw in just one more before we consider some of the implications. Workers are not simply dependent upon the state of capital in general for their jobs and thus their ability to satisfy their needs; they are dependent on particular capitals! Precisely because capital exists in the form of many capitals, and those capitals compete against each other to expand, there is a basis for groups of workers to link their ability to satisfy their needs to the success of those particular capitals that employ them. In short, even without talking about the conscious efforts of capital to divide, we can say that there exists a basis for the separation of workers in different firms—both inside and between countries. In other words, we can easily see how workers may see other workers as the enemy and will make concessions to their employers in order to help

them compete better.

Is it hard, then, to understand why Marx could say that capitalism produces a worker who looks upon its requirements as “self-evident natural laws”? When we think about the dependence of the worker on capital, is it difficult to grasp why capitalism keeps going? After all, Marx not only proposed that capitalism “breaks down all resistance” he also went on to say that capital can “rely on his [the worker’s] dependence on capital, which springs from the conditions of production themselves, and is guaranteed in perpetuity by them” (899). Capitalism tends, in short, to produce the workers it needs.

Well, you might say that I’m presenting a rather distorted picture of capitalism. That I’m making it seem as if capitalism is a system without contradictions, a stable economic system that delivers the goods. What about economic crises? Doesn’t capitalism inevitably come up against crises, crises inherent in its nature? Some people predict the collapse of the system once a week. I don’t think too much of arguments that suggest that the permanent crisis of capitalism began in the hour of its birth. But, the system does have crises—periods in which profits fall, production drops, people are unemployed. Don’t those crises demonstrate that a new system is necessary?

Without question, an economic crisis brings the nature of the economic system to the surface. When there are unemployed people, resources, machinery, and factories—and at the very same time people with the need for those things that could be produced—it is pretty obvious that production in capitalism is not based on human needs but, rather, only on what can be produced for a profit. This is a time when people can be mobilized to question the system. However, so long as people continue to think capital is necessary, then the solutions they look for will not be ones which challenge the logic of capital. (The same will be true in the case of the environmental crises that capitalism produces.) So long as they see capital as the source of jobs, the source of wealth, the source

of all progress, then their answer will be that they don't want to kill the goose that lays the golden eggs.

The same point needs to be made in relation to the struggles of workers against capital to reduce the workday, improve working conditions and raise wages—both directly against specific employers and also in the attempt to capture the state and to use it in their own interests. So long as workers do not see capital as their own product and continue instead to think of the need for healthy capitalists as common sense (and as in their own interest), they will hold back from actions that place capital in crisis. As long as workers have not broken with the idea that capital is necessary, a state under their control will act to facilitate the conditions for the expanded reproduction of capital. Here, in a nutshell, is the sorry history of social democracy—which, despite the subjective perspective of some of its supporters, ends by reinforcing the rule of capital.

So, we return to our question—what keeps capitalism going? How is capitalism reproduced as a system? I think you can see the answer that I am offering: capital tends to produce the working class it needs. It produces workers who look upon it as necessary—a system that is unfair, one that requires you to struggle constantly to realize your needs, a system run by people out to get you, yet a system where the reproduction of capital is necessary for the reproduction of wage-laborers. What keeps capitalism going? Wage-laborers. The reproduction of workers as wage-laborers is necessary for the reproduction of capital.

Note that I haven't said anything about patriarchy or racism. Some people on the left argue that patriarchy and racism are necessary conditions of existence for capitalism. I think we need to distinguish between what is necessary and what is useful for the maintenance of capitalism. When we speak of necessity, we are saying that without x, capitalism could not exist. I don't think this is true of patriarchy or racism. Capital certainly uses racism, patriarchy, national, and ethnic differences to

divide the working class, to weaken it and to direct its struggles away from capital. But, it can find many ways to divide and weaken workers. And, it can, if forced, do without racism or patriarchy just as it can, if forced, live with higher wages or shorter workdays. (Just as it has been able to do without apartheid and white rule in South Africa.) What capital cannot live with, however, is a working class that both understands that capital is the result of exploitation (i.e., that the wealth that confronts it is the product of the collective workers) and is also prepared to struggle to put an end to that exploitation.

Obviously, a working class with this characteristic does not drop from the sky—not when capital produces workers who look upon the requirements of capital as self-evident natural laws. Is the answer, then, the vanguard party which brings a socialist consciousness to ignorant workers? Why should the workers who are the products of capital pay any attention to these messages from the outside? This picture seems like a scenario for inevitable irrelevance and isolation.

Let me propose, however, that the picture is not necessarily as bleak as it seems. Workers are not simply the products of capital. They are formed (and form themselves) through all the relationships in which they exist. And, they transform themselves through their struggles—not only those against capital but also against those other relations like patriarchy and racism. Even though these struggles may take place fully within the confines of capitalist relations, in the course of engaging in collective struggles people develop a new sense of themselves. They develop new capacities, new understandings of the importance of collective struggle. People who produce themselves as revolutionary subjects through their struggles enter into their relations with capital as different people; in contrast to those who are not in motion, they are open to developing an understanding of the nature of capital.

But, they are merely open to this understanding. All those actions, demonstrations and struggles in

themselves cannot go beyond capitalism. Given that exploitation inherently appears simply as unfairness and that the nature of capital is mystified, these struggles lead only to the demand for fairness, for justice within capitalist relations but not justice beyond capitalism. They generate at best a trade union or social-democratic consciousness—a perspective which is bounded by a continuing sense of dependence upon capital, i.e., bounded by capitalist relations. Given that the spontaneous response of people in motion does not in itself go beyond capital, communication of the essential nature of capitalism is critical to its nonreproduction.

For those within the grasp of capital, however, more is necessary than simply to understand the nature of capital and its roots in exploitation. People need to believe that a better world is possible. They need to feel that there is an alternative—one worth struggling for. In this respect, describing the nature of a socialist alternative—and analyzing the inadequacies and failures of 20th century efforts—is an essential part of the process by which people can be moved to put an end to capitalism.

To the extent that those of us on the left are not actively attempting to communicate the nature of capitalism and working explicitly for the creation of a socialist alternative, we are part of the explanation as to what keeps capitalism going.

*Part I: The Proletariat and Proletarian Revolution*

4. WHY THE PROLETARIAT? -- *Hal Daper*

What is there in the life situation of the working class that causes Marx to regard it as the historically nominated hard core of modern revolution?

The answer has nothing to do with idealizing workers as such; it does not depend on regarding workers as somehow better, or more clever, courageous, or humanitarian than other people. Nor is it relevant to prove, as can be done with ease, that workers often follow reactionary courses and leaders and by no means show an invariable affinity for progressive causes. They are at least as capable of being misled and deceived as any other section of society (including intellectuals). They are filled with selfish aspirations and unworthy prejudices like everyone else. If this were the sort of thing involved, the case would not only be closed—it could never have been opened.

Taking workers person for person as individuals, the question whether they are better than others because they belong to an anointed class is quite alien to Marx's method of inquiry. In general Marx does not view social conflicts as contests between Good People and Bad People. The capitalists pilloried in *Capital* for their callous disregard of the suffering caused by brutal exploitation were just as likely to be kind parents and generous friends as the next person, and not given to trampling down children in the street. People act one way as individual atoms in the social fabric; they often act quite differently as part of a class collectivity. The bourgeois explanation is "Business is business"—which means that one must make a sharp distinction between an individual-human role and a class-constrained role. The life situation of capitalists also determines a class role, with class characteristics that cannot be deduced simply from the sum total of individual psychologies.

Like every other class and organic social group, the proletariat is more than the sum of its individual atoms. The working class is *atomized* when it is unorganized. Class organization brings class characteristics to the fore, and, as a function of organization, class characteristics increasingly take precedence over merely individual reactions, the greater the scale of class involvement. Then, in a feedback effect, class reactions can also reshape and reeducate individual reactions. Thus class-consciousness develops. When Marx was in a mind for Hegelian phraseology, the atomized class was a "class in itself" (*an sich*) but



## 2. *The Special Class*

became a “class for itself” (*für sich*) insofar as it organized into a social entity and achieved consciousness of its social and political role in the course of struggle.\*

All this, for Marx, is a historical process, not a static mystique. “Revolutionariness” does not reside in the substance of the proletariat like sanctity in the Holy Ghost; the notion that every proletarian is immanently more revolutionary than the unanointed at any given time or place has no more to do with Marx than muttering a paternoster. The conditions of existence of the working class provide the connection between the economic position of the class and its political tendencies; “the proletariat is revolutionary in accordance with its whole [social] position . . .”<sup>15</sup>

The historical advantages possessed by the working class for the role of revolutionary vanguard may be summarized as follows.

1. *The conditions of life of the working class lead it to organize, to produce a more and more homogeneous movement.*

Its class propensity to organize is outstanding. The model and pioneer in this respect is the capitalist class itself, whose own class-consciousness and sense of class solidarity have often been inspirations to its workers. But then, the capitalists are the other urban class organized by modern industry. Agrarian populations are unable to rival the achievements of the urban classes, by reason of their own conditions of existence. “The dispersion of the rural laborers over larger areas breaks their power of resistance while concentration increases that of the town operatives,” observes Marx in *Capital*.<sup>16</sup> A similar contrast obtains for the landed possessing classes.

Workers are taught organization not by their superior intelligence or by outside agitators, but by the capitalists. Concentrated geographically in urban areas, workers are further organized in factory gangs, assembly lines, work shifts, labor teams, and so on—that is, by the organization of the division of labor, to which capitalism has contributed so mightily. Capitalism has no choice about teaching its workers the wonders of organization and labor solidarity, because without these the system cannot operate. Capital “assembles the bourgeois and the proletarians

\* This distinction is made mainly in three or four of Marx’s earlier writings (up to 1852).<sup>14</sup> It has been widely distorted into the claim that for Marx a class exists only in the form of conscious organization. For Marx’s last use of this bit of Hegelese, see below, Chapter 12, §9.



*Part I: The Proletariat and Proletarian Revolution*

in large cities, in which industry can be carried on most profitably, and by this herding together of great masses in *one* spot makes the proletarians conscious of their power.”<sup>17</sup> It expounds the need for discipline, and at the same time involuntarily demonstrates the defects of bureaucratic discipline. It enforces centralization of effort, and glorifies the advantages of combined labor and the subordination of individual self-interest to group needs. It socializes masses of workers in one place and subjects them to simultaneous resentments. The working class can say: “The *organization* you teach me I will execute, and it shall go hard but I will better the instruction.”

It is evident that these lessons are not taught equally to all workers, even apart from the usual individual differences. There are differences in working-class life situations, too. For example, the lessons are plainer to assembly-line workers than to an office secretary who works “with” a boss rather than with fellow workers. We will touch on other reasons later.

2. *The interests of workers, as a group organized by capital, lead them to struggle.*

To engage in class struggle it is not necessary to “believe in” the class struggle any more than it is necessary to believe in Newton in order to fall from an airplane. (In the latter eventuality, however, it is advisable to believe in parachutes.) The working class moves toward class struggle insofar as capitalism fails to satisfy its economic and social needs and aspirations, not insofar as it is told about struggle by Marxists. There is no evidence that workers like to struggle any more than anyone else; the evidence is that capitalism compels and accustoms them to do so.

Not only their leaders but workers as a whole begin by preferring class peace and social tranquility, for excellent reasons. But if that ended the matter, it would be impossible to account for the fact of class organization. The basic function of class organization is struggle, present or potential, reality or threat. The very notion of an organization, like a trade union, which is inherently hospitable to members of one class only, and which is inherently weakened until it achieves the organization of the entire class as such, is a notion that fits no bourgeois ideology.

3. *The thrust of the proletariat’s organized struggle persistently tends to go outside the framework of bourgeois institutions and ideas.*

The operative contradiction is between the rights of private property, capitalism’s juridical idol, and the organized proletariat’s inevitable

## 2. *The Special Class*

insistence on *social responsibility* for all vital aspects of life, including the economic. The inherent claim of capitalist private-property relations is that the whole area of economic life, in which one has to earn a living, is withdrawn from the hegemony of society and handed over to the unilateral power of capital as its birthright. The inherent claim of an organized proletariat is that it must have a say in this. This contradiction reflects Marx's proposition that the basic contradiction of capitalism is that between social production and private appropriation.

In the course of working out the contradiction, capitalism accepts many compromises; for example, it yields to state intervention in the name of social responsibility, and even demands intervention, especially for subsidies, strikebreaking, and so on. But it is in the nature of the organized working class that it can never win enough of the substitution of social responsibility for private corporative control; and it is in the nature of capital that it always seeks to subordinate partial and distorted forms of social responsibility to the continued reality of capital's claim to social hegemony. This opposition is a basic one.

There is a spectrum in demands for social responsibility too. More or less radicalized workers may raise demands for price and profit controls, regulation, even nationalization; in intense class struggles, sit-in strikers have taken over factories without a qualm about the rights of private property. But even conservative workers and their unions, taking class collaboration for granted, tend to support social-control proposals which do not impress them with having immediate anti-capitalist implications: controls over prices, health insurance, offshore oil, and many other citadels of property. Capital is usually more class-conscious than that; hence it denounces the insistence on social responsibility versus private-property rights as "creeping socialism." This charge reflects a reality.

Samuel Gompers used to argue that his simple slogan for the labor movement—"More!"—was more revolutionary than the socialist program. The answer need not deny the real revolutionary implications of his slogan, which Gompers had no intention of carrying through. "More!" is an implicitly revolutionary program if one obvious condition is added: that labor consistently and unremittingly press for it *regardless of all capitalist considerations*, that is, even when "more" is incompatible with capitalist needs and interests. Obviously, "more" is not revolutionary if it is raised only when it does not incommode capital; Gompers did not confess to this limitation, which was his actual

*Part I: The Proletariat and Proletarian Revolution*

regulating principle. His appeal was a class appeal, to be sure, therefore inherently discommoding to capital; it need only be applied unremittently. As labor presses for more—including more social responsibility, more control over its conditions of existence—the class drives the logic of its own life situation outside the bounds of the capitalist framework and tends to create the conditions for exploding that framework.

None of this happens automatically; hence the complications discussed in many chapters. A potentiality is set up. But this potentiality does not obtain equally for other classes and social strata. The working class is not the only class or group alienated, at one time or another, by the operations and depredations of capitalism; the capitalist class has despoiled middle-class strata, bankrupted petty-bourgeois property owners, embittered an intelligentsia, plundered a peasantry, and so on. Radicalized movements and parties based on these social resentments have not been rare. But the political programs they tend to adopt as they move into opposition to the status quo are likely to remain within the bounds of the capitalist system. Hence they tend to concentrate on mere political reform, on economic nostrums like money manipulation, on demagogic attacks on the Bank Octopus or Interest Slavery or some other excrescence of the system; they do not tend to come out for abolition of the capitalist system. Historically and on a worldwide scale, the latter conclusion is associated with the working class, when it moves left. This is the content of Engels' much-compressed aphorism: "who says proletariat, says socialism."<sup>18</sup>

*4. The proletariat's conditions of existence not only impel it toward organized antibourgeois struggle, but push it into a persistent boldness and militancy which is well-nigh unique to this class at critical stages of struggle.*

This points to the largely unexplored terrain of the social psychology of classes. For we are concerned with this as a class phenomenon, not as individual characteristics. This difference is important.

For example: one of the best-known stereotypes of timidity is that of the Timid Professor—the Hollywood caricature of the pince-nez'd, harrumphing, mousy scholar who blends out of sight among the library books. When the individual faculty members of a large American university are examined nowadays, this stereotype hardly seems to exist, and maybe it never did. In fact, more and more professors are



## *2. The Special Class*

achieving the personalities of vacuum-cleaner salesmen. Yet the organized picture is altogether different. Put these aggressive personages together in the collective form of an Academic Senate and the result is a peak of pusillanimity that would blow the fuse on a sociological computer, even at times when indignation and resentment at Trustees or Regents are sweeping their stout hearts.

In many sociological surveys, as has been set forth to the nearest sigma, well-paid workers, who may live in \$40,000 houses and send their children to college, register answers to questionnaires that stamp them as indistinguishable from middle-class mentalities. So also librarians (to take another occupation I know something about). Yet striking labor aristocrats—say, printers—can if necessary break company windows, rampage on picket lines, beat up scabs, and outrage other forms of gentility, without arousing enough surprise to generate the size of headlines reserved for three-person “student riots.” On the other hand, underpaid librarians tend to be uneasy about actually accepting a leaflet about the idea of organizing.

If workers on a picket line have to be restrained from bashing a strikebreaker in an access of indignation, this does not necessarily gainsay the fact that their thinking is “middle class” and “respectable” in some sense; but obviously they are less constrained by the norms of bourgeois respectability. Their militancy reflects not an immediate state of consciousness, but the fact that they are more alienated from bourgeois society than the questionnaires show. It reflects an objective class position that may sooner or later tend to mold their behavior in class-patterned situations more decisively than do their consciously held social views—especially in the context of organization and struggle. In turn, and in time, class-struggle action tends to remold consciousness; it reeducates.

Militancy, taken as a collective and not merely as an individual phenomenon, is in principle an index to the degree of alienation characteristic of a social group, corresponding to its life situation—its objective relationship to the productive process and to the resulting social hierarchy and pressures. This principle is not confined to class questions. Oppressed national or ethnic minorities tend to be more militant than their counterparts in the dominant society, likewise because they are more alienated from the “ruling ideas of the ruling

*Part I: The Proletariat and Proletarian Revolution*

class" which define the respectable limits of oppositional postures. In the case of the proletariat, the roots of this alienation lie in the capitalist mode of production.\*

It is quite true that the peasantry and (say) the petty-bourgeoisie are entirely capable of explosions of violent rage when driven to desperation; in fact, it is precisely these classes that offer the best, or worst, cases of spasms of mindless destructiveness. Few episodes can rival the peasant *Jacqueries* or the ravages of a "petty-bourgeoisie in a frenzy" for brutal ferocity, with or without the instigation of cooler reactionary heads. This is the typical paroxysm of blind-alley desperation; it is a confession of impotence, not an assertion of strength. There is a great historical difference between bold militancy and going berserk. It was to the former that Engels referred when he contrasted the behavior of the still undeveloped working-class forces in the 1848 revolution with the petty-bourgeois. The workers, he asserted, distinguished themselves from the middle class "in showing upon every occasion, that revolutionary boldness and readiness for action, in which any party, headed by and composed principally of petty tradesmen, will always be deficient."<sup>20</sup>

5. *The proletariat is the only class that has the social weight and power to carry through the abolition of the old order and to build a new society.*

Contributing to this claim are the four characteristics of the proletariat already considered. But this point is primarily concerned with another factor, which also goes beyond the arithmetic of mere numbers. This is the strategic role of the indispensable services performed

\* Alienation of labor under capitalism, in Marx's mature theory, will be touched on again in Volume 4. For present purposes it may be sufficient to point to the following line of thought in *Capital*:

... all means for the development of production transform themselves into means of domination over, and exploitation of, the producers; they mutilate the laborer into a fragment of a man, degrade him to the level of an appendage of a machine, destroy every remnant of charm in his work and turn it into a hated toil; they estrange from him the intellectual potentialities of the labor process in the same proportion as science is incorporated in it as an independent power; they distort the conditions under which he works, subject him during the labor process to a despotism the more hateful for its meanness; they transform his life-time into working-time, and drag his wife and child beneath the wheels of the Juggernaut of capital.<sup>19</sup>

For the beginnings of this view, see *KMTR* 1, Chapter 7, section 8.

## 2. *The Special Class*

by the proletariat in keeping society going. "Of all the instruments of production, the greatest productive power is the revolutionary class itself," wrote Marx.<sup>21</sup> By the same token, this class is at the levers of economic power not by conscious decision but by its objective conditions of existence. The conscious decision concerns its willingness to put its hands on the levers; this is indisputably a question of great moment, but it arises because no other class has the choice.

A qualification to this claim is the situation of the technological-scientific employees of a sector of the economy, insofar as they are considered to be outside the working classes (untrue for most of them, from Marx's standpoint) or insofar as they are taken as a separate class by themselves (a view even harder to justify). In any case, the type of argument that can be made for this stratum and its potentiality only underlines the case for the working class as a whole. Experience shows that the whole of society quivers when the working class stirs; when a substantial sector of it undertakes a large-scale battle, the authorities react as to civil war; and this is true even on terrain far from revolution. It is true in spite of all the theses broadcast about the alleged fading away of the working class. So far the periodic announcements that the working class is obsolete, having been displaced by technology, automation, and so on, have not been reflected in the realities of social struggle.\*

Behind all of the foregoing considerations is a generalized formulation which needs to be stated. It is perhaps most closely related to the third point. Marx's theory asserts that *only the proletariat, by the conditions of its existence, embodies a social program pointing to an alternative to capitalism.*

However desperate a peasantry or a petty-bourgeoisie may become, these classes cannot give society a lead in a new direction, not simply because of social-psychological constraints, but because there is no social solution that effectively corresponds to these classes' interests while at the same time corresponding to the interests of society in general, including the preservation of the social fabric in time of dissolution and crisis. In contrast, the working class, as the bottom layer of the class system, cannot stir without objectively pointing to a program, even when it consciously rejects it: namely, the assumption of

\* For further discussion of this point, see Special Note A, "On the Abolition of the Proletariat by Automation."

*Part I: The Proletariat and Proletarian Revolution*

social responsibility by a democratically organized people, regardless of private interest—a program which, concretized, means the abolition of capitalism.

In his “Letter to the Labour Parliament” meeting in Manchester in 1854, Marx summarized in a sentence why “the working classes of Great Britain, before all others, are competent and called for to act as leaders” in the movement to emancipate labor. “Such they are from the conscious clearness of their position, the vast superiority of their numbers, the disastrous struggles of their past, and the moral strength of their present.”<sup>22</sup>

By the same token, these and other characteristics are preconditions for the role of class leadership; as long as they are not present, the class is not fit to rule, as we shall see in the next chapter. In this light, it is not a question of how the proletariat can be deceived, betrayed, seduced, bought, brainwashed, or manipulated by the ruling powers of society, like every other class. The basic point is that it is the proletariat that it is crucial to deceive, seduce, and so on.

In the same light, it is not a question of guarantees of victory, assurances of optimism, and other irrelevancies. Marx points: *here*, not there, is the arena of decision, the direction of hope.

# SURPLUS VALUE AND EXPLOITATION

As workers, we survive by selling our time and our labor to the capitalist class. This second module is designed to deepen our understanding of this exchange between capital and labor—the exchange upon which capitalistic production, or the wage system, is founded.

Examining and discussing these concepts together will strengthen our ability to more effectively communicate (and thereby advance) our collective class interests by articulating precisely how and why the relationship between labor and capital is an antagonistic, exploitative one. We'll investigate *how* value is created and extracted from workers, *why* unemployment serves capitalist interests, *why* capitalism cannot avoid periodic crises, and more.



# *MODULE TWO*

In what ways are you conscious of how much 'unpaid surplus labor' you are giving to your employer — in what ways are you conscious of the gap between paid labor and unpaid labor?

Can you think of ways that your boss has attempted to introduce measures to increase productivity? Was this noticeably because of a squeeze on profitability? How does your boss incentivize you to work harder for no extra pay?

If you've been laid off or experienced periods of unemployment, did this make you more willing to accept jobs that you would have previously avoided? Did the experience make you less willing to challenge your boss when you found a new job?

# Value, Price and Profit

Karl Marx

## *Preliminary*

CITIZENS,

Before entering into the subject-matter, allow me to make a few preliminary remarks. There reigns now on the Continent a real epidemic of strikes, and a general clamour for a rise of wages. The question will turn up at our Congress. You, as the head of the International Association, ought to have settled convictions upon this paramount question. For my own part, I considered it therefore my duty to enter fully into the matter, even at the peril of putting your patience to a severe test.

Another preliminary remark I have to make in regard to Citizen Weston. He has not only proposed to you, but has publicly defended, in the interest of the working class, as he thinks, opinions he knows to be most unpopular with the working class. Such an exhibition of moral courage all of us must highly honour. I hope that, despite the unvarnished style of my paper, at its conclusion he will find me agreeing with what appears to me the just idea lying at the bottom of his theses, which, however, in their present form, I cannot but consider theoretically false and practically dangerous.

I shall now at once proceed to the business before us.

## *I. Production and Wages*

Citizen Weston's argument rested, in fact, upon two premises: firstly, the amount of national production is a fixed thing, a constant quantity or magnitude, as the mathematicians would say; secondly, that the amount of real wages, that is to say, of wages as measured by the quantity of the commodities they can buy, is a fixed amount, a constant magnitude.

Now, his first assertion is evidently erroneous. Year after year you will find that the value and mass of production increase, that the productive powers of the national labour increase, and that the amount of money necessary to circulate this increasing production continuously changes. What is true at the end of the year, and for different years compared with each other, is true for every average day of the year. The amount or magnitude of national production changes continuously. It is not a constant but a variable magnitude, and apart from changes in population it must be so, because of the continuous change in the accumulation of capital and the productive powers of labour. It is perfectly true that if a rise in the general rate of wages should take place today, that rise, whatever its ulterior effects might be, would, by itself, not immediately change the amount of production. It would, in the first instance, proceed from the existing state of things. But if before the rise of wages the national production was variable, and not fixed, it will continue to be variable and not fixed after the rise of wages.

But suppose the amount of national production to be constant instead of variable. Even then, what our friend Weston considers a logical conclusion would still remain a gratuitous assertion. If I have a given number, say eight, the absolute limits of this number do not prevent its parts from changing their relative limits. If profits were six and wages two, wages might increase to six and profits decrease to two, and still the total amount remain eight. The fixed

amount of production would by no means prove the fixed amount of wages. How then does our friend Weston prove this fixity? By asserting it.

But even conceding him his assertion, it would cut both ways, while he presses it only in one direction. If the amount of wages is a constant magnitude, then it can be neither increased nor diminished. If then, in enforcing a temporary rise of wages, the working men act foolishly, the capitalists, in enforcing a temporary fall of wages, would act not less foolishly. Our friend Weston does not deny that, under certain circumstances, the working men can enforce a rise of wages, but their amount being naturally fixed, there must follow a reaction. On the other hand, he knows also that the capitalists can enforce a fall of wages, and, indeed, continuously try to enforce it. According to the principle of the constancy of wages, a reaction ought to follow in this case not less than in the former. The working men, therefore, reacting against the attempt at, or the act of, lowering wages, would act rightly. They would, therefore, act rightly in enforcing a rise of wages, because every reaction against the lowering of wages is an action for raising wages. According to Citizen Weston's own principle of the constancy of wages, the working men ought, therefore, under certain circumstances, to combine and struggle for a rise of wages. If he denies this conclusion, he must give up the premise from which it flows. He must not say that the amount of wages is a constant quantity, but that, although it cannot and must not rise, it can and must fall, whenever capital pleases to lower it. If the capitalist pleases to feed you upon potatoes instead of upon meat, and upon oats instead of upon wheat, you must accept his will as a law of political economy, and submit to it. If in one country the rate of wages is higher than in another, in the United States, for example, than in England, you must explain this difference in the rate of wages by a difference between the will of the American capitalist and the will of the English capitalist, a method which would certainly very much simplify, not only the study of economic phenomena, but of all other phenomena.

But even then, we might ask, why the will of the American capitalist differs from the will of the English capitalist? And to answer the question you must go beyond the domain of will. A person may tell me that God wills one thing in France, and another thing in England. If I summon him to explain this duality of will, he might have the brass to answer me that God wills to have one will in France and another will in England. But our friend Weston is certainly the last man to make an argument of such a complete negation of all reasoning.

The will of the capitalist is certainly to take as much as possible. What we have to do is not to talk about his will, but to enquire into his power, the limits of that power, and the character of those limits.

## *II. Production, Wages, Profits*

The address Citizen Weston read to us might have been compressed into a nutshell.

All his reasoning amounted to this: If the working class forces the capitalist class to pay five shillings instead of four shillings in the shape of money wages, the capitalist will return in the shape of commodities four shillings' worth instead of five shillings' worth. The working class would have to pay five shillings for what, before the rise of wages, they bought with four shillings. But why is this the case? Why does the capitalist only return four shillings' worth for five shillings? Because the amount of wages is fixed. By why is it fixed at four shillings' worth of commodities? Why not at three, or two, or any other sum? If the limit of the amount of wages is

settled by an economical law, independent alike of the will of the capitalist and the will of the working man, the first thing Citizen Weston had to do was to state that law and prove it. He ought then, moreover, to have proved that the amount of wages actually paid at every given moment always corresponds exactly to the necessary amount of wages, and never deviates from it. If, on the other hand, the given limit of the amount of wages is founded on the mere will of the capitalist, or the limits of his avarice, it is an arbitrary limit. There is nothing necessary in it. It may be changed by the will of the capitalist, and may, therefore, be changed against his will.

Citizen Weston illustrated his theory by telling you that a bowl contains a certain quantity of soup, to be eaten by a certain number of persons, an increase in the broadness of the spoons would produce no increase in the amount of soup. He must allow me to find this illustration rather spoony. It reminded me somewhat of the simile employed by Menenius Agrippa. When the Roman plebeians struck against the Roman patricians, the patrician Agrippa told them that the patrician belly fed the plebeian members of the body politic. Agrippa failed to show that you feed the members of one man by filling the belly of another. Citizen Weston, on his part, has forgotten that the bowl from which the workmen eat is filled with the whole produce of national labour, and that what prevents them fetching more out of it is neither the narrowness of the bowl nor the scantiness of its contents, but only the smallness of their spoons.

By what contrivance is the capitalist enabled to return four shillings' worth for five shillings? By raising the price of the commodity he sells. Now, does a rise and more generally a change in the prices of commodities, do the prices of commodities themselves, depend on the mere will of the capitalist? Or are, on the contrary, certain circumstances wanted to give effect to that will? If not, the ups and downs, the incessant fluctuations of market prices, become an insoluble riddle.

As we suppose that no change whatever has taken place either in the productive powers of labour, or in the amount of capital and labour employed, or in the value of the money wherein the values of products are estimated, but only a change in the rate of wages, how could that rise of wages affect the prices of commodities? Only by affecting the actual proportion between the demand for, and the supply of these commodities.

It is perfectly true that, considered as a whole, the working class spends, and must spend, its income upon necessaries. A general rise in the rate of wages would, therefore, produce a rise in the demand for, and consequently in the market prices of necessaries. The capitalists who produce these necessaries would be compensated for the risen wages by the rising market prices of their commodities. But how with the other capitalists who do not produce necessaries? And you must not fancy them a small body. If you consider that two-thirds of the national produce are consumed by one-fifth of the population — a member of the House of Commons stated it recently to be but one-seventh of the population — you will understand what an immense proportion of the national produce must be produced in the shape of luxuries, or be exchanged for luxuries, and what an immense amount of the necessaries themselves must be wasted upon flunkies, horses, cats, and so forth, a waste we know from experience to become always much limited with the rising prices of necessaries.

Well, what would be the position of those capitalists who do not produce necessaries? For the fall in the rate of profit, consequent upon the general rise of wages, they could not compensate

themselves by a rise in the price of their commodities, because the demand for those commodities would not have increased. Their income would have decreased, and from this decreased income they would have to pay more for the same amount of higher-priced necessities. But this would not be all. As their income had diminished they would have less to spend upon luxuries, and therefore their mutual demand for their respective commodities would diminish. Consequent upon this diminished demand the prices of their commodities would fall. In these branches of industry, therefore, the rate of profit would fall, not only in simple proportion to the general rise in the rate of wages, but in the compound ratio of the general rise of wages, the rise in the prices of necessities, and the fall in the prices of luxuries.

What would be the consequence of this difference in the rates of profit for capitals employed in the different branches of industry? Why, the consequence that generally obtains whenever, from whatever reason, the average rate of profit comes to differ in different spheres of production. Capital and labour would be transferred from the less remunerative to the more remunerative branches; and this process of transfer would go on until the supply in the one department of industry would have risen proportionately to the increased demand, and would have sunk in the other departments according to the decreased demand. This change effected, the general rate of profit would again be equalized in the different branches. As the whole derangement originally arose from a mere change in the proportion of the demand for, and supply of, different commodities, the cause ceasing, the effect would cease, and PRICES would return to their former level and equilibrium. Instead of being limited to some branches of industry, the fall in the rate of profit consequent upon the rise of wages would have become general. According to our supposition, there would have taken place no change in the productive powers of labour, nor in the aggregate amount of production, but that given amount of production would have changed its form. A greater part of the produce would exist in the shape of necessities, a lesser part in the shape of luxuries, or what comes to the same, a lesser part would be exchanged for foreign luxuries, and be consumed in its original form, or, what again comes to the same, a greater part of the native produce would be exchanged for foreign necessities instead of for luxuries. The general rise in the rate of wages would, therefore, after a temporary disturbance of market prices, only result in a general fall of the rate of profit without any permanent change in the prices of commodities. If I am told that in the previous argument I assume the whole surplus wages to be spent upon necessities, I answer that I have made the supposition most advantageous to the opinion of Citizen Weston. If the surplus wages were spent upon articles formerly not entering into the consumption of the working men, the real increase of their purchasing power would need no proof. Being, however, only derived from an advance of wages, that increase of their purchasing power must exactly correspond to the decrease of the purchasing power of the capitalists. The aggregate demand for commodities would, therefore, not increase, but the constituent parts of that demand would change. The increasing demand on the one side would be counterbalanced by the decreasing demand on the other side. Thus the aggregate demand remaining stationary, no change whatever could take place in the market prices of commodities. You arrive, therefore, at this dilemma: Either the surplus wages are equally spent upon all articles of consumption — then the expansion of demand on the part of the working class must be compensated by the contraction of demand on the part of the capitalist class — or the surplus wages are only spent upon some articles whose market prices will temporarily rise. The consequent rise in the rate of profit in some, and the consequent fall in the rate of profit in other branches of industry will produce a change in the



distribution of capital and labour, going on until the supply is brought up to the increased demand in the one department of industry, and brought down to the diminished demand in the other departments of industry. On the one supposition there will occur no change in the prices of commodities. On the other supposition, after some fluctuations of market prices, the exchangeable values of commodities will subside to the former level. On both suppositions the general rise in the rate of wages will ultimately result in nothing else but a general fall in the rate of profit.

To stir up your powers of imagination Citizen Weston requested you to think of the difficulties which a general rise of English agricultural wages from nine shillings to eighteen shillings would produce. Think, he exclaimed, of the immense rise in the demand for necessaries, and the consequent fearful rise in their prices! Now, all of you know that the average wages of the American agricultural labourer amount to more than double that of the English agricultural labourer, although the prices of agricultural produce are lower in the United States than in the United Kingdom, although the general relations of capital and labour obtain in the United States the same as in England, and although the annual amount of production is much smaller in the United States than in England. Why, then, does our friend ring this alarm bell? Simply to shift the real question before us. A sudden rise of wages from nine shillings to eighteen shillings would be a sudden rise to the amount of 100 percent. Now, we are not at all discussing the question whether the general rate of wages in England could be suddenly increased by 100 percent. We have nothing at all to do with the magnitude of the rise, which in every practical instance must depend on, and be suited to, given circumstances. We have only to inquire how a general rise in the rate of wages, even if restricted to one percent, will act.

Dismissing friend Weston's fancy rise of 100 percent, I propose calling your attention to the real rise of wages that took place in Great Britain from 1849 to 1859.

You are all aware of the Ten Hours Bill, or rather Ten-and-a-half Hours Bill, introduced since 1848. This was one of the greatest economical changes we have witnessed. It was a sudden and compulsory rise of wages, not in some local trades, but in the leading industrial branches by which England sways the markets of the world. It was a rise of wages under circumstances singularly unpropitious. Dr. Ure, Professor Senior, and all the other official economical mouthpieces of the middle class, [The aristocracy was the upper class of Great Britain, while the capitalists composed what was known to Marx as the middle class] proved, and I must say upon much stronger grounds than those of our friend Weston, that it would sound the death-knell of English industry. They proved that it not only amounted to a simple rise of wages, but to a rise of wages initiated by, and based upon, a diminution of the quantity of labour employed. They asserted that the twelfth hour you wanted to take from the capitalist was exactly the only hour from which he derived his profit. They threatened a decrease of accumulation, rise of prices, loss of markets, stinting of production, consequent reaction upon wages, ultimate ruin. In fact, they declared Maximillian Robespierre's Maximum Laws to be a small affair compared to it; and they were right in a certain sense. Well, what was the result? A rise in the money wages of the factory operatives, despite the curtailing of the working day, a great increase in the number of factory hands employed, a continuous fall in the prices of their products, a marvellous development in the productive powers of their labour, an unheard-of progressive expansion of the markets for their commodities. In Manchester, at the meeting, in 1860, of the Society for the Advancement of Science, I myself heard Mr. Newman confess that he, Dr. Ure, Senior, and all

other official propounders of economical science had been wrong, while the instinct of the people had been right. I mention Mr. W. Newman, not Professor Francis Newman, because he occupies an eminent position in economical science, as the contributor to, and editor of, Mr. Thomas Tooke's History Of Prices, that magnificent work which traces the history of prices from 1793 to 1856. If our friend Weston's fixed idea of a fixed amount of wages, a fixed amount of production, a fixed degree of the productive power of labour, a fixed and permanent will of the capitalist, and all his other fixedness and finality were correct, Professor Senior's woeful forebodings would be right, and Robert Owen, who already in 1816 proclaimed a general limitation of the working day the first preparatory step to the emancipation of the working class, and actually in the teeth of the general prejudice inaugurated it on his own hook in his cotton factory at New Lanark, would have been wrong.

In the very same period during which the introduction of the Ten Hours Bill, and the rise of wages consequent upon it, occurred, there took place in Great Britain, for reasons which it would be out of place to enumerate here, a general rise in agricultural wages. Although it is not required for my immediate purpose, in order not to mislead you, I shall make some preliminary remarks.

If a man got two shillings weekly wages, and if his wages rose to four shillings, the rate of wages would have risen by 100 per cent. This would seem a very magnificent thing if expressed as a rise in the rate of wages, although the actual amount of wages, four shillings weekly, would still remain a wretchedly small, a starvation pittance. You must not, therefore, allow yourselves to be carried away by the high sounding per cents in rate of wages. You must always ask: What was the original amount?

Moreover, you will understand, that if there were ten men receiving each 2s. per week, five men receiving each 5s., and five men receiving 11s. weekly, the twenty men together would receive 100s., or £5, weekly. If then a rise, say by 20 per cent, upon the aggregate sum of their weekly wages took place, there would be an advance from £5 to £6. Taking the average, we might say that the general rate of wages had risen by 20 per cent, although, in fact, the wages of the ten men had remained stationary, the wages of the one lot of five men had risen from 5s. to 6s. only, and the wages of the other lot of five from 5s. to 7s. One half of the men would not have improved at all their position, one quarter would have improved it in an imperceptible degree, and only one quarter would have bettered it really. Still, reckoning by the average, the total amount of the wages of those twenty men would have increased by 25 per cent, and as far as the aggregate capital that employs them, and the prices of the commodities they produce, are concerned, it would be exactly the same as if all of them had equally shared in the average rise of wages. In the case of agricultural labour, the standard wages being very different in the different counties of England and Scotland, the rise affected them very unequally.

Lastly, during the period when that rise of wages took place counteracting influences were at work such as the new taxes consequent upon the Russian war, the extensive demolition of the dwelling-houses of the agricultural labourers, and so forth. Having premised so much, I proceed to state that from 1849 to 1859 there took place a rise of about 40 percent in the average rate of the agricultural wages of Great Britain. I could give you ample details in proof of my assertion, but for the present purpose think it sufficient to refer you to the conscientious and critical paper read in 1860 by the late Mr. John C. Morton at the London Society of Arts on "The

Forces used in Agriculture.” Mr. Morton gives the returns, from bills and other authentic documents, which he had collected from about one hundred farmers, residing in twelve Scotch and thirty-five English counties.

According to our friend Weston's opinion, and taken together with the simultaneous rise in the wages of the factory operatives, there ought to have occurred a tremendous rise in the prices of agricultural produce during the period 1849 to 1859. But what is the fact? Despite the Russian war, and the consecutive unfavourable harvests from 1854 to 1856, the average price of wheat, which is the leading agricultural produce of England, fell from about 3 Pounds per quarter for the years 1838 to 1848 to about 2 Pounds 10 Shillings per quarter for the years 1849 to 1859. This constitutes a fall in the price of wheat of more than 16 percent simultaneously with an average rise of agricultural wages of 40 percent. During the same period, if we compare its end with its beginning, 1859 with 1849, there was a decrease of official pauperism from 934,419 to 860,470, the difference being 73,949; a very small decrease, I grant, and which in the following years was again lost, but still a decrease.

It might be said that, consequent upon the abolition of the Corn Laws, the import of foreign corn was more than doubled during the period from 1849 to 1859, as compared with the period from 1838 to 1848. And what of that? From Citizen Weston's standpoint one would have expected that this sudden, immense, and continuously increasing demand upon foreign markets must have sent up the prices of agricultural produce there to a frightful height, the effect of increased demand remaining the same, whether it comes from without or from within. What was the fact? Apart from some years of failing harvests, during all that period the ruinous fall in the price of corn formed a standing theme of declamation in France; the Americans were again and again compelled to burn their surplus produce; and Russia, if we are to believe Mr. Urquhart, prompted the Civil War in the United States because her agricultural exports were crippled by the Yankee competition in the markets of Europe.

Reduced to its abstract form, Citizen Weston's argument would come to this: Every rise in demand occurs always on the basis of a given amount of production. It can, therefore, never increase the supply of the articles demanded, but can only enhance their money prices. Now the most common observation shows that an increased demand will, in some instances, leave the market prices of commodities altogether unchanged, and will, in other instances, cause a temporary rise of market prices followed by an increased supply, followed by a reduction of the prices to their original level, and in many cases below their original level. Whether the rise of demand springs from surplus wages, or from any other cause, does not at all change the conditions of the problem. From Citizen Weston's standpoint the general phenomenon was as difficult to explain as the phenomenon occurring under the exceptional circumstances of a rise of wages. His argument had, therefore, no peculiar bearing whatever upon the subject we treat. It only expressed his perplexity at accounting for the laws by which an increase of demand produces an increase of supply, instead of an ultimate rise of market prices.

### *III. Wages and Currency*

On the second day of the debate our friend Weston clothed his old assertions in new forms. He said: Consequent upon a general rise in money wages, more currency will be wanted to pay the same wages. The currency being fixed, how can you pay with this fixed currency increased



money wages? First the difficulty arose from the fixed amount of commodities accruing to the working man despite his increase of money wages; now it arises from the increased money wages, despite the fixed amount of commodities. Of course, if you reject his original dogma, his secondary grievance will disappear. However, I shall show that this currency question has nothing at all to do with the subject before us.

In your country the mechanism of payments is much more perfected than in any other country of Europe. Thanks to the extent and concentration of the banking system, much less currency is wanted to circulate the same amount of values, and to transact the same or a greater amount of business. For example, as far as wages are concerned, the English factory operative pays his wages weekly to the shopkeeper, who sends them weekly to the banker, who returns them weekly to the manufacturer, who again pays them away to his working men, and so forth. By this contrivance the yearly wages of an operative, say of 52 Pounds, may be paid by one single Sovereign turning round every week in the same circle. Even in England the mechanism is less perfect than in Scotland, and is not everywhere equally perfect; and therefore we find, for example, that in some agricultural districts, much more currency is wanted to circulate a much smaller amount of values.

If you cross the Channel you will find that the money wages are much lower than in England, but that they are circulated in Germany, Italy, Switzerland, and France by a much larger amount of currency. The same Sovereign will not be so quickly intercepted by the banker or returned to the industrial capitalist; and, therefore, instead of one Sovereign circulating 52 Pounds yearly, you want, perhaps, three Sovereigns to circulate yearly wages to the amount of 25 Pounds. Thus, by comparing continental countries with England, you will see at once that low money wages may require a much larger currency for their circulation than high money wages, and that this is, in fact, a merely technical point, quite foreign to our subject.

According to the best calculations I know, the yearly income of the working class of this country may be estimated at 250,000,000 Pounds. This immense sum is circulated by about three million Pounds. Suppose a rise of wages of fifty per cent to take place. Then, instead of three millions of currency, four and a half millions would be wanted. As a very considerable part of the working-man's daily expenses is laid out in silver and copper, that is to say, in mere tokens, whose relative value to gold is arbitrarily fixed by law, like that of inconvertible money paper, a rise of money wages by fifty per cent would, in the extreme case, require an additional circulation of Sovereigns, say to the amount of one million. One million, now dormant, in the shape of bullion or coin, in the cellars of the Bank of England, or of private bankers would circulate. But even the trifling expense resulting from the additional minting or the additional wear and tear of that million might be spared, and would actually be spared, if any friction should arise from the want of the additional currency. All of you know that the currency of this country is divided into two great departments. One sort, supplied by bank-notes of different descriptions, is used in the transactions between dealers and dealers, and the larger payments from consumers to dealers, while another sort of currency, metallic coin, circulates in the retail trade. Although distinct, these two sorts of currency intermix with each other. Thus gold coin, to a very great extent, circulates even in larger payments for all the odd sums under 5 Pounds. If tomorrow 4 Pound notes, or 3 Pound notes, or 2 Pound notes were issued, the gold filling these channels of circulation would at once be driven out of them, and flow into those channels where they would be needed from the increase of money wages. Thus the additional million

required by an advance of wages by fifty per cent would be supplied without the addition of one single Sovereign. The same effect might be produced, without one additional bank-note, by an additional bill circulation, as was the case in Lancashire for a very considerable time.

If a general rise in the rate of wages, for example, of 100 per cent, as Citizen Weston supposed it to take place in agricultural wages, would produce a great rise in the prices of necessaries, and, according to his views, require an additional amount of currency not to be procured, a general fall in wages must produce the same effect, on the same scale, in the opposite direction. Well! All of you know that the years 1858 to 1860 were the most prosperous years for the cotton industry, and that peculiarly the year 1860 stands in that respect unrivalled in the annals of commerce, while at the same time all other branches of industry were most flourishing. The wages of the cotton operatives and of all the other working men connected with their trade stood, in 1860, higher than ever before. The American crisis came, and those aggregate wages were suddenly reduced to about one-fourth of their former amount. This would have been in the opposite direction a rise of 400 per cent. If wages rise from five to twenty, we say that they rise by 400 per cent; if they fall from twenty to five, we say that they fall by seventy-five per cent; but the amount of rise in the one and the amount of fall in the other case would be the same, namely, fifteen shillings. This, then, was a sudden change in the rate of wages unprecedented, and at the same time extending over a number of operatives which, if we count all the operatives not only directly engaged in but indirectly dependent upon the cotton trade, was larger by one-half than the number of agricultural labourers. Did the price of wheat fall? It rose from the annual average of 47 shillings 8d per quarter during the three years of 1858-1860 to the annual average of 55 shillings 10d per quarter during the three years 1861-1863. As to the currency, there were coined in the mint in 1861 8,673,323 Pounds, against 3,378,792 Pounds in 1860. That is to say, there were coined 5,294,440 Pounds more in 1861 than in 1860. It is true the bank-note circulation was in 1861 less by 1,319,000 Pounds than in 1860. Take this off. There remains still a surplus of currency for the year 1861, as compared with the prosperity year, 1860, to the amount of 3,975,440 Pounds, or about 4,000,000 Pounds; but the bullion reserve in the Bank of England had simultaneously decreased, not quite to the same, but in an approximating proportion.

Compare the year 1862 with 1842. Apart from the immense increase in the value and amount of commodities circulated, in 1862 the capital paid in regular transactions for shares, loans, etc. for the railways in England and Wales amounted alone to 320,000,000 Pounds, a sum that would have appeared fabulous in 1842. Still, the aggregate amounts in currency in 1862 and 1842 were pretty nearly equal, and generally you will find a tendency to a progressive diminution of currency in the face of enormously increasing value, not only of commodities, but of monetary transactions generally. From our friend Weston's standpoint this is an unsolvable riddle. Looking somewhat deeper into this matter, he would have found that, quite apart from wages, and supposing them to be fixed, the value and mass of the commodities to be circulated, and generally the amount of monetary transactions to be settled, vary daily; that the amount of bank-notes issued varies daily; that the amount of payments realized without the intervention of any money, by the instrumentality of bills, cheques, book-credits, clearing houses, varies daily; that, as far as actual metallic currency is required, the proportion between the coin in circulation and the coin and bullion in reserve or sleeping in the cellars of banks varies daily; that the amount of bullion absorbed by the national circulation and the amount

being sent abroad for international circulation vary daily. He would have found that this dogma of a fixed currency is a monstrous error, incompatible with our everyday movement. He would have inquired into the laws which enable a currency to adapt itself to circumstances so continually changing, instead of turning his misconception of the laws of currency into an argument against a rise of wages.

## *IV. Supply and Demand*

Our friend Weston accepts the Latin proverb that “repetitio est mater studiorum,” that is to say, that repetition is the mother of study, and consequently he repeated his original dogma again under the new form, that the contraction of currency, resulting from an enhancement of wages, would produce a diminution of capital, and so forth. Having already dealt with his currency crotchet, I consider it quite useless to enter upon the imaginary consequences he fancies to flow from his imaginary currency mishap. I shall proceed to at once reduce his one and the same dogma, repeated in so many different shapes, to its simplest theoretical form.

The uncritical way in which he has treated his subject will become evident from one single remark. He pleads against a rise of wages or against high wages as the result of such a rise. Now, I ask him: What are high wages and what are low wages? Why constitute, for example, five shillings weekly low, and twenty shillings weekly high wages? If five is low as compared with twenty, twenty is still lower as compared with two hundred. If a man was to lecture on the thermometer, and commenced by declaiming on high and low degrees, he would impart no knowledge whatever. He must first tell me how the freezing-point is found out, and how the boiling-point, and how these standard points are settled by natural laws, not by the fancy of the sellers or makers of thermometers. Now, in regard to wages and profits, Citizen Weston has not only failed to deduce such standard points from economical laws, but he has not even felt the necessity to look after them. He satisfied himself with the acceptance of the popular slang terms of low and high as something having a fixed meaning, although it is self-evident that wages can only be said to be high or low as compared with a standard by which to measure their magnitudes.

He will be unable to tell me why a certain amount of money is given for a certain amount of labour. If he should answer me, “This was settled by the law of supply and demand,” I should ask him, in the first instance, by what law supply and demand are themselves regulated. And such an answer would at once put him out of court. The relations between the supply and demand of labour undergo perpetual change, and with them the market prices of labour. If the demand overshoots the supply wages rise; if the supply overshoots the demand wages sink, although it might in such circumstances be necessary to test the real state of demand and supply by a strike, for example, or any other method. But if you accept supply and demand as the law regulating wages, it would be as childish as useless to declaim against a rise of wages, because, according to the supreme law you appeal to, a periodical rise of wages is quite as necessary and legitimate as a periodical fall of wages. If you do not accept supply and demand as the law regulating wages, I again repeat the question, why a certain amount of money is given for a certain amount of labour?

But to consider matters more broadly: You would be altogether mistaken in fancying that the value of labour or any other commodity whatever is ultimately fixed by supply and demand.

Supply and demand regulate nothing but the temporary fluctuations of market prices. They will explain to you why the market price of a commodity rises above or sinks below its value, but they can never account for the value itself. Suppose supply and demand to equilibrate, or, as the economists call it, to cover each other. Why, the very moment these opposite forces become equal they paralyze each other, and cease to work in the one or other direction. At the moment when supply and demand equilibrate each other, and therefore cease to act, the market price of a commodity coincides with its real value, with the standard price round which its market prices oscillate. In inquiring into the nature of that VALUE, we have therefore nothing at all to do with the temporary effects on market prices of supply and demand. The same holds true of wages and of the prices of all other commodities.

## *V. Wages and Prices*

Reduced to their simplest theoretical expression, all our friend's arguments resolve themselves into this one dogma: "The prices of commodities are determined or regulated by wages."

I might appeal to practical observation to bear witness against this antiquated and exploded fallacy. I might tell you that the English factory operatives, miners, shipbuilders, and so forth, whose labour is relatively high-priced, undersell by the cheapness of their produce all other nations; while the English agricultural labourer, for example, whose labour is relatively low-priced, is undersold by almost every other nation because of the dearness of his produce. By comparing article with article in the same country, and the commodities of different countries, I might show, apart from some exceptions more apparent than real, that on an average the high-priced labour produces the low-priced, and low priced labour produces the high-priced commodities. This, of course, would not prove that the high price of labour in the one, and its low price in the other instance, are the respective causes of those diametrically opposed effects, but at all events it would prove that the prices of commodities are not ruled by the prices of labour. However, it is quite superfluous for us to employ this empirical method.

It might, perhaps, be denied that Citizen Weston has put forward the dogma: "The prices of commodities are determined or regulated by wages." In point of fact, he has never formulated it. He said, on the contrary, that profit and rent also form constituent parts of the prices of commodities, because it is out of the prices of commodities that not only the working man's wages, but also the capitalist's profits and the landlord's rents must be paid. But how in his idea are prices formed? First by wages. Then an additional percentage is joined to the price on behalf of the capitalist, and another additional percentage on behalf of the landlord. Suppose the wages of the labour employed in the production of a commodity to be ten. If the rate of profit was 100 per cent, to the wages advanced the capitalist would add ten, and if the rate of rent was also 100 per cent upon the wages, there would be added ten more, and the aggregate price of the commodity would amount to thirty. But such a determination of prices would be simply their determination by wages. If wages in the above case rose to twenty, the price of the commodity would rise to sixty, and so forth. Consequently all the superannuated writers on political economy who propounded the dogma that wages regulate prices, have tried to prove it by treating profit and rent as mere additional percentages upon wages. None of them were, of course, able to reduce the limits of those percentages to any economic law. They seem, on the contrary, to think profits settled by tradition, custom, the will of the capitalist, or by some other equally arbitrary and inexplicable method. If they assert that they are settled by the



competition between the capitalists, they say nothing. That competition is sure to equalize the different rates of profit in different trades, or reduce them to one average level, but it can never determine the level itself, or the general rate of profit.

What do we mean by saying that the prices of the commodities are determined by wages? Wages being but a name for the price of labour, we mean that the prices of commodities are regulated by the price of labour. As “price” is exchangeable value — and in speaking of value I speak always of exchangeable value — is exchangeable value expressed in money, the proposition comes to this, that “the value of commodities is determined by the value of labour,” or that “the value of labour is the general measure of value.”

But how, then, is the “value of labour” itself determined? Here we come to a standstill. Of course, we come to a standstill if we try reasoning logically, yet the propounders of that doctrine make short work of logical scruples. Take our friend Weston, for example. First he told us that wages regulate the price of commodities and that consequently when wages rise prices must rise. Then he turned round to show us that a rise of wages will be no good because the prices of commodities had risen, and because wages were indeed measured by the prices of the commodities upon which they are spent. Thus we begin by saying that the value of labour determines the value of commodities, and we wind up by saying that the value of commodities determines the value of labour. Thus we move to and fro in the most vicious circle, and arrive at no conclusion at all.

On the whole, it is evident that by making the value of one commodity, say labour, corn, or any other commodity, the general measure and regulator of value, we only shift the difficulty, since we determine one value by another, which on its side wants to be determined.

The dogma that “wages determine the price of commodities,” expressed in its most abstract terms, comes to this, that “value is determined by value,” and this tautology means that, in fact, we know nothing at all about value. Accepting this premise, all reasoning about the general laws of political economy turns into mere twaddle. It was, therefore, the great merit of Ricardo that in his work on the principles of political economy, published in 1817, he fundamentally destroyed the old popular, and worn-out fallacy that “wages determine prices,” a fallacy which Adam Smith and his French predecessors had spurned in the really scientific parts of their researches, but which they reproduced in their more exoterical and vulgarizing chapters.

## *VI. Value and Labour*

Citizens, I have now arrived at a point where I must enter upon the real development of the question. I cannot promise to do this in a very satisfactory way, because to do so I should be obliged to go over the whole field of political economy. I can, as the French would say, but “effleurer la question,” touch upon the main points. The first question we have to put is: What is the value of a commodity? How is it determined?

At first sight it would seem that the value of a commodity is a thing quite relative, and not to be settled without considering one commodity in its relations to all other commodities. In fact, in speaking of the value, the value in exchange of a commodity, we mean the proportional quantities in which it exchanges with all other commodities. But then arises the question: How are the proportions in which commodities exchange with each other regulated? We know from

experience that these proportions vary infinitely. Taking one single commodity, wheat, for instance, we shall find that a quarter of wheat exchanges in almost countless variations of proportion with different commodities. Yet, its value remaining always the same, whether expressed in silk, gold, or any other commodity, it must be something distinct from, and independent of, these different rates of exchange with different articles. It must be possible to express, in a very different form, these various equations with various commodities.

Besides, if I say a quarter of wheat exchanges with iron in a certain proportion, or the value of a quarter of wheat is expressed in a certain amount of iron, I say that the value of wheat and its equivalent in iron are equal to some third thing, which is neither wheat nor iron, because I suppose them to express the same magnitude in two different shapes. Either of them, the wheat or the iron, must, therefore, independently of the other, be reducible to this third thing which is their common measure.

To elucidate this point I shall recur to a very simple geometrical illustration. In comparing the areas of triangles of all possible forms and magnitudes, or comparing triangles with rectangles, or any other rectilinear figure, how do we proceed? We reduce the area of any triangle whatever to an expression quite different from its visible form. Having found from the nature of the triangle that its area is equal to half the product of its base by its height, we can then compare the different values of all sorts of triangles, and of all rectilinear figures whatever, because all of them may be resolved into a certain number of triangles.

The same mode of procedure must obtain with the values of commodities. We must be able to reduce all of them to an expression common to all, and distinguishing them only by the proportions in which they contain that identical measure.

As the exchangeable values of commodities are only social functions of those things, and have nothing at all to do with the natural qualities, we must first ask: What is the common social substance of all commodities? It is labour. To produce a commodity a certain amount of labour must be bestowed upon it, or worked up in it. And I say not only labour, but social labour. A man who produces an article for his own immediate use, to consume it himself, creates a product, but not a commodity. As a self-sustaining producer he has nothing to do with society. But to produce a commodity, a man must not only produce an article satisfying some social want, but his labour itself must form part and parcel of the total sum of labour expended by society. It must be subordinate to the division of labour within society. It is nothing without the other divisions of labour, and on its part is required to integrate them.

If we consider commodities as values, we consider them exclusively under the single aspect of realized, fixed, or, if you like, crystallized social labour. In this respect they can differ only by representing greater or smaller quantities of labour, as, for example, a greater amount of labour may be worked up in a silken handkerchief than in a brick. But how does one measure quantities of labour? By the time the labour lasts, in measuring the labour by the hour, the day, etc. Of course, to apply this measure, all sorts of labour are reduced to average or simple labour as their unit. We arrive, therefore, at this conclusion. A commodity has a value, because it is a crystallization of social labour. The greatness of its value, or its relative value, depends upon the greater or less amount of that social substance contained in it; that is to say, on the relative mass of labour necessary for its production. The relative values of commodities are, therefore, determined by the respective quantities or amounts of labour, worked up, realized, fixed in



them. The correlative quantities of commodities which can be produced in the same time of labour are equal. Or the value of one commodity is to the value of another commodity as the quantity of labour fixed in the one is to the quantity of labour fixed in the other.

I suspect that many of you will ask: Does then, indeed, there exist such a vast or any difference whatever, between determining the values of commodities by wages, and determining them by the relative quantities of labour necessary for their production? You must, however, be aware that the reward for labour, and quantity of labour, are quite disparate things. Suppose, for example, equal quantities of labour to be fixed in one quarter of wheat and one ounce of gold. I resort to the example because it was used by Benjamin Franklin in his first Essay published in 1721, and entitled A Modest Enquiry into the Nature and Necessity of a Paper Currency, where he, one of the first, hit upon the true nature of value.

Well. We suppose, then, that one quarter of wheat and one ounce of gold are equal values or equivalents, because they are crystallizations of equal amounts of average labour, of so many days' or so many weeks' labour respectively fixed in them. In thus determining the relative values of gold and corn, do we refer in any way whatever to the wages of the agricultural labourer and the miner? Not a bit. We leave it quite indeterminate how their day's or their week's labour was paid, or even whether wage labour was employed at all. If it was, wages may have been very unequal. The labourer whose labour is realized in the quarter of wheat may receive two bushels only, and the labourer employed in mining may receive one-half of the ounce of gold. Or, supposing their wages to be equal, they may deviate in all possible proportions from the values of the commodities produced by them. They may amount to one-fourth, one-fifth, or any other proportional part of the one quarter of corn or the one ounce of gold. Their wages can, of course, not exceed, not be more than the values of the commodities they produced, but they can be less in every possible degree. Their wages will be limited by the values of the products, but the values of their products will not be limited by the wages. And above all, the values, the relative values of corn and gold, for example, will have been settled without any regard whatever to the value of the labour employed, that is to say, to wages. To determine the values of commodities by the relative quantities of labour fixed in them, is, therefore, a thing quite different from the tautological method of determining the values of commodities by the value of labour, or by wages. This point, however, will be further elucidated in the progress of our inquiry.

In calculating the exchangeable value of a commodity we must add to the quantity of labour previously worked up in the raw material of the commodity, and the labour bestowed on the implements, tools, machinery, and buildings, with which such labour is assisted. For example, the value of a certain amount of cotton yarn is the crystallization of the quantity of labour added to the cotton during the spinning process, the quantity of labour previously realized in the cotton itself, the quantity of labour realized in the coal, oil, and other auxiliary substances used, the quantity of labour fixed in the steam-engine, the spindles, the factory building, and so forth. Instruments of production properly so-called, such as tools, machinery, buildings, serve again and again for longer or shorter period during repeated processes of production. If they were used up at once, like the raw material, their whole value would at once be transferred to the commodities they assist in producing. But as a spindle, for example, is but gradually used up, an average calculation is made, based upon the average time it lasts, and its average wear or tear during a certain period, say a day. In this way we calculate how much of the value

of the spindle is transferred to the yarn daily spin, and how much, therefore, of the total amount of labour realized in a pound of yarn, for example, is due to the quantity of labour previously realized in the spindle. For our present purpose it is not necessary to dwell any longer upon this point.

It might seem that if the value of a commodity is determined by the quantity of labour bestowed upon its production, the lazier a man, or the clumsier a man, the more valuable his commodity, because the greater the time of labour required for finishing the commodity. This, however, would be a sad mistake. You will recollect that I used the word “social labour,” and many points are involved in this qualification of “social.” In saying that the value of a commodity is determined by the quantity of labour worked up or crystallized in it, we mean the quantity of labour necessary for its production in a given state of society, under certain social average conditions of production, with a given social average intensity, and average skill of the labour employed. When, in England, the power-loom came to compete with the hand-loom, only half the former time of labour was wanted to convert a given amount of yarn into a yard of cotton or cloth. The poor hand-loom weaver now worked seventeen or eighteen hours daily, instead of the nine or ten hours he had worked before. Still the product of twenty hours of his labour represented now only ten social hours of labour, or ten hours of labour socially necessary for the conversion of a certain amount of yarn into textile stuffs. His product of twenty hours had, therefore, no more value than his former product of ten hours.

If then the quantity of socially necessary labour realized in commodities regulates their exchangeable values, every increase in the quantity of labour wanted for the production of a commodity must augment its value, as every diminution must lower it.

If the respective quantities of labour necessary for the production of the respective commodities remained constant, their relative values also would be constant. But such is not the case. The quantity of labour necessary for the production of a commodity changes continuously with the changes in the productive powers of labour, the more produce is finished in a given time of labour; and the smaller the productive powers of labour, the less produce is finished in the same time. If, for example, in the progress of population it should become necessary to cultivate less fertile soils, the same amount of produce would be only attainable by a greater amount of labour spent, and the value of agricultural produce would consequently rise. On the other hand, if, with the modern means of production, a single spinner converts into yarn, during one working day, many thousand times the amount of cotton which he could have spun during the same time with the spinning wheel, it is evident that every single pound of cotton will absorb many thousand times less of spinning labour than it did before, and consequently, the value added by spinning to every single pound of cotton will be a thousand times less than before. The value of yarn will sink accordingly.

Apart from the different natural energies and acquired working abilities of different peoples, the productive powers of labour must principally depend: —

Firstly. Upon the natural conditions of labour, such as fertility of soil, mines, and so forth.

Secondly. Upon the progressive improvement of the social powers of labour, such as are derived from production on a grand scale, concentration of capital and combination of labour, subdivision of labour, machinery, improved methods, appliance of chemical and other natural

agencies, shortening of time and space by means of communication and transport, and every other contrivance by which science presses natural agencies into the service of labour, and by which the social or co-operative character of labour is developed. The greater the productive powers of labour, the less labour is bestowed upon a given amount of produce; hence the smaller the value of the produce. The smaller the productive powers of labour, the more labour is bestowed upon the same amount of produce; hence the greater its value. As a general law we may, therefore, set it down that: —

*The values of commodities are directly as the times of labour employed in their production, and are inversely as the productive powers of the labour employed.*

Having till now only spoken of value, I shall add a few words about price, which is a peculiar form assumed by value.

Price, taken by itself, is nothing but the monetary expression of value. The values of all commodities of the country, for example, are expressed in gold prices, while on the Continent they are mainly expressed in silver prices. The value of gold or silver, like that of all other commodities is regulated by the quantity of labour necessary for getting them. You exchange a certain amount of your national products, in which a certain amount of your national labour is crystallized, for the produce of the gold and silver producing countries, in which a certain quantity of their labour is crystallized. It is in this way, in fact by barter, that you learn to express in gold and silver the values of all commodities, that is the respective quantities of labour bestowed upon them. Looking somewhat closer into the monetary expression of value, or what comes to the same, the conversion of value into price, you will find that it is a process by which you give to the values of all commodities an independent and homogeneous form, or by which you express them as quantities of equal social labour. So far as it is but the monetary expression of value, price has been called natural price by Adam Smith, “prix necessaire” by the French physiocrats.

What then is the relation between value and market prices, or between natural prices and market prices? You all know that the market price is the same for all commodities of the same kind, however the conditions of production may differ for the individual producers. The market price expresses only the average amount of social labour necessary, under the average conditions of production, to supply the market with a certain mass of a certain article. It is calculated upon the whole lot of a commodity of a certain description.

So far the market price of a commodity coincides with its value. On the other hand, the oscillations of market prices, rising now over, sinking now under the value or natural price, depend upon the fluctuations of supply and demand. The deviations of market prices from values are continual, but as Adam Smith says:

“The natural price is the central price to which the prices of commodities are continually gravitating. Different accidents may sometimes keep them suspended a good deal above it, and sometimes force them down even somewhat below it. But whatever may be the obstacles which hinder them from settling in this center of repose and continuance, they are constantly tending towards it.”

I cannot now sift this matter. It suffices to say the if supply and demand equilibrate each other, the market prices of commodities will correspond with their natural prices, that is to say with their values, as determined by the respective quantities of labour required for their production.

But supply and demand must constantly tend to equilibrate each other, although they do so only by compensating one fluctuation by another, a rise by a fall, and vice versa. If instead of considering only the daily fluctuations you analyze the movement of market prices for longer periods, as Mr. Tooke, for example, has done in his History of Prices, you will find that the fluctuations of market prices, their deviations from values, their ups and downs, paralyze and compensate each other; so that apart from the effect of monopolies and some other modifications I must now pass by, all descriptions of commodities are, on average, sold at their respective values or natural prices. The average periods during which the fluctuations of market prices compensate each other are different for different kinds of commodities, because with one kind it is easier to adapt supply to demand than with the other.

If then, speaking broadly, and embracing somewhat longer periods, all descriptions of commodities sell at their respective values, it is nonsense to suppose that profit, not in individual cases; but that the constant and usual profits of different trades spring from the prices of commodities, or selling them at a price over and above their value. The absurdity of this notion becomes evident if it is generalized. What a man would constantly win as a seller he would constantly lose as a purchaser. It would not do to say that there are men who are buyers without being sellers, or consumers without being producers. What these people pay to the producers, they must first get from them for nothing. If a man first takes your money and afterwards returns that money in buying your commodities, you will never enrich yourselves by selling your commodities too dear to that same man. This sort of transaction might diminish a loss, but would never help in realizing a profit. To explain, therefore, the general nature of profits, you must start from the theorem that, on an average, commodities are sold at their real values, and that profits are derived from selling them at their values, that is, in proportion to the quantity of labour realized in them. If you cannot explain profit upon this supposition, you cannot explain it at all. This seems paradox and contrary to every-day observation. It is also paradox that the earth moves round the sun, and that water consists of two highly inflammable gases. Scientific truth is always paradox, if judged by every-day experience, which catches only the delusive appearance of things.

## *VII. Labour Power*

Having now, as far as it could be done in such a cursory manner, analyzed the nature of value, of the value of any commodity whatever, we must turn our attention to the specific value of labour. And here, again, I must startle you by a seeming paradox. All of you feel sure that what they daily sell is their Labour; that, therefore, Labour has a price, and that, the price of a commodity being only the monetary expression of its value, there must certainly exist such a thing as the value of labour. However, there exists no such thing as the value of labour in the common acceptance of the word. We have seen that the amount of necessary labour crystallized in a commodity constitutes its value. Now, applying this notion of value, how could we define, say, the value of a ten hours working day? How much labour is contained in that day? Ten hours' labour.

To say that the value of a ten hours working day is equal to ten hours' labour, or the quantity of labour contained in it, would be a tautological and, moreover, a nonsensical expression. Of course, having once found out the true but hidden sense of the expression "value of labour," we shall be able to interpret this irrational, and seemingly impossible application of value, in the

same way that, having once made sure of the real movement of the celestial bodies, we shall be able to explain their apparent or merely phenomenal movements.

What the working man sells is not directly his labour, but his labouring power, the temporary disposal of which he makes over to the capitalist. This is so much the case that I do not know whether by the English Laws, but certainly by some Continental Laws, the maximum time is fixed for which a man is allowed to sell his labouring power. If allowed to do so for any indefinite period whatever, slavery would be immediately restored. Such a sale, if it comprised his lifetime, for example, would make him at once the lifelong slave of his employer.

One of the oldest economists and most original philosophers of England — Thomas Hobbes — has already, in his *Leviathan*, instinctively hit upon this point overlooked by all his successors. He says: “the value or worth of a man is, as in all other things, his price: that is so much as would be given for the use of his power.” Proceeding from this basis, we shall be able to determine the value of labour as that of all other commodities.

But before doing so, we might ask, how does this strange phenomenon arise, that we find on the market a set of buyers, possessed of land, machinery, raw material, and the means of subsistence, all of them, save land in its crude state, the products of labour, and on the other hand, a set of sellers who have nothing to sell except their labouring power, their working arms and brains? That the one set buys continually in order to make a profit and enrich themselves, while the other set continually sells in order to earn their livelihood? The inquiry into this question would be an inquiry into what the economists call “previous or original accumulation,” but which ought to be called original expropriation. We should find that this so-called original accumulation means nothing but a series of historical processes, resulting in a decomposition of the original union existing between the labouring Man and his Instruments of Labour. Such an inquiry, however, lies beyond the pale of my present subject. The separation between the Man of Labour and the Instruments of Labour once established, such a state of things will maintain itself and reproduce itself upon a constantly increasing scale, until a new and fundamental revolution in the mode of production should again overturn it, and restore the original union in a new historical form.

What, then, is the value of labouring power?

Like that of every other commodity, its value is determined by the quantity of labour necessary to produce it. The labouring power of a man exists only in his living individuality. A certain mass of necessities must be consumed by a man to grow up and maintain his life. But the man, like the machine, will wear out, and must be replaced by another man. Beside the mass of necessities required for his own maintenance, he wants another amount of necessities to bring up a certain quota of children that are to replace him on the labour market and to perpetuate the race of labourers. Moreover, to develop his labouring power, and acquire a given skill, another amount of values must be spent. For our purpose it suffices to consider only average labour, the costs of whose education and development are vanishing magnitudes. Still I must seize upon this occasion to state that, as the costs of producing labouring powers of different quality differ, so much differ the values of the labouring powers employed in different trades. The cry for an equality of wages rests, therefore, upon a mistake, is an inane wish never to be fulfilled. It is an offspring of that false and superficial radicalism that accepts premises and tries to evade conclusions. Upon the basis of the wages system the value of labouring power is



settled like that of every other commodity; and as different kinds of labouring power have different values, or require different quantities of labour for their production, they must fetch different prices in the labour market. To clamour for equal or even equitable retribution on the basis of the wages system is the same as to clamour for freedom on the basis of the slavery system. What you think just or equitable is out of the question. The question is: What is necessary and unavoidable with a given system of production? After what has been said, it will be seen that the value of labouring power is determined by the value of the necessaries required to produce, develop, maintain, and perpetuate the labouring power.

## *VIII. Production of Surplus Value*

Now suppose that the average amount of the daily necessities of a labouring man require six hours of average labour for their production. Suppose, moreover, six hours of average labour to be also realized in a quantity of gold equal to 3s. Then 3s. would be the price, or the monetary expression of the daily value of that man's labouring power. If he worked daily six hours he would daily produce a value sufficient to buy the average amount of his daily necessities, or to maintain himself as a labouring man.

But our man is a wages labourer. He must, therefore, sell his labouring power to a capitalist. If he sells it at 3s. daily, or 18s. weekly, he sells it at its value. Suppose him to be a spinner. If he works six hours daily he will add to the cotton a value of 3s. daily. This value, daily added by him, would be an exact equivalent for the wages, or the price of his labouring power, received daily. But in that case no surplus value or surplus produce whatever would go to the capitalist. Here, then, we come to the rub.

In buying the labouring power of the workman, and paying its value, the capitalist, like every other purchaser, has acquired the right to consume or use the commodity bought. You consume or use the labouring power of a man by making him work, as you consume or use a machine by making it run. By buying the daily or weekly value of the labouring power of the workman, the capitalist has, therefore, acquired the right to use or make that labouring power during the whole day or week. The working day or the working week has, of course, certain limits, but those we shall afterwards look more closely at.

For the present I want to turn your attention to one decisive point. The value of the labouring power is determined by the quantity of labour necessary to maintain or reproduce it, but the use of that labouring power is only limited by the active energies and physical strength of the labourer. The daily or weekly value of the labouring power is quite distinct from the daily or weekly exercise of that power, the same as the food a horse wants and the time it can carry the horseman are quite distinct. The quantity of labour by which the value of the workman's labouring power is limited forms by no means a limit to the quantity of labour which his labouring power is apt to perform. Take the example of our spinner. We have seen that, to daily reproduce his labouring power, he must daily reproduce a value of three shillings, which he will do by working six hours daily. But this does not disable him from working ten or twelve or more hours a day. But by paying the daily or weekly value of the spinner's labouring power the capitalist has acquired the right of using that labouring power during the whole day or week. He will, therefore, make him work say, daily, twelve hours. Over and above the six hours required to replace his wages, or the value of his labouring power, he will, therefore, have to



work six other hours, which I shall call hours of surplus labour, which surplus labour will realize itself in a surplus value and a surplus produce. If our spinner, for example, by his daily labour of six hours, added three shillings' value to the cotton, a value forming an exact equivalent to his wages, he will, in twelve hours, add six shillings' worth to the cotton, and produce a proportional surplus of yarn. As he has sold his labouring power to the capitalist, the whole value of produce created by him belongs to the capitalist, the owner pro tem. of his labouring power. By advancing three shillings, the capitalist will, therefore, realize a value of six shillings, because, advancing a value in which six hours of labour are crystallized, he will receive in return a value in which twelve hours of labour are crystallized. By repeating this same process daily, the capitalist will daily advance three shillings and daily pocket six shillings, one half of which will go to pay wages anew, and the other half of which will form surplus value, for which the capitalist pays no equivalent. It is this sort of exchange between capital and labour upon which capitalistic production, or the wages system, is founded, and which must constantly result in reproducing the working man as a working man, and the capitalist as a capitalist.

The rate of surplus value, all other circumstances remaining the same, will depend on the proportion between that part of the working day necessary to reproduce the value of the labouring power and the surplus time or surplus labour performed for the capitalist. It will, therefore, depend on the ratio in which the working day is prolonged over and above that extent, by working which the working man would only reproduce the value of his labouring power, or replace his wages.

## *IX. Value of Labour*

We must now return to the expression, "value, or price of labour." We have seen that, in fact, it is only the value of the labouring power, measured by the values of commodities necessary for its maintenance. But since the workman receives his wages after his labour is performed, and knows, moreover, that what he actually gives to the capitalist is his labour, the value or price of his labouring power necessarily appears to him as the price or value of his labour itself. If the price of his labouring power is three shillings, in which six hours of labour are realized, and if he works twelve hours, he necessarily considers these three shillings as the value or price of twelve hours of labour, although these twelve hours of labour realize themselves in a value of six shillings. A double consequence flows from this.

Firstly. The value or price of the labouring power takes the semblance of the price or value of labour itself, although, strictly speaking, value and price of labour are senseless terms.

Secondly. Although one part only of the workman's daily labour is paid, while the other part is unpaid, and while that unpaid or surplus labour constitutes exactly the fund out of which surplus value or profit is formed, it seems as if the aggregate labour was paid labour.

This false appearance distinguishes wages labour from other historical forms of labour. On the basis of the wages system even the unpaid labour seems to be paid labour. With the slave, on the contrary, even that part of his labour which is paid appears to be unpaid. Of course, in order to work the slave must live, and one part of his working day goes to replace the value of his own maintenance. But since no bargain is struck between him and his master, and no acts of selling and buying are going on between the two parties, all his labour seems to be given away for

nothing.

Take, on the other hand, the peasant serf, such as he, I might say, until yesterday existed in the whole of East of Europe. This peasant worked, for example, three days for himself on his own field or the field allotted to him, and the three subsequent days he performed compulsory and gratuitous labour on the estate of his lord. Here, then, the paid and unpaid parts of labour were sensibly separated, separated in time and space; and our Liberals overflowed with moral indignation at the preposterous notion of making a man work for nothing.

In point of fact, however, whether a man works three days of the week for himself on his own field and three days for nothing on the estate of his lord, or whether he works in the factory or the workshop six hours daily for himself and six for his employer, comes to the same, although in the latter case the paid and unpaid portions of labour are inseparably mixed up with each other, and the nature of the whole transaction is completely masked by the intervention of a contract and the pay received at the end of the week. The gratuitous labour appears to be voluntarily given in the one instance, and to be compulsory in the other. That makes all the difference.

In using the word "value of labour," I shall only use it as a popular slang term for "value of labouring power."

## *X. Profit is Made by Selling a Commodity at its Value*

Suppose an average hour of labour to be realized in a value equal to sixpence, or twelve average hours of labour to be realized in six shillings. Suppose, further, the value of labour to be three shillings or the produce of six hours' labour. If, then, in the raw material, machinery, and so forth, used up in a commodity, twenty-four hours of average labour were realized, its value would amount to twelve shillings. If, moreover, the workman employed by the capitalist added twelve hours of labour to those means of production, these twelve hours would be realized in an additional value of six shillings. The total value of the product would, therefore, amount to thirty-six hours of realized labour, and be equal to eighteen shillings. But as the value of labour, or the wages paid to the workman, would be three shillings only, no equivalent would have been paid by the capitalist for the six hours of surplus labour worked by the workman, and realized in the value of the commodity. By selling this commodity at its value for eighteen shillings, the capitalist would, therefore, realize a value of three shillings, for which had paid no equivalent. These three shillings would constitute the surplus value or profit pocketed by him. The capitalist would consequently realize the profit of three shillings, not by selling his commodity at a price over and above its value, but by selling it at its real value.

The value of a commodity is determined by the total quantity of labour contained in it. But part of that quantity of labour is realized in a value for which an equivalent has been paid in the form of wages; part of it is realized in a value for which NO equivalent has been paid. Part of the labour contained in the commodity is paid labour; part is unpaid labour. By selling, therefore, the commodity at its value, that is, as the crystallization of the total quantity of labour bestowed upon it, the capitalist must necessarily sell it at a profit. He sells not only what has cost him an equivalent, but he sells also what has cost him nothing, although it has cost his

workman labour. The cost of the commodity to the capitalist and its real cost are different things.

I repeat, therefore, that normal and average profits are made by selling commodities not above, but at their real values.

## *XI. The Different Parts into which Surplus Value is Decomposed*

The surplus value, or that part of the total value of the commodity in which the surplus labour or unpaid labour of the working man is realized, I call profit. The whole of that profit is not pocketed by the employing capitalist. The monopoly of land enables the landlord to take one part of that surplus value, under the name of rent, whether the land is used for agricultural buildings or railways, or for any other productive purpose. On the other hand, the very fact that the possession of the instruments of labour enables the employing capitalist to produce a surplus value, or, what comes to the same, to appropriate to himself a certain amount of unpaid labour, enables the owner of the means of labour, which he lends wholly or partly to the employing capitalist — enables, in one word, the money-lending capitalist to claim for himself under the name of interest another part of that surplus value, so that there remains to the employing capitalist as such only what is called industrial or commercial profit.

By what laws this division of the total amount of surplus value amongst the three categories of people is regulated is a question quite foreign to our subject. This much, however, results from what has been stated.

Rent, interest, and industrial profit are only different names for different parts of the surplus value of the commodity, or the unpaid labour enclosed in it, and they are equally derived from this source and from this source alone. They are not derived from land as such or from capital as such, but land and capital enable their owners to get their respective shares out of the surplus value extracted by the employing capitalist from the labourer. For the labourer himself it is a matter of subordinate importance whether that surplus value, the result of his surplus labour, or unpaid labour, is altogether pocketed by the employing capitalist, or whether the latter is obliged to pay portions of it, under the name of rent and interest, away to third parties. Suppose the employing capitalist to use only his own capital and to be his own landlord, then the whole surplus value would go into his pocket.

It is the employing capitalist who immediately extracts from the labourer this surplus value, whatever part of it he may ultimately be able to keep for himself. Upon this relation, therefore between the employing capitalist and the wages labourer the whole wages system and the whole present system of production hinge. Some of the citizens who took part in our debate were, there, wrong in trying to mince matters, and to treat this fundamental relation between the employing capitalist and the working man as a secondary question, although they were right in stating that, under given circumstances, a rise of prices might affect in very unequal degrees the employing capitalist, the landlord, the moneyed capitalist, and, if you please, the tax-gatherer.

Another consequence follows from what has been stated.

That part of the value of the commodity which represents only the value of the raw materials, the machinery, in one word, the value of the means of production used up, forms no revenue at all, but replaces only capital. But, apart from this, it is false that the other part of the value of the commodity which forms revenue, or may be spent in the form of wages, profits, rent, interest, is constituted by the value of wages, the value of rent, the value of profits, and so forth. We shall, in the first instance, discard wages, and only treat industrial profits, interest, and rent. We have just seen that the surplus value contained in the commodity, or that part of its value in which unpaid labour is realized, resolves itself into different fractions, bearing three different names.

But it would be quite the reverse of the truth to say that its value is composed of, or formed by, the addition of the independent values of these three constituents.

If one hour of labour realizes itself in a value of sixpence, if the working day of the labourer comprises twelve hours, if half of this time is unpaid labour, that surplus labour will add to the commodity a surplus value of three shillings, that is of value for which no equivalent has been paid. This surplus value of three shillings constitutes the whole fund which the employing capitalist may divide, in whatever proportions, with the landlord and the money-lender. The value of these three shillings constitutes the limit of the value they have to divide amongst them. But it is not the employing capitalist who adds to the value of the commodity an arbitrary value for his profit, to which another value is added for the landlord, and so forth, so that the addition of these arbitrarily fixed values would constitute the total value. You see, therefore, the fallacy of the popular notion, which confounds the decomposition of a given value into three parts, with the formation of that value by the addition of three independent values, thus converting the aggregate value, from which rent, profit, and interest are derived, into an arbitrary magnitude.

If the total profit realized by a capitalist is equal to 100 Pounds, we call this sum, considered as absolute magnitude, the amount of profit. But if we calculate the ratio which those 100 Pounds bear to the capital advanced, we call this relative magnitude, the rate of profit. It is evident that this rate of profit may be expressed in a double way.

Suppose 100 Pounds to be the capital advanced in wages. If the surplus value created is also 100 Pounds — and this would show us that half the working day of the labourer consists of unpaid labour — and if we measured this profit by the value of the capital advanced in wages, we should say that the rate of profit amounted to one hundred percent, because the value advanced would be one hundred and the value realized would be two hundred.

If, on the other hand, we should not only consider the capital advanced in wages, but the total capital advanced, say, for example, 500 Pounds, of which 400 Pounds represented the value of raw materials, machinery, and so forth, we should say that the rate of profit amounted only to twenty percent, because the profit of one hundred would be but the fifth part of the total capital advanced.

The first mode of expressing the rate of profit is the only one which shows you the real ratio between paid and unpaid labour, the real degree of the exploitation (you must allow me this French word) of labour. The other mode of expression is that in common use, and is, indeed, appropriate for certain purposes. At all events, it is very useful for concealing the degree in which the capitalist extracts gratuitous labour from the workman.

In the remarks I have still to make I shall use the word profit for the whole amount of the surplus value extracted by the capitalist without any regard to the division of that surplus value between different parties, and in using the words rate of profit, I shall always measure profits by the value of the capital advanced in wages.

## *XII. General Relation of Profits, Wages, and Prices*

Deduct from the value of a commodity the value replacing the value of the raw materials and other means of production used upon it, that is to say, deduct the value representing the past labour contained in it, and the remainder of its value will resolve into the quantity of labour added by the working man last employed. If that working man works twelve hours daily, if twelve hours of average labour crystallize themselves in an amount of gold equal to six shillings, this additional value of six shillings is the only value his labour will have created. This given value, determined by the time of his labour, is the only fund from which both he and the capitalist have to draw their respective shares or dividends, the only value to be divided into wages and profits. It is evident that this value itself will not be altered by the variable proportions in which it may be divided amongst the two parties. There will also be nothing changed if in the place of one working man you put the whole working population, twelve million working days, for example, instead of one.

Since the capitalist and workman have only to divide this limited value, that is, the value measured by the total labour of the working man, the more the one gets the less will the other get, and vice versa. Whenever a quantity is given, one part of it will increase inversely as the other decreases. If the wages change, profits will change in an opposite direction. If wages fall, profits will rise; and if wages rise, profits will fall. If the working man, on our former supposition, gets three shillings, equal to one half of the value he has created, or if his whole working day consists half of paid, half of unpaid labour, the rate of profit will be 100 percent, because the capitalist would also get three shillings. If the working man receives only two shillings, or works only one third of the whole day for himself, the capitalist will get four shillings, and the rate of profit will be 200 per cent. If the working man receives four shillings, the capitalist will only receive two, and the rate of profit would sink to 50 percent, but all these variations will not affect the value of the commodity. A general rise of wages would, therefore, result in a fall of the general rate of profit, but not affect values.

But although the values of commodities, which must ultimately regulate their market prices, are exclusively determined by the total quantities of labour fixed in them, and not by the division of that quantity into paid and unpaid labour, it by no means follows that the values of the single commodities, or lots of commodities, produced during twelve hours, for example, will remain constant. The number or mass of commodities produced in a given time of labour, or by a given quantity of labour, depends upon the productive power of the labour employed, and not upon its extent or length. With one degree of the productive power of spinning labour, for example, a working day of twelve hours may produce twelve pounds of yarn, with a lesser degree of productive power only two pounds. If then twelve hours' average labour were realized in the value of six shillings in the one case, the twelve pounds of yarn would cost six shillings,



in the other case the two pounds of yarn would also cost six shillings. One pound of yarn would, therefore, cost sixpence in the one case, and three shillings in the other. The difference of price would result from the difference in the productive powers of labour employed. One hour of labour would be realized in one pound of yarn with the greater productive power, while with the smaller productive power, six hours of labour would be realized in one pound of yarn. The price of a pound of yarn would, in the one instance, be only sixpence, although wages were relatively high and the rate of profit low; it would be three shillings in the other instance, although wages were low and the rate of profit high. This would be so because the price of the pound of yarn is regulated by the total amount of labour worked up in it, and not by the proportional division of that total amount into paid and unpaid labour. The fact I have mentioned before that high-price labour may produce cheap, and low-priced labour may produce dear commodities, loses, therefore, its paradoxical appearance. It is only the expression of the general law that the value of a commodity is regulated by the quantity of labour worked up in it, and the the quantity of labour worked up in it depends altogether upon the productive powers of labour employed, and will therefore, vary with every variation in the productivity of labour.

### *XIII. Main Cases of Attempts at Raising Wages or Resisting their Fall*

Let us now seriously consider the main cases in which a rise of wages is attempted or a reduction of wages resisted.

1. We have seen that the value of the labouring power, or in more popular parlance, the value of labour, is determined by the value of necessaries, or the quantity of labour required to produce them.

If, then, in a given country the value of the daily average necessaries of the labourer represented six hours of labour expressed in three shillings, the labourer would have to work six hours daily to produce an equivalent for this daily maintenance. If the whole working day was twelve hours, the capitalist would pay him the value of his labour by paying him three shillings. Half the working day would be unpaid labour, and the rate of profit would amount to 100 percent. But now suppose that, consequent upon a decrease of productivity, more labour should be wanted to produce, say, the same amount of agricultural produce, so that the price of the average daily necessaries should rise from three to four shillings. In that case the value of labour would rise by one third, or 33 1/3 percent. Eight hours of the working day would be required to produce an equivalent for the daily maintenance of the labourer, according to his old standard of living. The surplus labour would therefore sink from six hours to four, and the rate of profit from 100 to 50 percent. But in insisting upon a rise of wages, the labourer would only insist upon getting the increased value of his labour, like every other seller of a commodity, who, the costs of his commodities having increased, tries to get its increased value paid. If wages did not rise, or not sufficiently rise, to compensate for the increased values of necessaries, the price of labour would sink below the value of labour, and the labourer's standard of life would deteriorate.

But a change might also take place in an opposite direction. By virtue of the increased



productivity of labour, the same amount of the average daily necessities might sink from three to two shillings, or only four hours out of the working day, instead of six, be wanted to reproduce an equivalent for the value of the daily necessities. The working man would now be able to buy with two shillings as many necessities as he did before with three shillings. Indeed, the value of labour would have sunk, but diminished value would command the same amount of commodities as before. Then profits would rise from three to four shillings, and the rate of profit from 100 to 200 percent. Although the labourer's absolute standard of life would have remained the same, his relative wages, and therewith his relative social position, as compared with that of the capitalist, would have been lowered. If the working man should resist that reduction of relative wages, he would only try to get some share in the increased productive powers of his own labour, and to maintain his former relative position in the social scale. Thus, after the abolition of the Corn Laws, and in flagrant violation of the most solemn pledges given during the anti-corn law agitation, the English factory lords generally reduced wages ten per cent. The resistance of the workmen was at first baffled, but, consequent upon circumstances I cannot now enter upon, the ten per cent lost were afterwards regained.

2. The values of necessities, and consequently the value of labour, might remain the same, but a change might occur in their money prices, consequent upon a previous change in the value of money. By the discovery of more fertile mines and so forth, two ounces of gold might, for example, cost no more labour to produce than one ounce did before. The value of gold would then be depreciated by one half, or fifty per cent. As the values of all other commodities would then be expressed in twice their former money prices, so also the same with the value of labour. Twelve hours of labour, formerly expressed in six shillings, would now be expressed in twelve shillings. If the working man's wages should remain three shillings, instead of rising to six shillings, the money price of his labour would only be equal to half the value of his labour, and his standard of life would fearfully deteriorate. This would also happen in a greater or lesser degree if his wages should rise, but not proportionately to the fall in the value of gold. In such a case nothing would have been changed, either in the productive powers of labour, or in supply and demand, or in values.

Nothing would have changed except the money names of those values. To say that in such a case the workman ought not to insist upon a proportionate rise of wages, is to say that he must be content to be paid with names, instead of with things. All past history proves that whenever such a depreciation of money occurs, the capitalists are on the alert to seize this opportunity for defrauding the workman. A very large school of political economists assert that, consequent upon the new discoveries of gold lands, the better working of silver mines, and the cheaper supply of quicksilver, the value of precious metals has again depreciated. This would explain the general and simultaneous attempts on the Continent at a rise of wages.

3. We have till now supposed that the working day has given limits. The working day, however, has, by itself, no constant limits. It is the constant tendency of capital to stretch it to its utmost physically possible length, because in the same degree surplus labour, and consequently the profit resulting therefrom, will be increased. The more capital succeeds in prolonging the working day, the greater the amount of other peoples' labour it will appropriate.

During the seventeenth and even the first two thirds of the eighteenth century a ten hours' working day was the normal working day all over England. During the anti-Jacobin war, which

was in fact a war waged by the British barons against the British working masses, capital celebrated its bacchanalia, and prolonged the working day from ten to twelve, fourteen, eighteen hours. Malthus, by no means a man whom you would suspect of a maudlin sentimentalism declared in a pamphlet, published about 1815, that if this sort of thing was to go on the life of the nation would be attacked at its very source. A few years before the general introduction of newly-invented machinery, about 1765, a pamphlet appeared in England under the title, *An Essay On Trade*. The anonymous author, an avowed enemy of the working classes, declaims on the necessity of expanding the limits of the working day. Amongst other means to this end, he proposes working houses, which, he says, ought to be "Houses of Terror." And what is the length of the working he prescribes for these "Houses of Terror"? Twelve hours, the very same time which in 1832 was declared by capitalists, political economists, and ministers to be not only the existing but the necessary time of labour for a child under twelve years.

By selling his labouring power, and he must do so under the present system, the working man makes over to the capitalist the consumption of that power, but within certain rational limits. He sells his labouring power in order to maintain it, apart from its natural wear and tear, but not to destroy it. In selling his labouring power at its daily or weekly value, it is understood that in one day or one week that labouring power shall not be submitted to two days' or two weeks' waste or wear and tear. Take a machine worth 1000 Pounds. If it is used up in ten years it will add to the value of the commodities in whose production it assists 100 Pounds yearly. If it is used up in five years it will add 200 Pounds yearly, or the value of its annual wear and tear is in inverse ratio to the quickness with which it is consumed. But this distinguishes the working man from the machine. Machinery does not wear out exactly in the same ratio in which it is used. Man, on the contrary, decays in a greater ratio than would be visible from the mere numerical addition of work.

In their attempts at reducing the working day to its former rational dimensions, or, where they cannot enforce a legal fixation of a normal working day, at checking overwork by a rise of wages, a rise not only in proportion to the surplus time exacted, but in a greater proportion, working men fulfill only a duty to themselves and their race. They only set limits to the tyrannical usurpations of capital. Time is the room of human development. A man who has no free time to dispose of, whose whole lifetime, apart from the mere physical interruptions by sleep, meals, and so forth, is absorbed by his labour for the capitalist, is less than a beast of burden. He is a mere machine for producing Foreign Wealth, broken in body and brutalized in mind. Yet the whole history of modern industry shows that capital, if not checked, will recklessly and ruthlessly work to cast down the whole working class to this utmost state of degradation.

In prolonging the working day the capitalist may pay higher wages and still lower the value of labor, if the rise of wages does not correspond to the greater amount of labour extracted, and the quicker decay of the labouring power thus caused. This may be done in another way. Your middle-class statisticians will tell you, for instance, that the average wages of factory families in Lancashire has risen. They forget that instead of the labour of the man, the head of the family, his wife and perhaps three or four children are now thrown under the Juggernaut wheels of capital, and that the rise of the aggregate wages does not correspond to the aggregate surplus labour extracted from the family.

Even with given limits of the working day, such as they now exist in all branches of industry

subjected to the factory laws, a rise of wages may become necessary, if only to keep up the old standard value of labour. By increasing the intensity of labour, a man may be made to expend as much vital force in one hour as he formerly did in two. This has, to a certain degree, been effected in the trades, placed under the Factory Acts, by the acceleration of machinery, and the greater number of working machines which a single individual has now to superintend. If the increase in the intensity of labour or the mass of labour spent in an hour keeps some fair proportion to the decrease in the extent of the working day, the working man will still be the winner. If this limit is overshot, he loses in one form what he has gained in another, and ten hours of labour may then become as ruinous as twelve hours were before. In checking this tendency of capital, by struggling for a rise of wages corresponding to the rising intensity of labour, the working man only resists the depreciation of his labour and the deterioration of his race.

4. All of you know that, from reasons I have not now to explain, capitalistic production moves through certain periodical cycles. It moves through a state of quiescence, growing animation, prosperity, overtrade, crisis, and stagnation. The market prices of commodities, and the market rates of profit, follow these phases, now sinking below their averages, now rising above them.

Considering the whole cycle, you will find that one deviation of the market price is being compensated by the other, and that, taking the average of the cycle, the market prices of commodities are regulated by their values. Well! During the phases of sinking market prices and the phases of crisis and stagnation, the working man, if not thrown out of employment altogether, is sure to have his wages lowered. Not to be defrauded, he must, even with such a fall of market prices, debate with the capitalist in what proportional degree a fall of wages has become necessary. If, during the phases of prosperity, when extra profits are made, he did not battle for a rise of wages, he would, taking the average of one industrial cycle, not even receive his average wages, or the value of his labour. It is the utmost height of folly to demand, that while his wages are necessarily affected by the adverse phases of the cycle, he should exclude himself from compensation during the prosperous phases of the cycle. Generally, the values of all commodities are only realized by the compensation of the continuously changing market prices, springing from the continuous fluctuations of demand and supply. On the basis of the present system labour is only a commodity like others. It must, therefore, pass through the same fluctuations to fetch an average price corresponding to its value.

It would be absurd to treat it on the one hand as a commodity, and to want on the other hand to exempt it from the laws which regulate the prices of commodities. The slave receives a permanent and fixed amount of maintenance; the wage-labourer does not. He must try to get a rise of wages in the one instance, if only to compensate for a fall of wages in the other. If he resigned himself to accept the will, the dictates of the capitalist as a permanent economical law, he would share in all the miseries of the slave, without the security of the slave.

5. In all the cases I have considered, and they form ninety-nine out of a hundred, you have seen that a struggle for a rise of wages follows only in the track of previous changes, and is the necessary offspring of previous changes in the amount of production, the productive powers of labour, the value of labour, the value of money, the extent or the intensity of labour extracted, the fluctuations of market prices, dependent upon the fluctuations of demand and supply, and consistent with the different phases of the industrial cycle; in one word, as reactions of labour

against the previous action of capital. By treating the struggle for a rise of wages independently of all these circumstances, by looking only upon the change of wages, and overlooking all other changes from which they emanate, you proceed from a false premise in order to arrive at false conclusions.

## *XIV. The Struggle Between Capital and Labour and its Results*

1. Having shown that the periodical resistance on the part of the working men against a reduction of wages, and their periodical attempts at getting a rise of wages, are inseparable from the wages system, and dictated by the very fact of labour being assimilated to commodities, and therefore subject to the laws, regulating the general movement of prices; having furthermore, shown that a general rise of wages would result in a fall in the general rate of profit, but not affect the average prices of commodities, or their values, the question now ultimately arises, how far, in this incessant struggle between capital and labour, the latter is likely to prove successful.

I might answer by a generalization, and say that, as with all other commodities, so with labour, its market price will, in the long run, adapt itself to its value; that, therefore, despite all the ups and downs, and do what he may, the working man will, on an average, only receive the value of his labour, which resolves into the value of his labouring power, which is determined by the value of the necessities required for its maintenance and reproduction, which value of necessities finally is regulated by the quantity of labour wanted to produce them.

But there are some peculiar features which distinguish the value of the labouring power, or the value of labour, from the values of all other commodities. The value of the labouring power is formed by two elements -- the one merely physical, the other historical or social. Its ultimate limit is determined by the physical element, that is to say, to maintain and reproduce itself, to perpetuate its physical existence, the working class must receive the necessities absolutely indispensable for living and multiplying. The value of those indispensable necessities forms, therefore, the ultimate limit of the value of labour. On the other hand, the length of the working day is also limited by ultimate, although very elastic boundaries. Its ultimate limit is given by the physical force of the labouring man. If the daily exhaustion of his vital forces exceeds a certain degree, it cannot be exerted anew, day by day.

However, as I said, this limit is very elastic. A quick succession of unhealthy and short-lived generations will keep the labour market as well supplied as a series of vigorous and long-lived generations. Besides this mere physical element, the value of labour is in every country determined by a traditional standard of life. It is not mere physical life, but it is the satisfaction of certain wants springing from the social conditions in which people are placed and reared up. The English standard of life may be reduced to the Irish standard; the standard of life of a German peasant to that of a Livonian peasant. The important part which historical tradition and social habitude play in this respect, you may learn from Mr. Thornton's work on over-population, where he shows that the average wages in different agricultural districts of England still nowadays differ more or less according to the more or less favourable circumstances under which the districts have emerged from the state of serfdom.

This historical or social element, entering into the value of labour, may be expanded, or contracted, or altogether extinguished, so that nothing remains but the physical limit. During the time of the anti-Jacobin war, undertaken, as the incorrigible tax-eater and sinecurist, old George Rose, used to say, to save the comforts of our holy religion from the inroads of the French infidels, the honest English farmers, so tenderly handled in a former chapter of ours, depressed the wages of the agricultural labourers even beneath that mere physical minimum, but made up by Poor Laws the remainder necessary for the physical perpetuation of the race. This was a glorious way to convert the wages labourer into a slave, and Shakespeare's proud yeoman into a pauper.

By comparing the standard wages or values of labour in different countries, and by comparing them in different historical epochs of the same country, you will find that the value of labour itself is not a fixed but a variable magnitude, even supposing the values of all other commodities to remain constant.

A similar comparison would prove that not only the market rates of profit change, but its average rates.

But as to profits, there exists no law which determines their minimum. We cannot say what is the ultimate limit of their decrease. And why cannot we fix that limit? Because, although we can fix the minimum of wages, we cannot fix their maximum.

We can only say that, the limits of the working day being given, the maximum of profit corresponds to the physical minimum of wages; and that wages being given, the maximum of profit corresponds to such a prolongation of the working day as is compatible with the physical forces of the labourer. The maximum of profit is therefore limited by the physical minimum of wages and the physical maximum of the working day. It is evident that between the two limits of the maximum rate of profit an immense scale of variations is possible. The fixation of its actual degree is only settled by the continuous struggle between capital and labour, the capitalist constantly tending to reduce wages to their physical minimum, and to extend the working day to its physical maximum, while the working man constantly presses in the opposite direction.

The matter resolves itself into a question of the respective powers of the combatants.

2. As to the limitation of the working day in England, as in all other countries, it has never been settled except by legislative interference. Without the working men's continuous pressure from without that interference would never have taken place. But at all events, the result was not to be attained by private settlement between the working men and the capitalists. This very necessity of general political action affords the proof that in its merely economical action capital is the stronger side.

As to the limits of the value of labour, its actual settlement always depends upon supply and demand, I mean the demand for labour on the part of capital, and the supply of labour by the working men. In colonial countries the law of supply and demand favours the working man. Hence the relatively high standard of wages in the United States. Capital may there try its utmost. It cannot prevent the labour market from being continuously emptied by the continuous conversion of wages labourers into independent, self-sustaining peasants. The position of a wages labourer is for a very large part of the American people but a probational



state, which they are sure to leave within a longer or shorter term. To mend this colonial state of things the paternal British Government accepted for some time what is called the modern colonization theory, which consists in putting an artificial high price upon colonial land, in order to prevent the too quick conversion of the wages labourer into the independent peasant.

But let us now come to old civilized countries, in which capital domineers over the whole process of production. Take, for example, the rise in England of agricultural wages from 1849 to 1859. What was its consequence? The farmers could not, as our friend Weston would have advised them, raise the value of wheat, nor even its market prices. They had, on the contrary, to submit to their fall. But during these eleven years they introduced machinery of all sorts, adopted more scientific methods, converted part of arable land into pasture, increased the size of farms, and with this the scale of production, and by these and other processes diminishing the demand for labour by increasing its productive power, made the agricultural population again relatively redundant. This is the general method in which a reaction, quicker or slower, of capital against a rise of wages takes place in old, settled countries. Ricardo has justly remarked that machinery is in constant competition with labour, and can often be only introduced when the price of labour has reached a certain height, but the appliance of machinery is but one of the many methods for increasing the productive powers of labour. The very same development which makes common labour relatively redundant simplifies, on the other hand, skilled labour, and thus depreciates it.

The same law obtains in another form. With the development of the productive powers of labour the accumulation of capital will be accelerated, even despite a relatively high rate of wages. Hence, one might infer, as Adam Smith, in whose days modern industry was still in its infancy, did infer, that the accelerated accumulation of capital must turn the balance in favour of the working man, by securing a growing demand for his labour. From this same standpoint many contemporary writers have wondered that English capital having grown in that last twenty years so much quicker than English population, wages should not have been more enhanced. But simultaneously with the progress of accumulation there takes place a progressive change in the composition of capital. That part of the aggregate capital which consists of fixed capital, machinery, raw materials, means of production in all possible forms, progressively increases as compared with the other part of capital, which is laid out in wages or in the purchase of labour. This law has been stated in a more or less accurate manner by Mr. Barton, Ricardo, Sismondi, Professor Richard Jones, Professor Ramsey, Cherbuilliez, and others.

If the proportion of these two elements of capital was originally one to one, it will, in the progress of industry, become five to one, and so forth. If of a total capital of 600, 300 is laid out in instruments, raw materials, and so forth, and 300 in wages, the total capital wants only to be doubled to create a demand for 600 working men instead of for 300. But if of a capital of 600, 500 is laid out in machinery, materials, and so forth and 100 only in wages, the same capital must increase from 600 to 3,600 in order to create a demand for 600 workmen instead of 300. In the progress of industry the demand for labour keeps, therefore, no pace with the accumulation of capital. It will still increase, but increase in a constantly diminishing ratio as compared with the increase of capital.

These few hints will suffice to show that the very development of modern industry must progressively turn the scale in favour of the capitalist against the working man, and that

consequently the general tendency of capitalistic production is not to raise, but to sink the average standard of wages, or to push the value of labour more or less to its minimum limit. Such being the tendency of things in this system, is this saying that the working class ought to renounce their resistance against the encroachments of capital, and abandon their attempts at making the best of the occasional chances for their temporary improvement? If they did, they would be degraded to one level mass of broken wretches past salvation. I think I have shown that their struggles for the standard of wages are incidents inseparable from the whole wages system, that in 99 cases out of 100 their efforts at raising wages are only efforts at maintaining the given value of labour, and that the necessity of debating their price with the capitalist is inherent to their condition of having to sell themselves as commodities. By cowardly giving way in their everyday conflict with capital, they would certainly disqualify themselves for the initiating of any larger movement.

At the same time, and quite apart from the general servitude involved in the wages system, the working class ought not to exaggerate to themselves the ultimate working of these everyday struggles. They ought not to forget that they are fighting with effects, but not with the causes of those effects; that they are retarding the downward movement, but not changing its direction; that they are applying palliatives, not curing the malady. They ought, therefore, not to be exclusively absorbed in these unavoidable guerilla fights incessantly springing up from the never ceasing encroachments of capital or changes of the market. They ought to understand that, with all the miseries it imposes upon them, the present system simultaneously engenders the material conditions and the social forms necessary for an economical reconstruction of society. Instead of the conservative motto: "A fair day's wage for a fair day's work!" they ought to inscribe on their banner the revolutionary watchword: "Abolition of the wages system!"

After this very long and, I fear, tedious exposition, which I was obliged to enter into to do some justice to the subject matter, I shall conclude by proposing the following resolutions:

*Firstly.* A general rise in the rate of wages would result in a fall of the general rate of profit, but, broadly speaking, not affect the prices of commodities.

*Secondly.* The general tendency of capitalist production is not to raise, but to sink the average standard of wages.

*Thirdly.* Trades Unions work well as centers of resistance against the encroachments of capital. They fail partially from an injudicious use of their power. They fail generally from limiting themselves to a guerilla war against the effects of the existing system, instead of simultaneously trying to change it, instead of using their organized forces as a lever for the final emancipation of the working class that is to say the ultimate abolition of the wages system.



# The Contradictory Unity of Production and Realisation

*Seventeen Contradictions and the End of Capitalism ch. 7*

David Harvey

As capital flows, it passes through two major checkpoints where its performance in achieving that quantitative increase which lies at the root of profit is registered. In the labour process or its equivalent, value is added through work. But this value added remains latent rather than actual until it is realised through a sale in the market. The continuous circulation of capital depends upon the successful passage (with success measured as the rate of profit) through the two moments of, first, production in the labour process and, second, realisation in the market. The unity that necessarily prevails between these two moments within the circulation process of capital is, however, a contradictory unity. So what is the main form this contradiction takes?

In the first volume of his epic analysis of capital, Marx assumes away all problems of realisation in the market in order to study how the surplus value that underpins profit is produced. Other things being equal (which, of course, we know they never are), we would expect capital to have a strong incentive to pay workers as little as possible, to work them for as many hours and as intensely as possible, to get them to bear as much of the costs of their own reproduction (through household activities and work) as possible and to keep them as docile and disciplined (by coercion if necessary) in the labour process as possible. To this end, it is mighty convenient (if not essential) for capital to have to hand a vast reservoir of trained but unused labour power – what Marx called an ‘industrial reserve army’ – in order to keep the aspirations of those employed in check. If such a labour surplus did not exist, then capital would need to create one (hence the significance of the twin forces of technologically induced unemployment and opening up access to new labour supplies, such as those in China, over the last thirty years). It would also be important for capital to prevent if possible all or any forms of collective organisation on the part of the workers and to hold in check by whatever means possible any drive by them to exercise political influence over the state apparatus.

The ultimate outcome of such practices on the part of capital, Marx theorised in Volume 1 of Capital, would be the production of increasing wealth for capital at one pole and increasing impoverishment, degradation and loss of dignity and power on the part of the working classes who actually produced the wealth at the other pole.

In the second volume of Capital – a volume that is little read even by accomplished leftist scholars – Marx studies the conditions of realisation, while assuming that there are no problems arising in production. A number of uncomfortable though tentative (the volume was never finished) theoretical conclusions are arrived at. If capital does all those things that it must do according to the Volume 1 analysis to ensure the production and appropriation of surplus value, then the aggregate demand exercised by the labour force in the marketplace will tend to be restricted, if not systematically diminished. In addition, if the costs of the social

reproduction of the labourers are being forced back into the household, then the labourers will not be buying goods and services in the market. The irony is that the more the labourers take on the cost of reproducing themselves, the less they will have an incentive to go to work for capital. A large unemployed reserve army is, furthermore, not a source of burgeoning aggregate demand (unless propped up by generous state income subsidies), any more than falling wages (including a fall-off in state contributions to the social wage) constitute the basis for an expanding market.

Herein lies a serious contradiction:

The workers are important for the market as buyers of commodities. But as sellers of their commodity – labour power – capitalist society has the tendency to restrict them to their minimum price. Further contradiction: the periods in which capitalist production exerts all its forces regularly show themselves in periods of overproduction; because the limit to the application of the productive powers is not simply the production of value, but also its realization. However, the sale of commodities, the realization of commodity capital, and thus of surplus value as well, is restricted not by the consumer needs of society in general, but by the consumer needs of a society in which the great majority are always poor and must always remain poor.

Lack of aggregate effective demand in the market (as opposed to the social demand for needed use values on the part of a penurious population) creates a serious barrier to the continuity of capital accumulation. It leads to falling profits. Working-class consumer power is a significant component of that effective demand.

Capitalism as a social formation is perpetually caught in this contradiction. It can either maximise the conditions for the production of surplus value, and so threaten the capacity to realise surplus value in the market, or keep effective demand strong in the market by empowering workers and threaten the ability to create surplus value in production. In other words, if the economy does well according to the Volume 1 prescriptions it is likely to be in trouble from the standpoint of Volume 2, and vice versa. Capital in the advanced capitalist countries tended towards a demand-management stance consistent with the Volume 2 prescriptions (emphasising the conditions for realisation of value) between 1945 and the mid-1970s but in the process increasingly ran into problems (particularly those of a well-organised and politically powerful working-class movement) in the production of surplus value. After the mid-1970s it therefore shifted (after a fierce battle with labour) towards a supply-side stance more consistent with Volume 1. This emphasised cultivating the conditions for surplus value production (through reducing real wages, crushing working-class organisation and generally disempowering workers). The neoliberal counter-revolution, as we now call it, from the mid-1970s onwards resolved the pre-eminent problems of surplus value production but it did so at the expense of creating problems of realisation in the marketplace.

This general story is, of course, a gross oversimplification, but it provides a neat illustration of how the contradictory unity of production and realisation has been manifest historically. It is clear in this instance also that the processes of crisis formation and resolution are bound together by the way crises get moved around from production to realisation and back again. There have, interestingly, been parallel shifts in economic policy and theory. For example, Keynesian demand management (broadly consistent with Marx's Volume 2 analysis) dominated economic thinking in the 1960s, whereas monetarist supply-side theories (broadly consistent with Volume 1 analysis) came to dominate after 1980 or so. I think it important to situate these histories of both ideas and public policies in terms of the underlying contradictory unity of production and realisation as represented by the first two volumes of Capital.

The contradiction between production and realisation can, however, be mitigated in a number of ways. To begin with, demand can be increased in the face of falling wages by the expansion of aggregate numbers in the labour force (as happened when China began to mobilise its latent labour surplus after 1980 or so), by the

expansion of conspicuous consumption on the part of the bourgeoisie or by the existence and expansion of strata in the population who are not engaged in production but who have considerable purchasing power (state officials, the military, lawyers, doctors, educators and the like). There is an even more significant way that the contradiction might be countered: by resort to credit. There is nothing in principle that prevents credit being supplied to sustain in equal measure both production and realisation of values and surplus values. The clearest example of this is when financiers lend to developers to build speculative tract housing while lending mortgage finance to consumers to purchase that housing. The problem, of course, is that this practice can all too easily produce speculative bubbles of the sort that led into the crash of 2007–9 primarily in the housing markets of the United States but also in Spain and Ireland. The long history of booms, bubbles and crashes in construction testifies to the importance of phenomena of this sort in capital's history.

But the interventions of the credit system have plainly also been constructive in certain ways and played a positive role in sustaining capital accumulation through difficult times. As a result, the contradiction between production and realisation is displaced back into the contradiction between the money and the value forms. The contradiction between production and realisation is internalised within the credit system, which on the one hand engages in insane speculative activity (of the sort that animated the housing bubble) while on the other hand salving many of the difficulties of maintaining a steady and continuous flow of capital across the contradictory unity of production and realisation. Restrictions on the credit system exacerbate the latent contradiction between production and realisation, while unchaining and deregulating the credit system unleashes unchecked speculative activity particularly with respect to asset values. The underlying problem is never abolished all the time that the contradictions between use and exchange value and between money and the social labour money represents remain in place. It is out of the interconnections between these different contradictions that financial and commercial crises frequently arise.

There are a number of secondary contradictions that attach to the production–realisation relationship. While it is unquestionable that the value added arises in the act of production and that the amount of value added depends crucially on the exploitation of living labour in the labour process, the continuity of flow makes it possible for the value and surplus value to be realised at a number of different points within the circulation process. The capitalist producer who organises the production of value and surplus value does not necessarily realise that value. If we introduce the figures of the merchant capitalist, the bankers and the financiers, the landlords and property owners, and the taxman, then there are several different locations where the value and the surplus value can be realised. And the realisation can take two basic forms. By exerting immense pressure on the capitalist producers, the merchant capitalists and the financiers, for example, can reduce the return to the direct producers to the smallest of margins while racking up major profits for themselves. This is how Walmart and Apple operate in China, for example. In this case not only does realisation occur in a different sector, it also occurs across the ocean in another country (creating a geographical transfer of wealth of considerable significance).

The other path to bridge the production–realisation contradiction is to recoup from the labourers any share of the surplus that they have acquired for themselves by charging extortionate prices or imposing fees, rents or taxes upon the working classes so as to diminish their discretionary income and standard of living significantly. This practice can also occur through manipulation of the social wage such that gains made in pension rights, in educational and health care provision and in basic services can be rolled back as part of a political programme of accumulation by dispossession. This is what the current widespread appeal to a politics of austerity on the part of the state is designed to achieve. Capital may lose or concede to workers' demands at the point of production but regain what has been conceded or lost (and then some) by excessive extractions in the living space. High rents and housing costs, excessive charges by credit card companies,



banks and telephone companies, the privatisation of health care and education, the imposition of user fees and fines, all inflict financial burdens on vulnerable populations even when these costs are not inflated by a host of predatory practices, arbitrary and regressive taxes, excessive legal fees and the like.

These activities are, moreover, active and not passive. The actual or attempted expulsion of low-income and vulnerable populations from high-value land and locations through gentrification, displacement and sometimes violent clearances has been a long-standing practice within the history of capitalism. It unites those residents of Rio de Janeiro's favelas subject to evictions, the former occupants of self-built housing in Seoul, those moved through eminent domain procedures in the United States and the shack-dwellers in South Africa. Production here means the production of space, and realisation takes the form of capital gains on land rents and property values, thus generally empowering the developers and the rentiers as opposed to other factions of capital.

The contradictory unity between production and realisation therefore applies as much to the fate of the workers as it does to capital. The logical conclusion, which by and large the left has tended to sideline if not ignore, is that there is necessarily a contradictory unity in class conflict and class struggle across the spheres of working and living.

The political ambition that derives from this contradiction is to reverse the relation between production and realisation. Realisation should be replaced by the discovery and statement of the use values needed by the population at large and production should then be orchestrated to meet these social needs. Such a reversal might be difficult to accomplish overnight, but the gradual decommodification of basic needs provision is a feasible long-term project, which fits neatly with the idea that use values and not the perpetual search for augmenting exchange values should become the basic driver of economic activity. If this seems a very tall order, it is useful to remember that the social democratic states in Europe (particularly those of Scandinavia) reoriented their economies to demand-side management from the 1960s onwards as a way to stabilise capitalism. In so doing, they partially accomplished – albeit in a somewhat halfhearted way – that reversal of the production–realisation relation that the passage to an anti-capitalist economy would demand.

# CLASS \$TRUGGLE POLITICAL \$TRUGGLE

The first two Classes outlined and analyzed the nature and mechanisms of exploitation under capitalism. Now, we necessarily ask: How do we free ourselves from this exploitation in an era of global capitalist hegemony? How does working class power manifest in a system where liberation requires nothing short of revolution? And how is that power wielded?

The fight against the ruling class begins with the realization of class consciousness - achieved through both economic and political struggle - and the fight for true democracy and liberation is inextricably tied to the fight for dignity and control of the workplace. If the emancipation of the oppressed under capitalism can only be achieved through their own struggle, then the third Class explores the different tools at our disposal to combat this oppression: the union, the strike, and the political party - their strengths, their shortcomings, and their fallacies - in building class consciousness, directly confronting capital, and spreading the revolutionary spirit.



# *MODULE THREE*

How does our society create the conditions of class struggle or socialist politics? What sustains the socialist horizon?

What are the major forms that class politics can take? What are the possibilities and limitations of each form, and how are they related?

How do individuals within our society come to recognize themselves as part of a class and become politically involved? With the decline of traditional forms of class politics, are there any liabilities from past defeats that a new socialist movement must address?

# Selections From 'The Mass Strike'

Rosa Luxemburg

## *IV. The Interaction of the Political and the Economic Struggle*

We have attempted in the foregoing to sketch the history of the mass strike in Russia in a few strokes. Even a fleeting glance at this history shows us a picture which in no way resembles that usually formed by discussions in Germany on the mass strike. Instead of the rigid and hollow scheme of an arid political action carried out by the decision of the highest committees and furnished with a plan and panorama, we see a bit of pulsating life of flesh and blood, which cannot be cut out of the large frame of the revolution but is connected with all parts of the revolution by a thousand veins.

The mass strike, as the Russian Revolution shows it to us, is such a changeable phenomenon that it reflects all the phases of the political and economic struggle, all stages and factors of the revolution. Its adaptability, its efficiency, the factors of its origin are constantly changing. It suddenly opens new and wide perspectives of the revolution when it appears to have already arrived in a narrow pass and where it is impossible for anyone to reckon upon it with any degree of certainty. It flows now like a broad billow over the whole kingdom, and now divides into a gigantic network of narrow streams; now it bubbles forth from under the ground like a fresh spring and now is completely lost under the earth. Political and economic strikes, mass strikes and partial strikes, demonstrative strikes and fighting strikes, general strikes of individual branches of industry and general strikes in individual towns, peaceful wage struggles and street massacres, barricade fighting – all these run through one another, run side by side, cross one another, flow in and over one another – it is a ceaselessly moving, changing sea of phenomena. And the law of motion of these phenomena is clear: it does not lie in the mass strike itself nor in its technical details, but in the political and social proportions of the forces of the revolution.

The mass strike is merely the form of the revolutionary struggle and every disarrangement of the relations of the contending powers, in party development and in class division, in the position of counter-revolution – all this immediately influences the action of the strike in a thousand invisible and scarcely controllable ways. But strike action itself does not cease for a single moment. It merely alters its forms, its dimensions, its effect. It is the living pulse-beat of the revolution and at the same time its most powerful driving wheel. In a word, the mass strike, as shown to us in the Russian Revolution, is not a crafty method discovered by subtle reasoning for the purpose of making the proletarian struggle more effective, but the method of motion of the proletarian mass, the phenomenal form of the proletarian struggle in the revolution.

Some general aspects may now be examined which may assist us in forming a correct estimate of the problem of the mass strike:

1. It is absurd to think of the mass strike as one act, one isolated action. The mass strike is rather the indication, the rallying idea, of a whole period of the class struggle lasting for years,

perhaps for decades. Of the innumerable and highly varied mass strikes which have taken place in Russia during the last four years, the scheme of the mass strike was a purely political movement, begun and ended after a cut and dried plan, a short single act of one variety only and, at that, a subordinate variety – pure demonstration strike. In the whole course of the five-year period we see in Russia only a few demonstration strikes, which be it noted, were generally confined to single towns. Thus the annual May Day general strike in Warsaw and Lodz in Russia proper on the first of May has not yet been celebrated to any appreciable extent by abstention from work; the mass strike in Warsaw on September 11, 1905, as a memorial service in honour of the executed Martin Kasprzak; that of November 1905 in Petersburg as protest demonstrations against the declaration of the state of siege in Poland and Livonia; that of January 22, 1906 in Warsaw, Lodz, Czentochon and in Dombrowa coal basin, as well as, in part, those in a few Russian towns as anniversary celebrations of the Petersburg bloodbath; in addition, in July 1906 a general strike in Tiflis as demonstration of sympathy with soldiers sentenced by court-martial on account of the military revolt; and finally from the same cause, in September 1906, during the deliberations of the court-martial in Reval. All the above great and partial mass strikes and general strikes were not demonstration strikes but fighting strikes, and as such they originated, for the most part, spontaneously, in every case from specific local accidental causes, without plan or design, and grew with elemental power into great movements, and then they did not begin an “orderly retreat,” but turned now into economic struggles, now into street fighting, and now collapsed of themselves.

In this general picture the purely political demonstration strike plays quite a subordinate role – isolated small points in the midst of a mighty expanse. Thereby, temporarily considered, the following characteristic discloses itself: the demonstration strikes which, in contradistinction to the fighting strikes, exhibit the greatest mass of party discipline, conscious direction and political thought, and therefore must appear as the highest and most mature form of the mass strike, play in reality the greatest part in the beginnings of the movement. Thus, for example, the absolute cessation of work on May 1, 1905, in Warsaw, as the first instance of a decision of the social democrats carried throughout in such an astonishing fashion, was an experience of great importance for the proletarian movement in Poland. In the same way the sympathetic strike of the same year in Petersburg made a great impression as the first experiment of conscious systematic mass action in Russia. Similarly the “trial mass strike” of the Hamburg comrades on January 17, 1906, will play a prominent part in the history of the future German mass strike as the first vigorous attempt with the much disputed weapon, and also a very successful and convincingly striking test of the fighting temper and the lust for battle of the Hamburg working class. And just as surely will the period of the mass strike in Germany, when it has once begun in real earnest, lead of itself to a real, general cessation of work on May first. The May Day festival may naturally be raised to a position of honour as the first great demonstration under the aegis of the mass struggle. In this sense the “lame horse,” as the May Day festival was termed at the trade-union congress at Cologne, has still a great future before it and an important part to play, in the proletarian class struggle in Germany.

But with the development of the earnest revolutionary struggle the importance of such demonstrations diminishes rapidly. It is precisely those factors which objectively facilitate the realisation of the demonstration strike after a preconceived plan and at the party’s word of command – namely, the growth of political consciousness and the training of the



proletariat – make this kind of mass strike impossible; today the proletariat in Russia, the most capable vanguard of the masses, does not want to know about mass strikes; the workers are no longer in a mood for jesting and will now think only of a serious struggle with all its consequences. And when, in the first great mass strike in January 1905, the demonstrative element, not indeed in an intentional, but more in an instinctive, spontaneous form, still played a great part, on the other hand, the attempt of the Central Committee of the Russian social democrats to call a mass strike in August as a demonstration for the dissolved Duma was shattered by, among other things, the positive disinclination of the educated proletariat to engage in weak half-actions and mere demonstrations.

2. When, however, we have in view the less important strike of the demonstrative kind, instead of the fighting strike as it represents in Russia today the actual vehicle of proletarian action, we see still more clearly that it is impossible to separate the economic factors from one another. Here also the reality deviates from the theoretical scheme, and the pedantic representation in which the pure political mass strike is logically derived from the trade-union general strike as the ripest and highest stage, but at the same time is kept distinct from it, is shown to be absolutely false. This is expressed not merely in the fact that the mass strike from that first great wage struggle of the Petersburg textile workers in 1896–97 to the last great mass strike in December 1905, passed imperceptibly from the economic field to the political, so that it is almost impossible to draw a dividing line between them.

Again, every one of the great mass strikes repeats, so to speak, on a small scale, the entire history of the Russian mass strike, and begins with a pure economic, or at all events, a partial trade-union conflict, and runs through all the stages to the political demonstration. The great thunderstorm of mass strikes in South Russia in 1902 and 1903 originated, as we have seen, in Baku from a conflict arising from the disciplinary punishment of the unemployed, in Rostov from disputes about wages in the railway workshops, in Tiflis from a struggle of the commercial employees for reduction of working hours, in Odessa from a wage dispute in a single small factory. The January mass strike of 1905 developed from an internal conflict in the Putilov works, the October strike from the struggle of the railway workers for a pension fund, and finally the December strike from the struggle of the postal and telegraph employees for the right of combination. The progress of the movement on the whole is not expressed in the circumstances that the economic initial stage is omitted, but much more in the rapidity with which all the stages to the political demonstration are run through and in the extremity of the point to which the strike moves forward.

But the movement on the whole does not proceed from the economic to the political struggle, nor even the reverse. Every great political mass action, after it has attained its political highest point, breaks up into a mass of economic strikes. And that applies not only to each of the great mass strikes, but also to the revolution as a whole. With the spreading, clarifying and involution of the political struggle, the economic struggle not only does not recede, but extends, organises and becomes involved in equal measure. Between the two there is the most complete reciprocal action.

Every new onset and every fresh victory of the political struggle is transformed into a powerful impetus for the economic struggle, extending at the same time its external possibilities and intensifying the inner urge of the workers to better their position and their

desire to struggle. After every foaming wave of political action a fructifying deposit remains behind from which a thousand stalks of economic struggle shoot forth. And conversely. The workers' condition of ceaseless economic struggle with the capitalists keeps their fighting energy alive in every political interval; it forms, so to speak, the permanent fresh reservoir of the strength of the proletarian classes, from which the political fight ever renews its strength, and at the same time leads the indefatigable economic sappers of the proletariat at all times, now here and now there, to isolated sharp conflicts, out of which public conflicts on a large scale unexpectedly explode.

In a word: the economic struggle is the transmitter from one political centre to another; the political struggle is the periodic fertilisation of the soil for the economic struggle. Cause and effect here continually change places; and thus the economic and the political factor in the period of the mass strike, now widely removed, completely separated or even mutually exclusive, as the theoretical plan would have them, merely form the two interlacing sides of the proletarian class struggle in Russia. And their unity is precisely the mass strike. If the sophisticated theory proposes to make a clever logical dissection of the mass strike for the purpose of getting at the "purely political mass strike," it will by this dissection, as with any other, not perceive the phenomenon in its living essence, but will kill it altogether.

3. Finally, the events in Russia show us that the mass strike is inseparable from the revolution. The history of the Russian mass strike is the history of the Russian Revolution. When, to be sure, the representatives of our German opportunism hear of "revolution," they immediately think of bloodshed, street fighting or powder and shot, and the logical conclusion thereof is: the mass strike leads inevitably to the revolution, therefore we dare not have it. In actual fact we see in Russia that almost every mass strike in the long run leads to an encounter with the armed guardians of czarist order, and therein the so-called political strikes exactly resemble the larger economic struggle. The revolution, however, is something other and something more than bloodshed. In contradiction to the police interpretation, which views the revolution exclusively from the standpoint of street disturbances and rioting, that is, from the standpoint of "disorder," the interpretation of scientific socialism sees in the revolution above all a thorough-going internal reversal of social class relations. And from this standpoint an altogether different connection exists between revolution and mass strike in Russia from that contained in the commonplace conception that the mass strike generally ends in bloodshed.

We have seen above the inner mechanism of the Russian mass strike which depends upon the ceaseless reciprocal action of the political and economic struggles. But this reciprocal action is conditioned during the revolutionary period. Only in the sultry air of the period of revolution can any partial little conflict between labour and capital grow into a general explosion. In Germany the most violent, most brutal collisions between the workers and employers take place every year and every day without the struggle overleaping the bounds of the individual departments or individual towns concerned, or even those of the individual factories. Punishment of organised workers in Petersburg and unemployment as in Baku, wage struggles as in Odessa, struggles for the right of combination as in Moscow are the order of the day in Germany. No single one of these cases however changes suddenly into a common class action. And when they grow into isolated mass strikes, which have without question a political colouring, they do not bring about a general storm. The general strike of Dutch railwaymen, which died away in spite of the warmest sympathy, in the midst of the complete impassivity

of the proletariat of the country, affords a striking proof of this.

And conversely, only in the period of revolution, when the social foundations and the walls of the class society are shaken and subjected to a constant process of disarrangement, any political class action of the proletariat can arouse from their passive condition in a few hours whole sections of the working class who have hitherto remained unaffected, and this is immediately and naturally expressed in a stormy economic struggle. The worker, suddenly aroused to activity by the electric shock of political action, immediately seizes the weapon lying nearest his hand for the fight against his condition of economic slavery: the stormy gesture of the political struggle causes him to feel with unexpected intensity the weight and the pressure of his economic chains. And while, for example, the most violent political struggle in Germany – the electoral struggle or the parliamentary struggle on the customs tariff – exercised a scarcely perceptible direct influence upon the course and the intensity of the wage struggles being conducted at the same time in Germany, every political action of the proletariat in Russia immediately expresses itself in the extension of the area and the deepening of the intensity of the economic struggle.

The revolution thus first creates the social conditions in which this sudden change of the economic struggle into the political and of the political struggle into the economic is possible, a change which finds its expression in the mass strike. And if the vulgar scheme sees the connection between mass strike and revolution only in bloody street encounters with which the mass strikes conclude, a somewhat deeper look into the Russian events shows an exactly opposite connection: in reality the mass strike does not produce the revolution but the revolution produces the mass strike.

4. It is sufficient in order to comprehend the foregoing to obtain an explanation of the question of the conscious direction and initiative in the mass strike. If the mass strike is not an isolated act but a whole period of the class struggle, and if this period is identical with a period of revolution, it is clear that the mass strike cannot be called at will, even when the decision to do so may come from the highest committee of the strongest social democratic party. As long as the social democracy has not the power to stage and countermand revolutions according to its fancy, even the greatest enthusiasm and impatience of the social democratic troops will not suffice to call into being a real period of mass strike as a living, powerful movement of the people. On the basis of a decision of the party leadership and of party discipline, a single short demonstration may well be arranged similar to the Swedish mass strike, or to the latest Austrian strike, or even to the Hamburg mass strike of January 17. These demonstrations, however, differ from an actual period of revolutionary mass strikes in exactly the same way that the well-known demonstrations in foreign ports during a period of strained diplomatic relations differ from a naval war. A mass strike born of pure discipline and enthusiasm will, at best, merely play the role of an episode, of a symptom of the fighting mood of the working class upon which, however, the conditions of a peaceful period are reflected.

Of course, even during the revolution, mass strikes do not exactly fall from heaven. They must be brought about in some way or another by the workers. The resolution and determination of the workers also play a part and indeed the initiative and the wider direction naturally fall to the share of the organised and most enlightened kernel of the proletariat. But the scope of this initiative and this direction, for the most part, is confined to application to individual acts,

to individual strikes, when the revolutionary period is already begun, and indeed, in most cases, is confined within the boundaries of a single town. Thus, for example, as we have seen, the social democrats have already, on several occasions, successfully issued a direct summons for a mass strike in Baku, in Warsaw, in Lodz, and in Petersburg. But this succeeds much less frequently when applied to general movements of the whole proletariat.

Further, there are quite definite limits set to initiative and conscious direction. During the revolution it is extremely difficult for any directing organ of the proletarian movement to foresee and to calculate which occasions and factors can lead to explosions and which cannot. Here also initiative and direction do not consist in issuing commands according to one's inclinations, but in the most adroit adaptability to the given situation, and the closest possible contact with the mood of the masses. The element of spontaneity, as we have seen, plays a great part in all Russian mass strikes without exception, be it as a driving force or as a restraining influence. This does not occur in Russia, however, because social democracy is still young or weak, but because in every individual act of the struggle so very many important economic, political and social, general and local, material and psychical, factors react upon one another in such a way that no single act can be arranged and resolved as if it were a mathematical problem. The revolution, even when the proletariat, with the social democrats at their head, appear in the leading role, is not a manoeuvre of the proletariat in the open field, but a fight in the midst of the incessant crashing, displacing and crumbling of the social foundation. In short, in the mass strikes in Russia the element of spontaneity plays such a predominant part, not because the Russian proletariat are "uneducated," but because revolutions do not allow anyone to play the schoolmaster with them.

On the other hand, we see in Russia that the same revolution which rendered the social democrats' command of the mass strike so difficult, and which struck the conductor's baton from, or pressed into, their hand at all times in such a comical fashion – we see that it resolved of itself all those difficulties of the mass strike which, in the theoretical scheme of German discussion are regarded as the chief concern of the "directing body": the question of "provisioning," "discovery of cost," and "sacrifice." It goes without saying that it does not resolve them in the way that they would be resolved in a quiet confidential discussion between the higher directing committees of the labour movement, the members sitting pencil in hand. The "regulation" of all these questions consists in the circumstance that the revolution brings such an enormous mass of people upon the stage that any computation or regulation of the cost of the movement such as can be effected in a civil process, appears to be an altogether hopeless undertaking.

The leading organisations in Russia certainly attempt to support the direct victims to the best of their ability. Thus, for example, the brave victims of the gigantic lockout in St. Petersburg, which followed upon the eight-hour day campaign, were supported for weeks. But all these measures are, in the enormous balance of the revolution, but as a drop in the ocean. At the moment that a real, earnest period of mass strikes begins, all these "calculations" of "cost" become merely projects for exhausting the ocean with a tumbler. And it is a veritable ocean of frightful privations and sufferings which is brought by every revolution to the proletarian masses. And the solution which a revolutionary period makes of this apparently invincible difficulty consists in the circumstances that such an immense volume of mass idealism is simultaneously released that the masses are insensible to the bitterest sufferings. With the

psychology of a trade unionist who will not stay off his work on May Day unless he is assured in advance of a definite amount of support in the event of his being victimised, neither revolution nor mass strike can be made. But in the storm of the revolutionary period even the proletarian is transformed from a provident pater familias demanding support, into a “revolutionary romanticist,” for whom even the highest good, life itself, to say nothing of material well-being, possesses but little in comparison with the ideals of the struggle.

If, however, the direction of the mass strike in the sense of command over its origin, and in the sense of the calculating and reckoning of the cost, is a matter of the revolutionary period itself, the directing of the mass strike becomes, in an altogether different sense, the duty of social democracy and its leading organs. Instead of puzzling their heads with the technical side, with the mechanism, of the mass strike, the social democrats are called upon to assume political leadership in the midst of the revolutionary period.

To give the cue for, and the direction to, the fight; to so regulate the tactics of the political struggle in its every phase and at its every moment that the entire sum of the available power of the proletariat which is already released and active, will find expression in the battle array of the party; to see that the tactics of the social democrats are decided according to their resoluteness and acuteness and that they never fall below the level demanded by the actual relations of forces, but rather rise above it – that is the most important task of the directing body in a period of mass strikes. And this direction changes of itself, to a certain extent, into technical direction. A consistent, resolute, progressive tactic on the part of the social democrats produces in the masses a feeling of security, self-confidence and desire for struggle; a vacillating weak tactic, based on an underestimation of the proletariat, has a crippling and confusing effect upon the masses. In the first case mass strikes break out “of themselves” and “opportunistly”; in the second case they remain ineffective amidst direct summonses of the directing body to mass strikes. And of both the Russian Revolution affords striking examples.

## *VI. Co-operation of Organised and Unorganised Workers Necessary for Victory*

In connection with this, the question of organisation in relation to the problem of the mass strike in Germany assumes an essentially different aspect.

The attitude of many trade-union leaders to this question is generally summed up in the assertion: “We are not yet strong enough to risk such a hazardous trial of strength as a mass strike.” Now this position is so far untenable that it is an insoluble problem to determine the time, in a peaceful fashion by counting heads, when the proletariat are “strong enough” for any struggle. Thirty years ago the German trade-unions had 50,000 members. That was obviously a number with which a mass strike on the above scale was not to be thought of. Fifteen years later the trade-unions were four times as strong, and counted 237,000 members. If, however, the present trade-union leaders had been asked at the time if the organisation of the proletariat was then sufficiently ripe for a mass strike, they would assuredly have replied that it was still far from it and that the number of those organised in trade-unions would first have to be counted by millions.



Today the number of trade-unionists already runs into the second million, but the views of the leaders are still exactly the same, and may very well be the same to the end. The tacit assumption is that the entire working class of Germany, down to the last man and the last woman, must be included in the organisation before it "is strong enough" to risk a mass action, which then, according to the old formula, would probably be represented as "superfluous." This theory is nevertheless absolutely utopian, for the simple reason that it suffers from an internal contradiction, that it goes in a vicious circle. Before the workers can engage in any direct class struggle they must all be organised. The circumstances, the conditions, of capitalist development and of the bourgeois state make it impossible that, in the normal course of things, without stormy class struggles, certain sections – and these the greatest, the most important, the lowest and the most oppressed by capital, and by the state – can be organised at all. We see even in Britain, which has had a whole century of indefatigable trade-union effort without any "disturbances" – except at the beginning in the period of the Chartist movement – without any "romantic revolutionary" errors or temptations, it has not been possible to do more than organise a minority of the better-paid sections of the proletariat.

On the other hand the trade-unions, like all fighting organisations of the proletariat, cannot permanently maintain themselves in any other way than by struggle, and that not struggles of the same kind as the war between the frogs and the mice in the stagnant waters of the bourgeois parliamentary period, but struggle in the troubled revolutionary periods of the mass strike. The rigid, mechanical-bureaucratic conception cannot conceive of the struggle save as the product of organisation at a certain stage of its strength. On the contrary, the living, dialectical explanation makes the organisation arise as a product of the struggle. We have already seen a grandiose example of this phenomenon in Russia, where a proletariat almost wholly unorganised created a comprehensive network of organisational appendages in a year-and-a-half of stormy revolutionary struggle.

Another example of this kind is furnished by the history of the German unions. In the year 1878 the number of trade-union members amounted to 50,000. According to the theory of the present-day trade-union leaders this organisation, as stated above, was not nearly "strong enough" to enter upon a violent political struggle. The German trade-unions however, weak as they were at the time, did take up the struggle – namely the struggle against the anti-socialist law – and showed that they were "strong enough," not only to emerge victorious from the struggle, but to increase their strength five-fold: in 1891, after the repeal of the anti-socialist laws, their membership was 277,659. It is true that the methods by which the trade-unions conquered in the struggle against the anti-socialist laws do not correspond to the ideal of a peaceful, bee-like, uninterrupted process: they went first into the fight absolutely in ruins, to rise again on the next wave and to be born anew. But this is precisely the specific method of growth corresponding to the proletarian class organisations: to be tested in the struggle and to go forth from the struggle with increased strength.

On a closer examination of German conditions and of the condition of the different sections of the working class, it is clear that the coming period of stormy political mass struggles will not bring the dreaded, threatening downfall of the German trade-unions, but on the contrary, will open up hitherto unsuspected prospects of the extension of their sphere of power – an extension that will proceed rapidly by leaps and bounds. But the question has still another aspect. The plan of undertaking mass strikes as a serious political class action with organised

workers only is absolutely hopeless. If the mass strike, or rather, mass strikes, and the mass struggle are to be successful they must become a real people's movement, that is, the widest sections of the proletariat must be drawn into the fight. Already in the parliamentary form the might of the proletarian class struggle rests not on the small, organised group but on the surrounding periphery of the revolutionary-minded proletariat. If the social democrats were to enter the electoral battle with their few hundred thousand organised members alone, they would condemn themselves to futility. And although it is the tendency of social democracy wherever possible to draw the whole great army of its voters into the party organisation, its mass of voters after thirty years experience of social democracy is not increased through the growth of the party organisation, but on the contrary, the new sections of the proletariat, won for the time being through the electoral struggle, are the fertile soil for the subsequent seed of organisation. Here the organisation does not supply the troops of the struggle, but the struggle, in an ever growing degree, supplies recruits for the organisation.

In a much greater degree does this obviously apply to direct political mass action than to the parliamentary struggle. If the social democrats, as the organised nucleus of the working class, are the most important vanguard of the entire body of the workers and if the political clarity, the strength, and the unity of the labour movement flow from this organisation, then it is not permissible to visualise the class movement of the proletariat as a movement of the organised minority. Every real, great class struggle must rest upon the support and co-operation of the widest masses, and a strategy of class struggle which does not reckon with this co-operation, which is based upon the idea of the finely stage-managed march out of the small, well-trained part of the proletariat is foredoomed to be a miserable fiasco.

Mass strikes and political mass struggles cannot, therefore, possibly be carried through in Germany by the organised workers alone, nor can they be appraised by regular "direction" from the central committee of a party. In this case, again – exactly as in Russia – they depend not so much upon "discipline" and "training" and upon the most careful possible regulation beforehand of the questions of support and cost, as upon a real revolutionary, determined class action, which will be able to win and draw into the struggle the widest circles of the unorganised workers, according to their mood and their conditions.

The overestimate and the false estimate of the role of organisations in the class struggle of the proletariat is generally reinforced by the underestimate of the unorganised proletarian mass and of their political maturity. In a revolutionary period, in the storm of great unsettling class struggles, the whole educational effect of the rapid capitalist development and of social democratic influences first shows itself upon the widest sections of the people, of which, in peaceful times the tables of the organised, and even election statistics, give only a faint idea.

We have seen that in Russia, in about two years a great general action of the proletariat can forthwith arise from the smallest partial conflict of the workers with the employers, from the most insignificant act of brutality of the government organs. Everyone, of course, sees and believes that, because in Russia "the revolution" is there. But what does that mean? It means that class feeling, the class instinct, is alive and very active in the Russian proletariat, so that immediately they regard every partial question of any small group of workers as a general question, as a class affair, and quick as lightening they react to its influence as a unity. While in Germany, France, Italy and Holland the most violent trade-union conflicts call forth hardly any

general action of the working class – and when they do, only the organised part of the workers move – in Russia the smallest dispute raises a storm. That means nothing else however, than that at present – paradoxical as it may sound – the class instinct of the youngest, least trained, badly educated and still worse organised Russian proletariat is immeasurably stronger than that of the organised, trained and enlightened working class of Germany or of any other west European country. And that is not to be reckoned a special virtue of the “young, unexhausted East” as compared with the “sluggish West,” but is simply a result of direct revolutionary mass action.

In the case of the enlightened German worker the class consciousness implanted by the social democrats is theoretical and latent: in the period ruled by bourgeois parliamentarism it cannot, as a rule, actively participate in a direct mass action; it is the ideal sum of the four hundred parallel actions of the electoral sphere during the election struggle, of the many partial economic strikes and the like. In the revolution when the masses themselves appear upon the political battlefield this class-consciousness becomes practical and active. A year of revolution has therefore given the Russian proletariat that “training” which thirty years of parliamentary and trade-union struggle cannot artificially give to the German proletariat. Of course, this living, active class feeling of the proletariat will considerably diminish in intensity, or rather change into a concealed and latent condition, after the close of the period of revolution and the erection of a bourgeois-parliamentary constitutional state.

And just as surely, on the other hand, will the living revolutionary class feeling, capable of action, affect the widest and deepest layers of the proletariat in Germany in a period of strong political engagement, and that the more rapidly and more deeply, more energetically the educational work of social democracy is carried on amongst them. This educational work and the provocative and revolutionising effect of the whole present policy of Germany will express itself in the circumstances that all those groups which at present in their apparent political stupidity remain insensitive to all the organising attempts of the social democrats and of the trade unions will suddenly follow the flag of social democracy in a serious revolutionary period. Six months of a revolutionary period will complete the work of the training of these as yet unorganised masses which ten years of public demonstrations and distribution of leaflets would be unable to do. And when conditions in Germany have reached the critical stage for such a period, the sections which are today unorganised and backward will, in the struggle, prove themselves the most radical, the most impetuous element, and not one that will have to be dragged along. If it should come to mass strikes in Germany it will almost certainly not be the best organised workers – and most certainly not the printers – who will develop the greatest capacity for action, but the worst organised or totally unorganised – the miners, the textile workers, and perhaps even the land workers.

In this way we arrive at the same conclusions in Germany in relation to the peculiar tasks of direction in relation to the role of social democracy in mass strikes, as in our analysis of events in Russia. If we now leave the pedantic scheme of demonstrative mass strikes artificially brought about by order of parties and trade unions, and turn to the living picture of a peoples’ movement arising with elementary energy, from the culmination of class antagonisms and the political situation – a movement which passes, politically as well as economically, into mass struggles and mass strikes – it becomes obvious that the task of social democracy does not consist in the technical preparation and direction of mass strikes, but, first and foremost, in the

political leadership of the whole movement.

The social democrats are the most enlightened, most class-conscious vanguard of the proletariat. They cannot and dare not wait, in a fatalist fashion, with folded arms for the advent of the “revolutionary situation,” to wait for that which in every spontaneous peoples’ movement, falls from the clouds. On the contrary, they must now, as always, hasten the development of things and endeavour to accelerate events. This they cannot do, however, by suddenly issuing the “slogan” for a mass strike at random at any odd moment, but first and foremost, by making clear to the widest layers of the proletariat the inevitable advent of this revolutionary period, the inner social factors making for it and the political consequences of it. If the widest proletarian layer should be won for a political mass action of the social democrats, and if, vice versa, the social democrats should seize and maintain the real leadership of a mass movement – should they become, in a political sense, the rulers of the whole movement, then they must, with the utmost clearness, consistency and resoluteness, inform the German proletariat of their tactics and aims in the period of coming struggle.

## *VII. The Role of the Mass Strike in the Revolution*

We have seen that the mass strike in Russia does not represent an artificial product of premeditated tactics on the part of the social democrats, but a natural historical phenomenon on the basis of the present revolution. Now what are the factors which in Russia have brought forth this new phenomenal form of the revolution?

The Russian revolution has for first task the abolition of absolutism and the establishment of a modern bourgeois-parliamentary constitutional state. It is exactly the same in form as that which confronted Germany in the March 1848 Revolution, and the Great French Revolution of the end of the eighteenth century. But the condition, the historical milieu, in which these formally analogous revolutions took place, are fundamentally different from those of present-day Russia. The essential difference is that between those bourgeois revolutions in the West, and the current bourgeois revolution in the East, the whole cycle of capitalist development has run its course. And this development had seized not only the West European countries, but also absolutist Russia. Large-scale industry with all its consequences – modern class divisions, acute social contrasts, modern life in large cities and the modern proletariat – has become in Russia the prevailing form, that is, in social development the decisive form of production.

The remarkable, contradictory, historical situation results from this that the bourgeois revolution, in accordance with its formal tasks will, in the first place, be carried out by a modern class-conscious proletariat, and in an international milieu whose distinguishing characteristic is the ruin of bourgeois democracy. It is not the bourgeoisie that is now the driving force of revolution as in the earlier revolutions of the West, while the proletarian masses, swamped amidst a petty-bourgeois mass, simply furnish cannon-fodder for the bourgeoisie, but on the contrary, it is the class-conscious proletariat that is the active and leading element, while the big bourgeois turns out to be either openly against the revolution or liberal moderates, and only the rural petit-bourgeoisie and the urban petit-bourgeois intelligentsia are definitively

oppositional and even revolutionary minded.

The Russian proletariat, however, who are destined to play the leading part in the bourgeois revolution, enter the fight free from all illusions of bourgeois democracy, with a strongly developed consciousness of their own specific class interests, and at a time when the antagonism between capital and labour has reached its height. This contradictory situation finds expression in the fact that in this formally bourgeois revolution, the antagonism of bourgeois society to absolutism is governed by the antagonism of the proletariat to bourgeois society, that the struggle of the proletariat to bourgeois society is directed simultaneously and with equal energy against both absolutism and capitalist exploitation, and that the programme of the revolutionary struggle concentrates with equal emphasis on political freedom, the winning of the eight-hour day, and a human standard of material existence for the proletariat. This two-fold character of the Russian Revolution is expressed in that close union of the economic with the political struggle and in their mutual interaction which we have seen is a feature of the Russian events and which finds its appropriate expression in the mass strike.

In the earlier bourgeois revolution where, on the one hand, the political training and the leadership of the revolutionary masses were undertaken by the bourgeois parties, and where, on the other hand, it was merely a question of overthrowing the old government, the brief battle at the barricades was the appropriate form of the revolutionary struggle. Today the working class must educate itself, marshal its forces, and direct itself in the course of the revolutionary struggle and thus the revolution is directed as much against capitalist exploitation as against the ancien regime; so much so that the mass strike appears as the natural means to recruit, organize and prepare the widest proletarian layers for revolutionary struggle, as the means to undermine and overthrow the old state power, as well as to contain the capitalist exploitation. The urban industrial proletariat is now the soul of the revolution in Russia. But in order to carry through a direct political struggle as a mass, the proletariat must first be assembled as a mass, and for this purpose they must come out of the factory and workshop, mine and foundry, must overcome the atomisation and decay to which they are condemned under the daily yoke of capitalism.

The mass strike is the first natural, impulsive form of every great revolutionary struggle of the proletariat and the more highly developed the antagonism is between capital and labour, the more effective and decisive must mass strikes become. The chief form of previous bourgeois revolutions, the fight at the barricades, the open conflict with the armed power of the state, is in the revolution today only the culminating point, only a moment on the process of the proletarian mass struggle. And therewith in the new form of the revolution there is reached that civilising and mitigating of the class struggle which was prophesied by the opportunists of German social democracy – the Bernsteins, Davids, etc. It is true that these men saw the desired civilising and mitigating of the class struggle in the light of petty bourgeois democratic illusions – they believed that the class struggle would shrink to an exclusively parliamentary contest and that street fighting would simply be done away with. History has found the solution in a deeper and finer fashion: in the advent of revolutionary mass strikes, which, of course, in no way replaces brutal street fights or renders them unnecessary, but which reduces them to a moment in the long period of political struggle, and which at the same time unites with the revolutionary period and enormous cultural work in the most exact sense of the



words: the material and intellectual elevation of the whole working class through the “civilising” of the barbaric forms of capitalist exploitation.

The mass strike is thus shown to be not a specifically Russian product, springing from absolutism, but a universal form of the proletarian class struggle resulting from the present stage of capitalist development and class relations. From this standpoint the three bourgeois revolutions – the Great French Revolution, the German Revolution of March, and the present Russian Revolution – form a continuous chain of development in which the fortunes and the end of the capitalist century are to be seen. In the Great French Revolution the still wholly underdeveloped internal contradictions of bourgeois society gave scope for a long period of violent struggles, in which all the antagonisms which first germinated and ripened in the heat of the revolution raged unhindered and unrestrained in a spirit of reckless radicalism. A century later the revolution of the German bourgeoisie, which broke out midway in the development of capitalism, was already hampered on both sides by the antagonism of interests and the equilibrium of strength between capital and labour, and was smothered in a bourgeois-feudal compromise, and shortened to a miserable episode ending in words.

Another half century, and the present Russian Revolution stands at a point of the historical path which is already over the summit, which is on the other side of the culminating point of capitalist society, at which the bourgeois revolutions cannot again be smothered by the antagonism between bourgeoisie and proletariat, but, will, on the contrary, expand into a new lengthy period of violent social struggles, at which the balancing of the account with absolutism appears a trifle in comparison with the many new accounts which the revolution itself opens up. The present revolution realises in the particular affairs of absolutist Russia the general results of international capitalist development, and appears not so much as the last successor of the old bourgeois revolutions as the forerunner of the new series of proletarian revolutions of the West. The most backward country of all, just because it has been so unpardonably late with its bourgeois revolution, shows ways and methods of further class struggle to the proletariat of Germany and the most advanced capitalist countries.

Accordingly it appears, when looked at in this way, to be entirely wrong to regard the Russian Revolution as a grandiose spectacle, as something specifically “Russian,” and at best to admire the heroism of the fighting men, that is, as outside onlookers of the struggle. It is much more important that the German workers should learn to look upon the Russian Revolution as their own affair, not merely as a matter of international solidarity with the Russian proletariat, but first and foremost, as a chapter of their own social and political history. Those trade-union leaders and parliamentarians who regard the German proletariat as “too weak” and German conditions “as not ripe enough” for revolutionary mass struggles, have obviously not the least idea that the measure of the degree of ripeness of class relations in Germany and of the power of the proletariat does not lie in the statistics of German trade unionism or in election figures, but – in the events of the Russian Revolution. Exactly as the ripeness of French class antagonisms under the July monarchy and the June battle of Paris was reflected in the German March Revolution, in its course and its fiasco, so today the ripeness of German class antagonisms is reflected in the events and in the power of the Russian Revolution. And while the bureaucrats of the German labour movement rummage in their office drawers for information as to their strength and maturity, they do not see that that for which they seek is

lying before their eyes in a great historical revolution, because, historically considered, the Russian Revolution is a reflex of the power and the maturity of the international, and therefore in the first place, of the German labour movement.

It would therefore be a too pitiable and grotesquely insignificant result of the Russian Revolution if the German proletariat should merely draw from it the lesson – as is desired by Comrades Frohme, Elm, and others – of using the extreme form of the struggle, the mass strike, and so weaken themselves as to be merely a reserve force in the event of the withdrawal of the parliamentary vote, and therefore a passive means of parliamentary defensive. When the parliamentary vote is taken from us there we will resist. That is a self-evident decision. But for this it is not necessary to adopt the heroic pose of a Danton as was done, for example, by Comrade Elm in Jena; because the defence of the modest measure of parliamentary right already possessed is less a Heaven-storming innovation, for which the frightful hecatombs of the Russian Revolution were first necessary as a means of encouragement, than the simplest and first duty of every opposition party. But the mere defensive can never exhaust the policy of the proletariat, in a period of revolution. And if it is, on the one hand, difficult to predict with any degree of certainty whether the destruction of universal suffrage would cause a situation in Germany which would call forth an immediate mass strike action, so on the other hand, it is absolutely certain that when we in Germany enter upon the period of stormy mass actions, it will be impossible for the social democrats to base their tactics upon a mere parliamentary defensive.

To fix beforehand the cause and the moment from and in which the mass strikes in Germany will break out is not in the power of social democracy, because it is not in its power to bring about historical situations by resolutions at party congresses. But what it can and must do is to make clear the political tendencies, when they once appear, and to formulate them as resolute and consistent tactics. Man cannot keep historical events in check while making recipes for them, but he can see in advance their apparent calculable consequences and arrange his mode of action accordingly.

The first threatening political danger with which the German proletariat have concerned themselves for a number of years is a coup d'état of the reaction which will wrest from the wide masses of the people of the most important political right – universal suffrage. In spite of the immense importance of this possible event, it is, as we have already said, impossible to assert with certainty that an open popular movement would immediately break out after the coup d'état, because today innumerable circumstances and factors have to be taken into account. But when we consider the present extreme acuteness of conditions in Germany, and on the other hand, the manifold international reactions of the Russian Revolution and of the future rejuvenated Russia, it is clear that the collapse of German politics which would ensue from the repeal of universal suffrage could not alone call a halt to the struggle for this right. This coup d'état would rather draw after it, in a longer or shorter period and with elementary power, a great general political reckoning of the insurgent and awakened mass of the people – a reckoning with bread usury, with artificially caused dearness of meat, with expenditure on a boundless militarism and “navalism,” with the corruption of colonial policy, with the national disgrace of the Königsberg trial, with the cessation of social reform, with the discharging of railway workers, the postal officials and the land workers, with the tricking and mocking of the miners, with the judgement of Lobtau and the whole system of class justice, with the brutal

lockout system – in short, with the whole thirty-year-old oppression of the combined dominion of Junkerdom and large trustified capital.

But if once the ball is set rolling then social democracy, whether it wills it or not, can never again bring it to a standstill. The opponents of the mass strike are in the habit of denying that the lessons and examples of the Russian Revolution can be a criterion for Germany because, in the first place, in Russia the great step must first be taken from an Oriental despotism to a modern bourgeois legal order. The formal distance between the old and the new political order is said to be a sufficient explanation of the vehemence and the violence of the revolution in Russia. In Germany we have long had the most necessary forms and guarantees of a constitutional state, from which it follows that such an elementary raging of social antagonisms is impossible here.

Those who speculate thus forget that in Germany when it once comes to the outbreak of open political struggles, even the historically determined goal will be quite different from that in Russia today. Precisely because the bourgeois legal order in Germany has existed for a long time, because therefore it has had time to completely exhaust itself and to draw to an end, because bourgeois democracy and liberalism have had time to die out – because of this there can no longer be any talk of a bourgeois revolution in Germany. And therefore in a period of open political popular struggles in Germany, the last historically necessary goal can only be the dictatorship of the proletariat. The distance, however, of this task from the present conditions of Germany is still greater than that of the bourgeois legal order from Oriental despotism, and therefore, the task cannot be completed at one stroke, but must similarly be accomplished during a long period of gigantic social struggles.

But is there not a gross contradiction in the picture we have drawn? On the one hand it means that in an eventual future period of political mass action the most backward layers of the German proletariat – the land workers, the railwaymen, and the postal slaves – will first of all win the right of combination, and that the worst excrescences of exploitation must first be removed and on the other hand, the political task of this period is said to be the conquest of power by the proletariat! On the one hand, economic, trade-union struggles for the most immediate interests, for the material elevation of the working class; on the other hand the ultimate goal of social democracy! Certainly these are great contradictions, but they are not contradictions due to our reasoning, but contradictions due to capitalist development. It does not proceed in a beautiful straight line but in a lightning-like zig-zag. Just as the various capitalist countries represent the most varied stages of development, so within each country the different layers of the same working class are represented. But history does not wait patiently till the backward countries, and the most advanced layers have joined together so that the whole mass can move symmetrically forward like a compact column. It brings the best prepared parts to explosion as soon as conditions there are ripe for it, and then in the storm of the revolutionary period, lost ground is recovered, unequal things are equalised, and the whole pace of social progress changed at one stroke to the double-quick.

Just as in the Russian Revolution all the grades of development and all the interests of the different layers of workers are united in the social democratic programme of the revolution, and the innumerable partial struggles united in the great common class action of the proletariat, so will it also be in Germany when the conditions are ripe for it. And the task of

social democracy will then be to regulate its tactics, not by the most backward phases of development but by the most advanced.

## *VIII. Need for United Action of Trade Unions and Social Democracy*

The most important desideratum which is to be hoped for from the German working class in the period of great struggles which will come sooner or later is, after complete resoluteness and consistency of tactics, the utmost capacity for action, and therefore the utmost possible unity of the leading social democratic part of the proletarian masses. Meanwhile the first weak attempts at the preparation of great mass actions have discovered a serious drawback in this connection: the total separation and independence of the two organisations of the labour movement, the social democracy and the trade unions.

It is clear on a closer consideration of the mass strikes in Russia as well as of the conditions in Germany itself, that any great mass action, if it is not confined to a mere one-day demonstration, but is intended to be a real fighting action, cannot possibly be thought of as a so-called political mass strike. In such an action in Germany the trade-unions would be implicated as much as the social democrats. Not because the trade-union leaders imagine that the social democrats, in view of their smaller organisation, would have no other resources than the co-operation of one and a quarter million trade-unionists and without them would be unable to do anything, but because of a much more deep-lying motive: because every direct mass action of the period of open class struggles would be at the same time both political and economic. If in Germany, from any cause and at any time, it should come to great political struggles, to mass strikes, then at that time an era of violent trade-union struggles would begin in Germany, and events would not stop to inquire whether the trade-union leaders had given their consent to the movement or not. Whether they stand aside or endeavour to resist the movement, the result of their attitude will only be that the trade-union leaders, like the party leaders in the analogous case, will simply be swept aside by the rush of events, and the economic and the political struggles of the masses will be fought out without them.

As a matter-of-fact the separation of the political, and the economic struggle and the independence of each, is nothing but an artificial product of the parliamentary period, even if historically determined. On the one hand in the peaceful, "normal" course of bourgeois society, the economic struggle is split into a multitude of individual struggles in every undertaking and dissolved in every branch of production. On the other hand the political struggle is not directed by the masses themselves in a direct action, but in correspondence with the form of the bourgeois state, in a representative fashion, by the presence of legislative representation. As soon as a period of revolutionary struggle commences, that is, as soon as the masses appear on the scene of conflict, the breaking up the economic struggle into many parts, as well as the indirect parliamentary form of the political struggle ceases; in a revolutionary mass action the political struggle ceases; in a revolutionary mass action the political and economic struggle are one, and the artificial boundary between trade union and social democracy as two separate, wholly independent forms of the labour movement, is simply swept away. But what finds concrete expression in the revolutionary mass movement finds expression also in the parliamentary period as an actual state of affairs. **There are not two**

different class struggles of the working class, an economic and a political one, but only one class struggle, which aims at one and the same time at the limitation of capitalist exploitation within bourgeois society, and at the abolition of exploitation together with bourgeois society itself.

When these two sides of the class struggle are separated from one another for technical reasons in the parliamentary period, they do not form two parallel concurrent actions, but merely two phases, two stages of the struggle for emancipation of the working class. The trade-union struggle embraces the immediate interests, and the social democratic struggle the future interests, of the labour movement. The communists, says the Communist Manifesto, represent, as against various group interests, national or local, of the proletariat, the common interests of the proletariat as a whole, and in the various stages of development of the class struggle, they represent the interests of the whole movement, that is, the ultimate goal – the liberation of the proletariat. The trade unions represent only the group interests and only one stage of development of the labour movement. Social democracy represents the working class and the cause of its liberation as a whole. The relation of the trade unions to social democracy is therefore a part of the whole, and when, amongst the trade-union leaders, the theory of “equal authority” of trade-unions and social democracy finds so much favour, it rests upon a fundamental misconception of the essence of trade-unionism itself and of its role in the general struggle for freedom of the working class.

This theory of the parallel action of social democracy and the trade-unions and of their “equal authority” is nevertheless not altogether without foundation, but has its historical roots. It rests upon the illusion of the peaceful, “normal” period of bourgeois society, in which the political struggle of social democracy appears to be consumed in the parliamentary struggle. The parliamentary struggle, however, the counterpart of the trade-union struggle, is equally with it, a fight conducted exclusively on the basis of the bourgeois social order. It is by its very nature, political reform work, as that of the trade-unions is economic reform work. It represents political work for the present, as trade-unions represent economic work for the present. It is, like them, merely a phase, a stage of development in the complete process of the proletarian class struggle whose ultimate goal is as far beyond the parliamentary struggle as it is beyond the trade-union struggle. The parliamentary struggle is, in relation to social democratic policy, also a part of the whole, exactly as trade-union work is. Social democracy today comprises the parliamentary and the trade-union struggle in one class struggle aiming at the abolition of the bourgeois social order.

The theory of the “equal authority” of trade-unions and social democracy is likewise not a mere theoretical misunderstanding, not a mere case of confusion but an expression of the well-known tendency of that opportunist wing of social democracy which reduced the political struggle of the working class to the parliamentary contest, and desires to change social democracy from a revolutionary proletarian party into a petty-bourgeois reform one. If social democracy should accept the theory of the “equal authority” of the trade-unions, it would thereby accept, indirectly and tacitly, that transformation which has long been striven for by the representatives of the opportunist tendency.

In Germany, however, there is such a shifting of relations within the labour movement as is impossible in any other country. The theoretical conception, according to which the trade-unions are merely a part of social democracy, finds its classic expression in Germany in



fact, in actual practice, and that in three directions. First, the German trade-unions are a direct product of social democracy; it was social democracy which created the beginnings of the present trade-union movement in Germany and which enabled it to attain such great dimensions, and it is social democracy which supplies it to this day with its leaders and the most active promoters of its organisation

Second, the German trade-unions are a product of social democracy also in the sense that social democratic teaching is the soul of trade-union practice, as the trade-unions owe their superiority over all bourgeois and denominational trade-unions to the idea of the class struggle; their practical success, their power, is a result of the circumstance that their practice is illuminated by the theory of scientific socialism and they are thereby raised above the level of a narrow-minded socialism. The strength of the “practical policy” of the German trade-unions lies in their insight into the deeper social and economic connections of the capitalist system; but they owe this insight entirely to the theory of scientific socialism upon which their practice is based. Viewed in this way, any attempt to emancipate the trade-unions from the social democratic theory in favour of some other “trade-union theory” opposed to social democracy, is, from the standpoint of the trade-unions themselves and of their future, nothing but an attempt to commit suicide. The separation of trade-union practice from the theory of scientific socialism would mean to the German trade-unions the immediate loss of all their superiority over all kinds of bourgeois trade-unions, and their fall from their present height to the level of unsteady groping and mere dull empiricism.

Thirdly and finally, the trade-unions are, although their leaders have gradually lost sight of the fact, even as regards their numerical strength, a direct product of the social democratic movement and the social democratic agitation. It is true that in many districts trade-union agitation precedes social democratic agitation, and that everywhere trade-union work prepares the way for party work. From the point of view of effect, party and trade-unions assist each other to the fullest extent. But when the picture of the class struggle in Germany is looked at as a whole and its more deep-seated associations, the proportions are considerably altered. Many trade-union leaders are in the habit of looking down triumphantly from the proud height of their membership of one and a quarter million on the miserable organised members of the Social Democratic Party, not yet half a million strong, and of recalling the time, ten or twelve years ago, when those in the ranks of social democracy were pessimistic as to the prospects of trade-union development.

They do see that between these two things – the large number of organised trade unionists and the small number of organised Social Democrats – there exists in a certain degree a direct causal connection. Thousands and thousands of workers do not join the party organisations precisely because they join the trade-unions. According to the theory, all the workers must be doubly organised, must attend two kinds of meetings, pay double contributions, read two kinds of workers’ papers, etc. But for this it is necessary to have a higher standard of intelligence and of that idealism which, from a pure feeling of duty to the labour movement, is prepared for the daily sacrifice of time and money, and finally, a higher standard of that passionate interest in the actual life of the party which can only be engendered by membership of the party organisation. All this is true of the most enlightened and intelligent minority of social democratic workers in the large towns, where party life is full and attractive and where the workers’ standard of living is high. Amongst the wider sections of the

working masses in the large towns, however, as well as in the provinces, in the smaller and the smallest towns where political life is not an independent thing but a mere reflex of the course of events in the capital, where consequently, party life is poor and monotonous, and where, finally, the economic standard of life of the workers is, for the most part, miserable, it is very difficult to secure the double form of organisation.

For the social democratically-minded worker from the masses the question will be solved by his joining his trade-union. The immediate interests of his economic struggle which are conditioned by the nature of the struggle itself cannot be advanced in any other way than by membership of a trade-union organisation. The contribution which he pays, often amidst considerable sacrifice of his standard of living, bring him immediate, visible results. His social democratic inclinations, however, enable him to participate in various kinds of work without belonging to a special party organisation; by voting at parliamentary elections, by attendance at social democratic public meetings, by following the reports of social democratic speeches in representatives bodies, and by reading the party press. Compare in this connection the number of social democratic electors or the number of subscribers to **Vorwärts** with the number of organised party members in Berlin!

And what is most decisive, the social democratically-minded average worker who, as a simple man, can have no understanding of the intricate and fine so-called two-soul theory, feels that he is, even in the trade union, social democratically organised. Although the central committees of the unions have no official party label, the workman from the masses in every city and town sees the head of his trade-union as the most active leader, those colleagues whom he knows also as comrades and social democrats in public life, now as Reichstag, Landtag or local representatives, now as trusted men of the social democracy, members of election committees, party editors and secretaries, or merely as speakers and agitators. Further, he hears expressed in the agitational work of his trade-union much the same ideas, pleasing and intelligible to him, of capitalist exploitation, class relations, etc., as those that have come to him from social democratic agitation. Indeed, the most and best loved of the speakers at trade-union meetings are those same social democrats.

Thus everything combines to give the average class-conscious worker the feeling that he, in being organised in his trade-union, is also a member of his labour party and is social democratically organised, and therein lies the peculiar recruiting strength of the German trade-unions. Not because of the appearance of neutrality, but because of the social democratic reality of their being, have the central unions being enabled to attain their present strength. This is simply through the co-existence of the various unions – Catholic, Hirsch-Dunker, etc. – founded by bourgeois parties by which it was sought to establish the necessity for that political “neutrality.” When the German worker who has full freedom of choice to attach himself to a Christian, Catholic, Evangelical or Free-thinking trade-union, chooses none of these but the “free trade-union” instead, or leaves one of the former to join the latter, he does so only because he considers that the central unions are the avowed organisations of the modern class struggle, or, what is the same thing in Germany, that they are social democratic trade-unions.

In a word the appearance of “neutrality,” which exists in the minds of many trade-union leaders, does not exist for the mass of organised trade-unionists. And that is the good fortune of

the trade-union movement. If the appearance of “neutrality”, that alienation and separation of the trade-unions from social democracy, really and truly becomes a reality in the eyes of the proletarian masses, then the trade-unions would immediately lose all their advantages over competing bourgeois unions, and therewith their recruiting power, their living fire. This is conclusively proved by the facts which are generally known. The appearance of party-political “neutrality” of the trade-unions could, as a means of attraction, render inestimable service in a country in which social democracy itself has no credit among the masses, in which the odium attaching a workers’ organisation injures it in the eyes of the masses rather than advantages it – where, in a word, the trade-unions must first of all recruit their troops from a wholly unenlightened, bourgeois-minded mass.

The best example of such a country was, throughout the whole of the last century, and is to a certain extent today, Great Britain. In Germany, however, party relations are altogether different. In a country, in which social democracy is the most powerful political party, in which its recruiting power is represented by an army of over three million proletarians, it is ridiculous to speak of the deterrent effect of social democracy and of the necessity for a fighting organisation of the workers to ensure political neutrality. The mere comparison of the figures of social democratic voters with the figures of the trade-union organisations in Germany is sufficient to prove to the most simple-minded that the trade-unions in Germany do not, as in England, draw their troops from the unenlightened bourgeois-minded mass, but from the mass of proletarians already aroused by the social democracy and won by it to the idea of the class struggle. Many trade-union leaders indignantly reject the idea – a requisite of the “theory of neutrality” – and regard the trade-unions as a recruiting school for social democracy. This apparently insulting, but in reality, highly flattering presumption is in Germany reduced to mere fancy by the circumstance that the positions are reversed; it is the social democracy which is the recruiting school for the trade-unions.

Moreover, if the organisational work of the trade-unions is for the most part of a very difficult and troublesome kind, it is, with the exception of a few cases and some districts, not merely because on the whole, the soil has not been prepared by the social democratic plough, but also because the trade-union seed itself, and the sower as well, must also be “red,” social democratic before the harvest can prosper. But when we compare in this way the figures of trade-union strength, not with those of the social democratic organisations, but – which is the only correct way – with those of the mass of social democratic voters, we come to a conclusion which differs considerably from the current view of the matter. The fact then comes to light that the “free trade-unions” actually represent today but a minority of the class-conscious workers of Germany, that even with their one and a quarter million organised members they have not yet been able to draw into their ranks one-half of those already aroused by social democracy.

The most important conclusion to be drawn from the facts above cited is that the complete unity of the trade-union and the social democratic movements, which is absolutely necessary for the coming mass struggles in Germany, is actually here, and that it is incorporated in the wide mass which forms the basis at once of social democracy and trade-unionism, and in whose consciousness both parts of the movement are mingled in a mental unity. The alleged antagonism between Social Democracy and trade unions shrinks to an antagonism between Social Democracy and a certain part of the trade-union officials, which is, however, at the same time an antagonism within the trade unions between this part

of the trade-union leaders and the proletarian mass organized in trade unions.

The rapid growth of the trade-union movement in Germany in the course of the last fifteen years, especially in the period of great economic prosperity from 1895 to 1900 has brought with it a great independence of the trade-unions, a specialising of their methods of struggle, and finally the introduction of a regular trade-union officialdom. All these phenomena are quite understandable and natural historical products of the growth of the trade-unions in this fifteen-year period, and of the economic prosperity and political calm of Germany. They are, although inseparable from certain drawbacks, without doubt a historically necessary evil. But the dialectics of development also brings with it the circumstance that these necessary means of promoting trade-union growth become, on the contrary, obstacles to this further development at a certain stage of organisation and at a certain degree of ripeness of conditions.

The specialisation of professional activity as trade-union leaders, as well as the naturally restricted horizon which is bound up with disconnected economic struggles in a peaceful period, leads only too easily, amongst trade-union officials, to bureaucratism and a certain narrowness of outlook. Both, however, express themselves in a whole series of tendencies which may be fateful in the highest degree for the future of the trade-union movement. There is first of all the overvaluation of the organisation, which from a means has gradually been changed into an end in itself, a precious thing, to which the interests of the struggles should be subordinated. From this also comes that openly admitted need for peace which shrinks from great risks and presumed dangers to the stability of the trade-unions, and further, the overvaluation of the trade-union method of struggle itself, its prospects and its successes.

The trade-union leaders, constantly absorbed in the economic guerrilla war whose plausible task it is to make the workers place the highest value on the smallest economic achievement, every increase in wages and shortening of the working day, gradually lose the power of seeing the larger connections and of taking a survey of the whole position. Only in this way can one explain why many trade-union leaders refer with the greatest satisfaction to the achievements of the last fifteen years, instead of, on the contrary, emphasising the other side of the medal; the simultaneous and immense reduction of the proletarian standard of life by land usury, by the whole tax and customs policy, by landlord rapacity which has increased house rents to such an exorbitant extent, in short, by all the objective tendencies of bourgeois policy which have largely neutralised the advantages of the fifteen years of trade-union struggle. From the whole social democratic truth which, while emphasising the importance of the present work and its absolute necessity, attaches the chief importance to the criticism and the limits to this work, the half trade-union truth is taken which emphasises only the positive side of the daily struggle.

And finally, from the concealment of the objective limits drawn by the bourgeois social order to the trade-union struggle, there arises a hostility to every theoretical criticism which refers to these limits in connection with the ultimate aims of the labour movement. Fulsome flattery and boundless optimism are considered to be the duty of every "friend of the trade-union movement." But as the social democratic standpoint consists precisely in fighting against uncritical parliamentary optimism, a front is at last made against the social democratic theory: men grope for a "new trade-union theory," that is, a theory which would open an illimitable vista of economic progress to the trade-union struggle within the capitalist

system, in opposition to the social democratic doctrine. Such a theory has indeed existed for some time – the theory of Professor Sombart which was promulgated with the express intention of driving a wedge between the trade-unions and the social democracy in Germany, and of enticing the trade-unions over to the bourgeois position.

In close connection with these theoretical tendencies is a revolution in the relations of leaders and rank-and-file. In place of the direction by colleagues through local committees, with their admitted inadequacy, there appears the business-like direction of the trade-union officials. The initiative and the power of making decisions thereby devolve upon trade-union specialists, so to speak, and the more passive virtue of discipline upon the mass of members. This dark side of officialdom also assuredly conceals considerable dangers for the party, as from the latest innovation, the institution of local party secretaries, it can quite easily result, if the social democratic mass is not careful that these secretariats may remain mere organs for carrying out decisions and not be regarded in any way the appointed bearers of the initiative and of the direction of local party life. But by the nature of the case, by the character of the political struggle, there are narrow bounds drawn to bureaucratism in social democracy as in trade-union life.

But here the technical specialising of wage struggles as, for example, the conclusion of intricate tariff agreements and for the like, frequently means that the mass of organised workers are prohibited from taking a “survey of the whole industrial life,” and their incapacity for taking decisions is thereby established. A consequence of this conception is the argument with which every theoretical criticism of the prospects and possibilities of trade-union practice is tabooed and which alleges that it represents a danger to the pious trade-union sentiment of the masses. From this, a point of view has been developed, that it is only by blind, child-like faith in the efficacy of the trade-union struggle that the working masses can be won and held for the organisation. In contradistinction to social democracy which bases its influence on the unity of the masses amidst the contradictions of the existing order and in the complicated character of its development, and on the critical attitude of the masses to all factors and stages of their own class struggle, the influence and the power of the trade-unions are founded upon the upside-down theory of the incapacity of the masses for criticism and decision. “The faith of the people must be maintained” – that is the fundamental principle, acting upon which many trade-union officials stamp as attempts on the life of this movement, all criticisms of the objective inadequacy of trade-unionism.

And finally, a result of all this specialisation and this bureaucratism amongst trade-union officials is the great independence and the “neutrality” of the trade-unions in relation to social democracy. The extreme independence of the trade-union organisation is a natural result of its growth, as a relation which has grown out of the technical division of work between the political and the trade-union forms of struggle. The “neutrality” of the German trade-unions, on its part, arose as a product of the reactionary trade-union legislation of the Prusso-German police state. With time, both aspects of their nature have altered. From the condition of political “neutrality” of the trade-unions imposed by the police, a theory of their voluntary neutrality has been evolved as a necessity founded upon the alleged nature of the trade-union struggle itself. And the technical independence of the trade-unions which should rest upon the division of work in the unified social democratic class struggle, the separation of the trade-unions from social democracy, from its views and its leadership, has been changed into the so-called equal



authority of trade-unions and social democracy.

The appearance of separation and equality of trade-unions and social democracy is, however, incorporated chiefly in the trade-union officials, and strengthened through the managing apparatus of the trade-unions. Outwardly, by the co-existence of a complete staff of trade-union officials, of a wholly independent central committee, of numerous professional press, and finally of a trade-union congress, the illusion is created of an exact parallel with the managing apparatus of the social democracy, the party executive, the party press and the party conference. This illusion of equality between social democracy and the trade-union had led to, amongst other things, the monstrous spectacle that, in part, quite analogous agendas are discussed at social democratic conferences and trade-union congresses, and that on the same questions different, and even diametrically opposite, decisions are taken. From the natural division of work between the party conference (which represents the general interests and tasks of the labour movement), and the trade-union congress (which deals with the much narrower sphere of social questions and interests) the artificial division has been made of a pretended trade-union and a social democratic outlook in relation to the same general questions and interests of the labour movement.

Thus the peculiar position has arisen that this same trade-union movement which below, in the wide proletarian masses, is absolutely one with social democracy, parts abruptly from it above, in the super-structure of management, and sets itself up as an independent great power. The German labour movement therefore assumes the peculiar form of a double pyramid whose base and body consist of one solid mass but whose apexes are wide apart.

It is clear from this presentation of the case in what way alone in a natural and successful manner that compact unity of the German labour movement can be attained which, in view of the coming political class struggles and of the peculiar interests of the further development of the trade-unions, is indispensably necessary. Nothing could be more perverse or more hopeless than to desire to attain the unity desired by means of sporadic and periodical negotiations on individual questions affecting the labour movement between the Social Democratic Party leadership and the trade-union central committees. It is just the highest circles of both forms of the labour movement, which as we have seen, incorporate their separation and self-sufficiency, which are themselves, therefore, the promoters of the illusion of the "equal authority" and of the parallel existence of social democracy and trade-unionism.

To desire the unity of these through the union of the party executive and the general commission is to desire to build a bridge at the very spot where the distance is greater and the crossing more difficult. Not above, amongst the heads of the leading directing organisations and in their federative alliance, but below, amongst the organised proletarian masses, lies the guarantee of the real unity of the labour movement. In the consciousness of the million trade-unionists, the party and the trade unions are actually one, they represent in different forms the social democratic struggle for the emancipation of the proletariat. And the necessity automatically arises therefrom of removing any causes of friction which have arisen between the social democracy and a part of the trade unions, of adapting their mutual relation to the consciousness of the proletarian masses, that is, of re-joining the trade-unions to social democracy. The synthesis of the real development which led from the original incorporation of the trade-unions to their separation from social democracy will thereby be expressed, and the

way will be prepared for the coming period of great proletarian mass struggles during the period of vigorous growth, of both trade-unions and social democracy and their reunion, in the interests of both, will become a necessity.

It is not, of course, a question of the merging of the trade-union organisation in the party, but of the restoration of the unity of social democracy and the trade-unions which corresponds to the actual relation between the labour movement as a whole and its partial trade-union expression. Such a revolution will inevitably call forth a vigorous opposition from a part of the trade-union leadership. But it is high time for the working masses of social democracy to learn how to express their capacity for decision and action, and therewith to demonstrate their ripeness for that time of great struggles and great tasks in which they, the masses, will be the actual chorus and the directing bodies will merely act the “speaking parts,” that is, will only be the interpreters of the will of the masses.

The trade-union movement is not that which is reflected in the quite understandable but irrational illusion of a minority of the trade-union leaders, but that which lives in the consciousness of the mass of proletarians who have been won for the class struggle. In this consciousness the trade-union movement is part of social democracy. “And what it is, that should it dare to appear.”



## The Marxist View of the Labor Unions: Complex and Critical

Dan La Botz

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Since the world economic crisis of 2008 and governments' increasing demands for austerity in countries around the globe, labor unions have failed to provide leadership to the working class. This has led to a debate about the value of unions and their role in social change. Longstanding socialist organizations and emerging nonstate socialist and anarchist groups have begun an important discussion of the nature of the labor unions, the character of their leaderships, and their relationship to employers and the state. Marx and Engels are often referred to or cited as authorities in these debates, though seldom do we have an overview of how they arrived at their complex understanding of labor union structures, leaderships, politics, and behaviors. This essay is meant to contribute to this important discussion by examining Marx's and Engel's involvement in the workers' movement, including with the labor unions, as well as their writings about labor unions, placing them in the broader context of their revolutionary socialist strategy and vision. We trace the development of these ideas from their first involvement with the workers movement in the mid-1840s until the death of both by the 1890s. Finally, we conclude by making a summary of their considered opinion.

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Marxist socialists have a complicated and critical attitude toward labor unions.<sup>1</sup> The general reasons for this are no doubt obvious to anyone who has thought about them. Labor union leaders generally fight for higher wages, while Marxist socialists struggle to end the wage system. Trade union leaders often see strikes as unfortunate if sometimes necessary struggles that temporarily disrupt the labor union's usual and ongoing partnership with capital. Socialists on the other hand see strikes as essential to maintaining workers' fighting spirit and preparing workers to engage in class war and eventually to carry out a social revolution to overthrow capitalism. Trade union leaders tend to see their unions as the only legitimate vehicle and voice of the working class, while socialists tend to see trade unions as too limited in their scope—excluding as they often do much of the working class, especially ethnic and racial minorities, women, immigrants, domestic and farm workers, the unemployed, and the indigent. Socialists, on the other hand, organize workers not only into unions but also into educational groups, workers parties, social movements, and revolutionary socialist organizations. Unions foresee no alternative workers' organization, while socialists envision the organization of workers into community or industrial councils that would include virtually all workers, broad organizations that would

both run all industries, services, and government offices and would become an alternative form of government.

The differences are equally striking when one thinks about politics. Trade unionists tend to see the political party of their choice (Labor, Social Democrat, or Democratic Party) as the only legitimate political party of workers, while socialists criticize those parties as linked to the capitalist class and to the capitalist state which they seek to overthrow. For socialists, workers' unions and their struggles should as they grow give rise to ever broader and eventually class-wide struggles against capital and thus to the creation of an independent workers' political party, and eventually to the revolutionary overthrow of capitalism. Trade unions often seek to collaborate with what they see as progressive sectors of the capitalist class through the Labor, Socialist Democratic, or Democratic Party to bring about a more humane capitalism. Socialists, however, believe that capitalism is an exploitative, oppressive, warlike, and unjust system that can never be humane. Trade unionists imagine making this society better for organized workers, while socialists envisage a different society better for all.

Yet, despite these profound differences, because everywhere unions represent the largest working class organizations, because they become involved in struggles with capital, and, most important, because they have the potential to set ever larger groups of workers in struggle against employers and the state, socialists work within the unions for their long-term revolutionary objectives. The socialists' relationship to the unions of which they are members and in which they work is therefore complicated, loyal to the union only insofar as it fights for workers, critical of the unions when they fail to do so. And, more important, always aware that the unions by themselves can never fully serve all of the workers' long-term interests.

The purpose of this article is to look at the origin of this Marxist socialist attitude toward the unions, showing how that attitude arose and how the position of Karl Marx and Friedrich Engels became more complicated, sophisticated, and subtle over time. This is necessary because the Social Democratic and Communist parties' theory and practice that developed during the twentieth century, and continues in the twenty-first century, represented a distortion of Marx's views. The Social Democrats tended to subordinate their politics to the unions (as well as to the party's electoral goals), a strategy also followed by the Communist parties in the Popular Front and post-war periods. Social Democrats and Communists both emphasized the institutional gains of the labor unions rather than their fighting capacity, a posture which correlated with their larger politics of collaboration with the capital class, and consequently they tended to orient toward the union leadership, rather than toward the rank and file. These policies run contrary to the politics of Marx and Engels who put their emphasis on the capacity of workers to engage in strikes and to transform their economic strike movement into a political force.<sup>2</sup>

Since the economic crisis of 2008 and the abject failure of the labor unions around the world to rise to the occasion, a variety of "nonstate" socialists, neo-anarchists, and new independent socialist groups have made poignant

criticisms of the labor unions. At the same time, we have seen the rise in some countries of new revolutionary syndicalist unions based on anarcho-syndicalist theory and practice. Though some of the new nonstate socialist, anarchists, and syndicalist groups may not be aware of it, many of their criticisms and much of their practice actually coincide with Marx's own views of the nature of the unions, their officials, and their relations to capitalism and the state. For all of these reasons, it is important to put forward a chronological and thematic account of Marx's ideas about labor unions and how they fit in with his conception of capitalism, politics, the state, and revolution. We will see that Marx and Engels strongly supported the trade union movement throughout their lives but were never uncritical of the unions, the unions' leaders or, when necessary, of their members; that they put unions' strike movements at the very center of their analysis; that they expected labor union movements to lead to political power; and that their support for unions was subsidiary to their revolutionary perspective; and that in revolutionary situations, they tended to subordinate the question of unions to the broader revolutionary movement.<sup>3</sup>

### The Early Marx: Workers' Revolution

Both labor unions and the modern socialist movement were born and grew up together in Europe and North America in the early nineteenth century before spreading around the world. Karl Marx and Friedrich Engels, intellectual and political partners and the founders of the modern socialist movement, followed and participated in the developments in the labor union movement for fifty years, from the middle to the end of the nineteenth century to the eve of the twentieth. During those years, their views evolved and changed as they observed and participated in the union movement.

Karl Marx, while a young man still studying philosophy, had on the basis of his reading of history and analysis of contemporary society, arrived at the conclusion that the working class would be the revolutionary agent—the “universal class” as he called it—that would overthrow capitalism and bring about communism. The revolutionary overthrow of capitalism and its replacement by communism was the preoccupation of a small group of German intellectuals of his generation; but it was Marx who discerned that the working class would be the agent of socialist revolution. What class, he asked, was in such a situation that it might lead a revolution in Germany? Extrapolating from the experience of the French Revolution of 1789, where the bourgeoisie had appeared as the liberator of the nation from the evils of the ancien régime, he concluded that in Germany in his time it was the working class which would liberate society from capitalism. He wrote:

Where, then, is the positive possibility of German emancipation?

Our answer: in the formation of a class with radical chains, a class in civil society that is not of civil society, a class that is the dissolution of all classes, a sphere of society having a universal character because of its universal suffering and claiming no particular right because no particular wrong but unqualified wrong



is perpetrated on it; a sphere that can claim no traditional title but only a human title; a sphere that does not stand partially opposed to the consequences, but totally opposed to the premises of the German political system; a sphere, finally, that cannot emancipate itself without emancipating itself from all the other spheres of society, thereby emancipating them; in short, that is the complete loss of humanity and can only redeem itself through the total redemption of humanity. This dissolution of society existing as a particular class is the proletariat.<sup>4</sup>

As Marx noted in the same passage, "The proletariat is only beginning to appear in Germany as a result of the industrial development that is taking place." Yet it was clear to him from the developments in France and above all England that industrial capitalism would spread throughout Europe, creating an industrial proletariat. That was the future direction of things. Yet Marx had little idea at that time of just how the working class would organize itself to achieve the revolution that he believed was its task. He had not yet discovered the labor unions, labor political parties, workers' strikes as insurgencies, or other forms of workers' struggle which would later preoccupy him.

#### Workers in Paris

After the Prussian government suppressed the *Rheinische Zeitung*, the newspaper he edited, because of its support for democratic movements, Marx moved to Paris in March of 1843 where he had his first personal experience with French and German immigrant working people, most of them artisans. The young Marx was moved by the experience of attending the meeting of the workers' associations and wrote rather sentimentally:

When communist artisans form associations, education and propaganda are their first aims. But the very act of associating creates a new need—the need for society—and what appeared to be a means has become an end. The most striking results of this practical development are to be seen when French socialist workers meet together. Smoking, eating, and drinking are no longer simply means of bringing people together. Company, association, entertainment which also has society as its aim, is sufficient for them; the brotherhood of man is no empty phrase but a reality, and the nobility of man shines forth upon us from their toil-worn bodies.<sup>5</sup>

Socialism or communism was already a current among workers in France. Some workers such as these, if French, were already reading Pierre-Joseph Proudhon's radical book *What is Property?* And some of the German refugees in France belonged since the 1830s to the League of the Just, a German communist group that would later develop into the Communist League for which Marx wrote *The Communist Manifesto* in 1848. Workers like these might also belong to mutual aid societies and might sometimes engage in strikes, but there were hardly any actual labor unions in France until about the 1860s when they organized largely under the influence of the English via the International Working Men's Association.<sup>6</sup>

### The Silesian Weavers

The first time that Marx appears to have become aware of the workers' power in the form of an insurgency was with the Silesian weavers uprising of 1844. The Silesian hand weavers, whose industry was being wiped out by the Prussian free trade policy, competition from British machine-made cloth, and a Russian embargo on the importation of their products, rose up in a revolt in 1844 that tremendously impressed Marx and Engels.<sup>7</sup> In his "Critical Marginal Notes on the Article by a Prussian" published in *Vorwärts* in August of 1844, Marx praised the Silesian weavers revolt, arguing that it had an anticapitalist character:

First, of all, recall the song of the Silesian weavers, that bold call to action, in which there is not even a mention of hearth and home, factory or district, but in which the proletariat at once, in a striking, sharp, unrestrained and powerful manner, proclaims its opposition to the society of private property. The Silesian uprising begins precisely with what the French and English workers' uprisings end with the consciousness of the nature of the proletariat. The action itself bears the stamp of this superior character. Not only machines, these rivals of workers, are destroyed, but also ledgers, the titles to property. And while all other movements were aimed primarily only against the owner of the industrial enterprise, the visible enemy, this movement is at the same time directed against the banker, the hidden enemy. Finally, not a single English workers' uprising was carried out with such courage, thought and endurance.<sup>8</sup>

Marx went on in the same essay to argue that though the Silesian weavers' uprising was a local and partial revolt of workers that it showed the need for revolutionary change.<sup>9</sup> While the Silesian weavers were not modern industrial workers and did not have labor unions, their riots constituted a revolt that demonstrated to Marx, Engels, and their contemporaries the power of a mass workers' movement and suggested to them how it might be linked to the broader and genuinely political, revolutionary movement they were expecting.

### The German Revolution of 1848

Revolution did break out and spread throughout Europe in 1848, with movements demanding democracy in some countries and socialism in others, namely France. Expelled from the Kingdom of France and then from Belgium for political activity in each of those countries, Marx later returned to revolutionary France, but then in March of 1848 he and Engels went to Germany to join the revolution there. While in Paris, Marx had organized a German workers association, not a trade union but a political association, one of several associated with the reorganized Communist League. Once in Germany, Marx reestablished his newspaper, now called the *Neue Rheinische Zeitung*, and took an active role in the revolutionary movement, convincing the Rhineland democratic congress to pass resolutions advocating an alliance of workers and peasants. He also

organized in Worringen, near Cologne on September 17, 1848, a rally of 10,000 workers and peasants against the Prussian attempt to disarm the Cologne civic militia. The Worringen rally also called for the establishment of “democratic socialist red republic.”<sup>10</sup> Cologne’s labor movement at the time included only a few industrial workers, most workers being artisans. There was no labor union movement, and Marx was critical of attempts to organize a simple workers association, apparently because it was not political.<sup>11</sup> While the revolution continued in Germany, in June of 1849, Marx returned to Paris to join the revolutionary movement there, but when the movement there declined, Marx was expelled from Paris at the end of August.

### Workers Organizations in the Communist Manifesto

Within the context of the European Revolution of 1848, the German Communist League, an association of mostly artisan workers, asked Marx to write a manifesto laying out the group’s position with regard to the social classes and political parties on the continent. The Communist Manifesto that Marx authored—with its famous phrase “Workers of the World Unite”—also took up the question of unions, pointing to both their virtues and their limitations. He wrote:

The steadily accelerating improvement in machinery make their livelihood increasingly precarious; more and more, the collisions between individual workers and individual bourgeois tend to assume the character of collisions between their respective classes. They begin to form coalitions against the bourgeois, closing their ranks to maintain the rate of wages. They found durable associations which will be able to give them support whenever the struggle grows acute. Here and there, this struggle takes the form of riots.

From time to time the workers are victorious, though their victory is fleeting. The real fruit of their battles is not the immediate success, but their own continually increasing unification. Unity is furthered by the improvement in the means of communication which is effected by large-scale industry and which brings the workers of different localities into closer contact. Nothing more is needed to centralize the manifold local contests, which are all of the same type, into a national contest, a class struggle. Every class struggle is a political struggle.<sup>12</sup>

The unions, as Marx saw them, played a useful function in helping to keep up wages, and more important they set in motions ever great numbers of workers in ever more coordinated actions and larger, centralized organizations. Those struggles become political, challenging the state and its policies if only because of their size and scope. They did not, however, lead to what Marx saw as the central task, that is, the creation of a political party of the working class, a necessity if workers were going to change the political direction of the society and eventually bring about a socialist revolution.

### The Lesson of 1848—An Independent Workers Party

Following the defeat of the Revolution of 1848 throughout Europe, Marx, then living in London, presented the "Address to the Central Committee of the Communist League" made up of German revolutionary exiles, in which he drew out the lessons of the experience of the great European upheaval. Everywhere in Europe, the bourgeoisie, petty bourgeoisie, workers, artisans, and peasants had fought together against the landowning aristocracy, though in the end the bourgeoisie, frightened of the rising working class raising its own demands, had turned on the workers. Aristocracy and bourgeois had finally come together to crush the democratic and labor movements.

At the time he gave his address, Marx believed that another revolutionary upheaval was on the horizon and felt it important to prepare revolutionaries for the next wave. Having himself participated in the revolutionary movement that involved various workers association, peasant leagues, and especially in France socialist organizations, Marx argued that the most important lesson of the experience was the need for an independent working class party. Marx told his audience of revolutionary veterans:

At the present moment, when the democratic petty bourgeois are everywhere oppressed, they preach in general unity and reconciliation to the proletariat, they offer it their hand and strive for the establishment of a large opposition party which will embrace all shades of opinion in the democratic party, that is, they strive to entangle the workers in a party organization in which general social-democratic phrases predominate, behind which their special interests are concealed and in which the particular demands of the proletariat may not be brought forward for the sake of beloved peace. Such a union would turn out solely to their advantage and altogether to the disadvantage of the proletariat. The proletariat would lose its whole independence, laboriously achieved position and once more sink down to being an appendage of official bourgeois democracy. This union must, therefore, be most decisively rejected.

He would go on to write,

During the struggle and after the struggle, the workers must, at every opportunity, put forward their own demands alongside the demands of bourgeois democrats. They must demand guarantees for the workers as soon as the democratic bourgeois set about taking over the government. If necessary they must obtain these guarantees by force . . .

And he proceeds to outline the need for municipal committees and workers councils and for the arming of the working class.

Marx discusses the importance of forming independent workers clubs (independent of the capitalist class) and then centralizing the workers' clubs in the chief seat of the revolutionary movement. "The speedy organization of at least a provincial interlinking of the workers' clubs is one of the most important points for the strengthening and development of the workers' party . . .," he writes, because there will be calls for a national representative assembly, and the

workers must be able to participate with their own party and candidates. This workers' party must force the democrats "into direct attacks on private property," writes Marx, force them to go beyond reform, force them to nationalize property.<sup>13</sup>

Marx has not a word to say in the Address about the workers association or trade unions, probably because they were not very important in the larger scheme of things. Unions in Germany, though some existed, had little weight, and so he does not mention them. He focuses his attention almost entirely on the political organizations of workers which had played and which he believed would in the future play a key role in a revolutionary movement. Marx's chief purpose in the Address was to argue for the necessity of the independent political and quasi-military organization of those workers. In the midst of a revolutionary situation, the questions of the revolutionary movement, the workers political parties, and the socialists appeared to him as much more important than the labor unions, as would be the case too, as we will see below, at the time of the Paris Commune, though at that time the role of unions would also be less significant, though for somewhat different reasons.

#### English Unions and the Chartist Movement

The situation in England was different, was quite different than that on the continent. Since the mid-eighteenth century, England had undergone a process of industrialization resulting in the creation of a class of wage laborers. Workers in England began to organize unions at the beginning of the nineteenth century and were given the right to freedom of association in 1824, leading to the creation of local labor unions and then to national union organizations (trades unions).<sup>14</sup> During this period, radical democratic Jacobin politics of the French Revolution of 1789 spread to England and became intertwined with the emerging labor unions and politics of the British working class. When the British Parliament passed the Reform Act of 1832, granting the vote to the middle classes (the bourgeoisie and petty bourgeoisie) but specifically excluding the wage-earning class, workers' organizations began to organize to demand the right to vote for workingmen.

In 1838, the new movement adopted the People's Charter which called for universal manhood suffrage, no property qualifications to stand for offices, and a salary for representatives so that workers could afford to hold office. The People's Charter became the political focus of a working class movement that, though mostly male, had in its early years a high level of female participation as well. Some of the Chartists considered themselves to be socialists and aimed at creating a new society free of exploitation. Frustrated by Parliament's refusal to enact the Charter, that is, to give workers the right to vote, sections of the Chartist movement attempted to organize a national insurrection in 1839, though only a couple of regions responded, and then only partially.<sup>15</sup> The movement was put down by the military, hundreds imprisoned and the leaders sentenced to death, later commuted to transportation, that is, imprisonment on



Van Diemen's Island (Tasmania). An economic crisis in 1840 to 1841, accompanied by layoffs and wage cuts, led to a strike wave both for the restoration of wage levels and for political demands including the Charter, culminating in an unsuccessful attempt at a general strike in 1842. Throughout England during this period strikes, and the demand for the Charter frequently led to small local uprisings, violent confrontations, and severe government repression.<sup>16</sup> Marx and Engels became fervent defenders of the Chartist movement's political and revolutionary legacy.

### Socialism and the Labor Unions

Born in ferocious struggle accompanied by employer firings, beatings, and government massacres, unions arose in England as the fighting organizations of workers. Marx and Engels embraced this new labor movement, both the trade unions and the Chartist movement as its political party, seeing in them the seeds of a revolutionary social movement and a prefiguration of a future socialist society. Their adhesion to the workers' movement distinguished them from all other tendencies in the socialist movement at the time.

The existing European socialist movement, made up of utopian socialists such as Charles Fourier and Étienne Cabet, idealists who envisioned a cooperative human society and whose followers created small model socialist societies, never connected their vision of socialism to the emerging workers' movement. Most of these utopian socialists believed that socialism would be brought about through the criticism of capitalism, the development of a blue print for a new society, a program of education about socialism, and proselytizing among all and sundry. Socialism before Marx and Engels was not connected to the idea of class struggle or to the working class and certainly not to labor unions. To some, such as Pierre-Joseph Proudhon, whose notion of socialism was based on an idealized conception of the artisan workshop and the community of artisanal producers, labor unions and strikes seemed either irrelevant or indeed a threat to their utopian schemes.

Unlike other socialists of the 1830s and 1840s, Marx and Engels welcomed the first appearance of workers' strikes and labor unions and sought to understand their origin, their activities, and their future possibilities. Written between 1842 and 1844, Engels's *The Condition of the Working Class in England* is the first serious study of the life and experience of a European working class, portrayed sympathetically the workers' experience. It presented one of the first descriptions of the labor unions and their objectives:

[Beginning in 1812,] these associations required their members to take an oath of fidelity and secrecy, had regular lists, treasurers, bookkeepers, and local branches. But the secrecy with which everything was conducted crippled their growth. When, on the other hand, the working men received in 1824 the right of free association, these combinations were very soon spread all over England and attained great power. In all branches of industry Trade Unions were formed with the outspoken intention of protecting the single working man against the

tyranny and neglect of the bourgeoisie. Their objects were: to fix wages and to deal, en masse, as a power, with the employers; to regulate the rate of wages according to the profit of the latter, to raise it when opportunity offered, and to keep it uniform in each trade throughout the country. Hence they tried to settle with the capitalists a scale of wages to be universally adhered to, and ordered out on strike the employees of such individuals as refused to accept the scale. They aimed further to keep up the demand for labor by limiting the number of apprentices, and so to keep wages high; to counteract, as far as possible, the indirect wages reductions which the manufacturers brought about by means of new tools and machinery; and finally to assist the unemployed working men financially.<sup>17</sup>

The union members, Engels explained, were issued union cards showing bearer was a "society man," (that is, a union member) so that when he had to tramp in search of work he would be supported by his fellow workers who would help him find a job.

Engels early description of British trade unions also described the first appearance of the union officials:

To attain these ends, a President and Secretary are engaged at a salary (since it is to be expected that no manufacturer will employ such persons), and a committee collects the weekly contributions and watches over their expenditure for the purposes of the association. When it is proved possible and advantageous, the various trades of single districts united in a federation and held delegate conventions at set times. The attempt has been made in single cases to unite the workers of one branch over all England in one great Union; and several time (in 1830 for the first time) to form one universal trades association for the whole United Kingdom, with a separate organization for each trade.<sup>18</sup>

Though, Engels notes, the national associations did not hold together during periods of economic crisis.

Yet he was pessimistic about the unions' possibilities. "The history of these Unions," he wrote, "is a long series of defeats of the working men, interrupted by a few isolated victories." At the time, Engels believed that workers could not do much better because of capitalist laws of supply and demand (he was writing before Marx's study of capitalism led him to conclude that workers could shorten hours and raise wages); nevertheless, workers could keep employers from lowering wages during periods of prosperity and could fight during period of economic recovery for the more rapid recuperation of lost wages.<sup>19</sup> By and large though, says Engels, workers' strikes proved futile in the 1840s in England.

While the union's economic power might be weak, and while he believed their economic struggles had no chance of success under capitalism, what Engels found most significant was the ethical character of the workers unions and their strikes:

It will be asked, 'Why, then, do the workers strike in such cases, when the uselessness of such measures is so evident?' Simply because they must protest against every reduction, even if dictated by necessity; because they feel bound to

proclaim that they, as human beings, shall not be made to bow to social circumstances, but social conditions ought to yield to them as human beings; because silence on their part would be a recognition of these social conditions, an admission of the right of the bourgeoisie to exploit the workers in good times and let them starve in bad ones. Against this the working men must rebel so long as they have not lost all human feeling. . . . The active resistance of the English working men has its effect in holding the money-greed of the bourgeoisie within certain limits, and keeping alive the opposition of the workers to the social and political omnipotence of the bourgeoisie, while it compels the admission that something more is needed than Trade Unions and strikes to break the power of the ruling class. But what gives these Unions and the strikes arising from them their real importance is this, that they are the first attempt of the workers to abolish competition.<sup>20</sup>

For Engels, it was the unions' ethical statement and potential for more radical struggle which was most important. Whatever one might think of them, Marx argued that wherever industry developed workers would organize unions and governments would be forced to grant them legal status just as had happened in England.<sup>21</sup> (Later, by the mid-1860s, Marx argued against contemporary economists and other socialists who believed that strikes were futile and unions useless because the "laws of the capitalist laws of supply and demand" alone determined wages. No, said Marx, strikes and unions could actually succeed in winning higher wages for workers in some industries and at least in the short term if not indefinitely.<sup>22</sup>)

### Something More Is Needed

Even in this early description and discussion of the unions, Engels pointed out that, while unions in their one-sided and narrow way served an important purpose, "something more is needed." What was needed was a political movement such as the Chartism. The Chartists not only circulated petitions demanding the right to vote, but also led strikes, and at times the movement was attended by violence including armed uprisings. Taken altogether, it was a movement for workers' economic and political power, and that combination of the economic and the political, thought Engels, was what was needed.

Writing on the Chartist movement Engels expands on this question:

In the Unions and turnouts [strikes] opposition always remains isolated: it was single working men or sections who fought a single bourgeois. If the fight became general, this was scarcely by the intention of the working men; or, when it did happen intentionally, Chartism was at the bottom of it. But in Chartism it is the whole working class which arises against the bourgeoisie, and attacks, first of all the political power, the legislative rampart with which the bourgeoisie has surrounded itself.<sup>23</sup>

The fundamental goal of the Chartist movement was to abolish property qualifications and win the right to vote for working men, but it also had

economic aims arising out of the union movement. The workers and unions at the base of Chartism fought for a shorter work day, winning the passage of the Ten Hours' Act in 1847.<sup>24</sup> Winning the right to vote would give workers the political power to achieve their economic goals as well. As Engels wrote, "Chartism is a knife and fork question: the Charter means a good house, good food and drink, prosperity, and short working hours."<sup>25</sup>

Similarly, Marx writing at the same time in the 1840s saw unions and their strikes as having a "double aim," both economic and political. First, they represented an attempt by workers to unite in order to overcome competition among themselves over wages, and second, the united workers to carry on "general competition with the capitalists." Marx believed that, "In this struggle—a veritable civil war—all the elements necessary for a coming battle unite and develop. Once it has reached this point, association takes on a political character."<sup>26</sup>

The great virtue of unions, Marx believed, was that they tended to bring ever greater numbers of workers together in combination against the employers. "In this struggle—a veritable civil war—all the elements necessary for a coming battle unite and develop. Once it has reached this point, association takes on a political character," wrote Marx in 1847. "The organization of these strikes, combinations [local unions], and trades union[national unions] went on simultaneously with the political struggles of the workers, who now constitute a large political party under the name of Chartists."<sup>27</sup> Marx saw the workers struggle for economic and social improvement inevitably becoming political, as in the Chartists's struggle for workers' right to vote.

### The Importance of Strikes

Marx believed that the regularly recurring crises of the capitalist economy, leading to the rise and fall in wages, led workers to strike and that strikes were essential to workers' morale and to their ever greater scope of organization. Writing in 1853, he said:

I am . . . convinced that the alternative rise and fall of wages, and the continual conflicts between masters and men resulting therefrom, are, in the present organization of industry, the indispensable means of holding up the spirit of the labor classes, of combining them into one great association against the encroachments of the ruling class, and of preventing them from becoming apathetic, thoughtless, more or less well-fed instruments of production.<sup>28</sup>

The workers' unions, forced to fight the bosses on a daily basis, became the training grounds of the working class and "schools of socialism." Marx thought that the trade unions were something like the municipalities of the Middle Ages in which the bourgeoisie had been born, a social space and a "focal point" for the organization of the working class. Most important, unions could become a political force, fighting against the capitalists who controlled the government. Marx saw the union political struggles leading to the creation of a political party which could fight for state power.

Marx believed that the organizations of trades unions, the proliferation of strikes, and the accompanying political agitation would also be attended by armed uprisings and violent confrontations such as occurred during the Chartist movement. Unions in their formative period appeared to Marx and Engels to have revolutionary possibilities. They could, it seemed, bring about the abolition of the wage system itself on which capital was founded. With the abolition of the wage system and the capitalist market would come a new democratic and collective society, a socialist society.

#### "Bourgeoisification" of the Unions and the Aristocracy of Labor

Marx's and Engel's initial enthusiasm for the unions, however, became tempered over time. The unions ceased to be the radical strike movement, the incipient labor party, and the revolutionary movement of the 1840s and instead became an accepted part of bourgeois society. As Engels wrote "... the work-people from the very beginning cannot do without a strong organization, well-defined by rules and delegating its authority to officers and committees. The Act of 1824 rendered these organizations legal. From that day labor became a power."<sup>29</sup> While Marx and Engels saw the winning of legal status for labor unions as a victory, it also represented a step in the institutionalization of the unions as they became a normal part of capitalist society.

Before long, certainly by the mid-nineteenth century, some labor unions had become "rich," overseeing union dues and benefit funds. These developments led Engels to write Marx in the 1850s that, "the British proletariat is becoming more and more bourgeoisified ... For a nation that exploits the whole world, this as a matter of fact is more or less natural."<sup>30</sup> By the "bourgeoisification" of the unions, Marx and Engels had in mind several related causes and results. First, they thought that Great Britain's role as the dominant imperialist power in the world meant that the British bourgeoisie became wealthy enough that it could afford to suborn a section of its working class. They could bribe them with higher wages, corrupting them both in society and in politics. Speaking of the unions as a whole, Engels wrote in 1883:

Participation in the domination of the world market was and is the economic basis of the political nullity of the British workers. Dragging along at the tail-end of the bourgeoisie in the economic exploitation of this monopoly [the British monopoly of the world market], but always sharing in its profits, they naturally, from the political point of view, drag along at the tail-end of the 'great Liberal Party' which has thrown them some small sops, recognizes trade unions and the right to strike, gave up the struggle for the unlimited working day and gave the bulk of the higher-paid workers the right to vote.<sup>31</sup>

Engels went on to attribute these social and political developments to what he called the rise of "an aristocracy among the working class." The term "labor aristocracy" and the concept of a privileged stratum of workers was common in Victorian England and often linked to the better organized labor union



members and particularly the building trades.<sup>32</sup> Engels defined the “aristocracy” as the members of the “great Trades Unions” (what we in the U.S. would call the craft union, particularly the building trades, organized at the national level):

They are the organization of those trades in which the labor of grown-up men predominates, or is alone applicable. Here the competition neither of women and children nor of machinery has so far weakened their organized strength. The engineers, the carpenters and joiners, the bricklayers, are each of them a power, to that extent that, as in the case of bricklayers and bricklayers’ laborers, they can even resist the introduction of machinery. That their condition has remarkably improved since 1848 there can be no doubt, and the best proof of this is in the fact that for more than fifteen years not only have their employers been with them, but they with their employers on exceedingly good terms. The [sic] form an aristocracy among the working-class; they have succeeded in enforcing for themselves a relatively comfortable position, and they accept it as final.<sup>33</sup>

The other side of the coin, he pointed out was even worse poverty for the rest of the working class. “But as to the mass of the working-people, the state of misery and insecurity in which they live now is as low as ever, if not lower. The East End of London is an ever-spreading pool of stagnant misery and desolation, of starvation when out of work, and of degradation, physical and moral, when in work.”

But even the poorest workers had benefited to some degree from British imperialism, and that had tended to dampen the movement. Engels concluded these thoughts by observing:

The truth is this: during the period of England’s industrial monopoly the English working-class have, to a certain extent, shared in the benefits of the monopoly. These benefits were very unequally parceled out amongst them: the privileged minority pocketed most, but even the great mass had, at least, a temporary share now and then. And that is the reason why, since the dying-out of Owenism, there has been no Socialism in England.<sup>34</sup>

Engels’s argument was that British imperialism had made possible not only the sharing of the benefits of the imperial monopoly with a certain section of high skilled workers, but that even factory workers and the “great mass” of workers received some benefits of the “monopoly of world trade.” The fabulous wealth of Great Britain’s bourgeoisie, some of it spread out very unevenly among skilled and unskilled workers, tended to dampen, and at times it seemed to extinguish class struggle.

Within the working class, there was broad support for England’s empire. Engels wrote to Kautsky in Germany that the English workers shared the views of the capitalist class on “colonial policy,” that is to say on imperialism.

You ask me what the English workers think about colonial policy. Well, exactly the same as they think about politics in general: the same as the bourgeois think. There is no workers’ party here, you see, there are only Conservatives and Liberal-Radicals, and the workers gaily share the feast of England’s monopoly of the world market and the colonies.<sup>35</sup>

The “bourgeoisification of labor” was the result of the creation of the “aristocracy of labor,” but also of England’s “monopoly of the world market” based on its “colonial policy,” which was by and large supported by all classes including the working class. What is unique in Engels theory of the labor aristocracy and what differentiates it from common usage at the time were the notions, first, that it was British imperialism that had created the general prosperity that supported this privileged stratum and, second, that it was its privileged situation led this group of workers to become more politically conservative.<sup>36</sup>

While Britain’s privileged situation led to the apparent and relative strength of the trades unions, Marx and Engels also argued that it also brought about the corruption of the labor union officials. Already in 1878, Marx wrote in a letter to Wilhelm Liebknecht that, “The leadership of the working class of England has passed into the hands of the corrupted leaders of the trade unions and the professional agitators.”<sup>37</sup> Union officials who partnered with the bosses kept union activity confined to a regular round of strikes over wages, without challenging the capitalist class in order to improve conditions for all workers. Corruption arose out of class collaboration, the close working relationship between bosses and union officials in business world and the partnership between the unions and the Liberals in politics. Marx and Engels were appalled by the movement of the unions and the former Chartists into the Liberal Party.

Most depressing and repugnant, however, was the bourgeoisification of the rank-and-file workers themselves. Writing in 1889 to his co-thinker Friedrich Sorge in the U.S., Engels declared,

The most repulsive thing here is the bourgeois ‘respectability,’ which has grown deep into the bones of the workers. The division of [British] society into innumerable strata, each recognized without question, each with its own pride but also its inborn respect for its ‘betters’ and ‘superiors,’ is so old and firmly established the bourgeois still find it fairly easy to get their bait accepted.<sup>38</sup>

The problem then was not simply that as a result of the British “monopoly of world trade” that there existed an “aristocracy of labor” and “corrupted leaders,” but that also ordinary workers themselves had either proudly claimed their status as labor aristocrats, placidly accepted their fairly comfortable place in the middle ranges, or had become demoralized and dejected by their abysmal poverty among the labor plebs. Without real class struggle, not simply the routine strikes over wages, but class struggles that tended to embrace the entire working class and lead it into conflict with the employers as a class, workers became, as Marx had suggested decades before, “apathetic, thoughtless, more or less well-fed instruments of production.”<sup>39</sup>

### The Working Class Divided Against Itself

While as Marx and Engels noted that the “bourgeoisification” of unions and corrupt leaders were problems, they also recognized that the unions were also

weakened by divisions in the working class, the most important of which was that between English and Irish immigrant workers. Marx described the problem in a letter of 1870:

Every industrial and commercial center in England now possesses a working-class divided into two hostile camps, English proletarians and Irish proletarians. The ordinary English worker hates the Irish worker as a competitor who lowers his standard of life. In relation to the Irish worker he feels himself a member of the ruling nation and so turns himself into a tool of the aristocrats and capitalists of his country against Ireland thus strengthening their domination over himself. He cherishes religious, social, and national prejudices against the Irish worker. His attitude towards him is much the same of that of the "poor whites" to the "niggers" in the former slave states of the U.S.A. the Irishman pays him back with interest in his own money. He sees in the English worker at once the accomplice and the stupid tool of the English domination of Ireland

This antagonism is artificially kept alive and intensified by the press, the pulpit, the comic papers, in short, by all the means at the disposal of the ruling classes. This antagonism is the secret of the impotence of the English working-class despite their organization. It is the secret by which the capitalist class maintains its power. And that class is fully aware of it. [All italics in original.] <sup>40</sup>

In a passage similar to the one just quoted above, also written in 1870, Marx pointed out another difference between the Irish and the English, namely that "The revolutionary ardor of the Celtic worker does not go well with the solid but slow nature of the Anglo-Saxon worker." That is, the ethnically oppressed Irish workers were more militant than the cautious English. <sup>41</sup>

Several things should be noted in these paragraphs. First, Marx is talking, at least in part, about unionized workers, as is clear from the phrase "despite their organization." Second, he places responsibility for the racist and divisive attitudes of English workers directly on workers' themselves and only secondarily on the capitalist class which exploits it. Third, he places primary responsibility on the English workers, and only secondarily on the Irish workers who merely "pay back with interest" the English workers' hatred.

Marx had written to Engels about how to respond to this issue in an earlier letter in 1867.

The question now is, what shall we advise the English workers? In my opinion they must make the repeal of the Union . . . an article of their pronunciamiento. This is the only legal and therefore only possible form of Irish emancipation which can be admitted in the program of an English party.<sup>42</sup>

Marx is arguing that English workers will have to support the Irish people's right to independence from England, that is to say, to political self-determination. If they were to do so, that would make possible a reconciliation in England between English and Irish workers. Marx himself brought this argument into the International Working Men's Association (the First International).<sup>43</sup> Later he would change his mind. In 1869 Marx wrote to Engels to say

that he no longer looked to the English workers' movement to solve the problem, but rather to the Irish movement itself:

... it is in the direct and absolute interest of the English working class to get rid of their present connection with Ireland. For a long time I believed that it would be possible to overthrow the Irish regime by English working class ascendancy. ... Deeper study has now convinced me of the opposite. The English working class will never accomplish anything before it has got rid of Ireland. The lever must be applied in Ireland. That is why the Irish question is so important for the social movement in general.<sup>44</sup>

The Irish movement, a peasant movement, would have to solve the problem of the racial divide among English workers.

By mid-century and certainly by late in the nineteenth century, Marx and Engels had a dismal view of the labor movement; held captive politically by the Liberal Party, economically pursuing the narrow interests of the labor aristocrats under corrupt union leaders, its rank and file divided by ethnic antagonisms, and most workers excluded from the movement altogether.

### The International

Yet, despite these trenchant criticisms of the unions and their leadership, in the mid-1860s Marx joined with a group of British labor union leaders from the building trades, generally the most conservative section of the working class, in a project that would occupy much of his activity for almost a decade (even as he worked to finish *Capital*), the establishment of the International Working Men's Association. The founders of the International created it to respond to a complicated series of domestic economic and political events as well as foreign policy issues. Following the economic crisis of 1858, the British labor unions were involved in the years 1859–1862 in a series of bitter lockouts and strikes in which the building trades figured prominently. In response to the crisis and the economic conflicts, and the government's use of troops to suppress strikes, the unions established the London Trades Council in 1860, while the Bricklayers Union created *The Beehive* newspaper which became an influential working class newspaper and later the International's newspaper.

At the same time, the role of foreigners in the building trades strike had become an issue, with employers having imported German workers to break the gas workers strike and the French Positivists, followers of Auguste Comte's scientific theories of social progress, having worked with French building trades workers to garner financial support for the building trades workers in England; both experiences focused attention on the need for greater solidarity among British and continental workers. Finally, there were broader foreign policy issues, such as the Italian Risorgimento, the movement for national independence and unification, which was especially popular among the British of all classes, as well as the struggles of the suppressed nations of Hungary and Poland.

The Bricklayers and some other unions believed that the working class had a special moral role to play in international affairs and should try to influence British foreign policy. And outstanding among these foreign policy events was the American Civil War, which, once Lincoln had made the freeing of the slaves the central issue with the Emancipation Proclamation of September 1863, became the cause célèbre of the labor movement. All of these events and trends would contribute to the founding of the International Working Men's Association (later called the First International) by a group of British labor unions, as well as a few European unions, social movements, and leftist organizations.<sup>45</sup>

When the London Exposition, a World's Fair, took place in 1862, Louis Napoleon's government, which was at that moment attempting to win over the working class, had sponsored a delegation of French workers. A working class newspaper, *Working Men*, invited the French workers to a tea and soiréesponsored and paid for by the British Lords Shafesbury and Palmerston.

Subsequently, the English and French workers joined together in support of the Poles struggle for independence against the Russian Empire. At a subsequent meeting in London of British and French workers, there was a proposal to create a "congress of continental and English workmen": to be held in London. Meanwhile The Beehiveorganized support by British workers, including a financial contribution, to striking porcelain workers in Limoges, France. At the same time in England, there was a renewed interest in fighting for the vote for working men. Out of these various interactions came the establishment of the International Working Men's Association founded on September 28, 1864. Among those invited were "distinguished exiles and friends of the people," among them the scholarly German Karl Marx.<sup>46</sup>

Marx was well known among old Chartist leaders and German exiles and other European refugees, though not known to the British trade union leaders since he had not been directly involved in the workers movement or in revolutionary politics for more than a decade. He decided to become involved at this time because, he wrote at the time, "I knew that this time real 'powers' were involved both on the London and Paris sides and therefore decided to waive my usual standing rule to decline any such invitations."<sup>47</sup> The founding meeting of 2,000 brought together labor and social movement activists holding a variety of political positions but made no mention of socialism.

A committee was chosen from the founding meeting made up of twenty-seven Englishmen, three Frenchmen, two Germans, and two Italians, all of whom lived in England. The two Germans were Karl Marx and a German worker whom at the request of the committee he had proposed, Johann Eccarius, a tailor and former comrade of the Communist League. Initially there were five nominal founding national sections: English, French, German, Italian, and Polish. The English group was made up of trade unionists, many of them involved in the middle class-dominated Reform movement, the French were mostly disciples of Proudhon, while the Italians were followers of the bourgeois nationalist Giuseppe Mazzini. Marx played a key role in drafting founding the initial documents that bridged the differences among the founders and focused



on building working class power internationally. In the "Inaugural Address," Marx emphasized the need for labor to struggle at the national level for political power. As he wrote:

[T]he lords of land and the lords of capital will always use their political privileges for the defense and perpetuation of their economical monopolies. . . . To conquer political power has therefore become the great duty of the working classes.<sup>48</sup>

While the struggle for political power would go on at the national level, Marx believed that there must also be a common international struggle over foreign policy and international politics to promote justice among nations at the global level.<sup>49</sup>

Collins and Abramsky sum up Marx's early role very well:

He gave the organization a cohesion and sense of purpose which kept it going at a surprisingly high level of effectiveness through innumerable splits and schisms. His object in doing this was revolutionary. He approved of the struggle of the British workers to build up their trade societies, to win political rights and to force through social reforms. But Marx did not view such achievement as ends in themselves. He assessed them, as he assessed everything in relation to the European revolution for which he ceaselessly worked. He did not delude himself that the English workers were revolutionary or could quickly or easily become so. But at least it seemed to Marx they might emerge again, as in the days of the Chartists, as an independent political force fighting for an independent class program.<sup>50</sup>

Marx, as an elected member of the Council which served as its executive committee, exerted great influence over the International. In writing its inaugural address, Marx emphasized, in one of his most quoted lines, that the "Emancipation of the working classes must be conquered by the working classes themselves." The working classes Marx argued must fight for political power and must organize internationally to fight for the "abolition of class rule." Marx, however, never mentioned the labor unions by name in the address, perhaps because the French Proudhonians were generally opposed to them. In writing the rules of the organization, the Council described the principal function of the International as coordination of international actions to defend working class conditions and to maintain international peace. While the address and the rules had little initial impact, they do indicate how Marx and the Council majority understood the organization's role (though there would continue to be disputes about that throughout the organization's history).<sup>51</sup>

The thrust Marx's conception of the international can be found summarized in popular language in his response to a reporter's question: What is the purpose of the International? Marx replied:

The economical emancipation of the working class by the conquest of political power. The use of political power to the attainment of social ends. It is necessary that our aims should be comprehensive to include every form of working-class

activity. . . . The Association does not dictate the form of political movements; it only requires a pledge as to their end. It is a network of affiliated societies spreading over the world of labor. . . . The choice of that solution [to labor's problems in each country] is the affair of the working class of that country. The International does not presume to dictate in the matter and hardly to advise. But to every movement it accords its sympathy and its aid within the limits assigned by its own laws.<sup>52</sup>

The General Rules suggested that each country would form a section and that workers' associations in that country might affiliate with the international. At the same time, the International welcome individuals: "Everybody who acknowledges and defends the principles of the International Working Men's Association is eligible to become a member. Every branch is responsible for the integrity of the members it admits."<sup>53</sup> In practice individuals affiliated, International branches were created, and at times entire trade unions and cooperative societies affiliated. Speaking with a journalist from *The New York World* in 1871, Marx said:

[Workers] must revise the relations between themselves and the capitalists and landlords, and that means they must transform society. That is the general end of every known workmen's organization: land and labor leagues, trade and friendly societies, cooperative stores and cooperative production are but means toward it. To establish perfect solidarity between these organizations is the business of the International Association.<sup>54</sup>

In distinct countries, different sorts of organizations affiliated with the International, though the tendency over time was for labor union involvement to increase.

During the course of its eight-year history, Marx produced many of the documents for the International's annual congresses held in London (1865), Geneva (1866), Lausanne (1867), and Brussels (1868), London (1871), as well as his writings on the Paris Commune (which are dealt with here separately). He gave interviews to the press and commented on the International in correspondence with Engels and other collaborators.<sup>55</sup> From 1864 to 1872, while he was deeply involved in the International and the author of many of its documents, Marx repeatedly emphasized a series of important points. First, he argued that the International should develop real solidarity in practice between workers in various countries by way of their organizations and specifically through their labor unions.<sup>56</sup> (Though he had not changed his mind about the serious weaknesses and problems of labor unions, as we will see below.) Second, he urged workers' organizations, including unions, to take positions on issues facing workers which could only be resolved politically, in particular, the establishment of a shorter workday, the eight-hour day.<sup>57</sup> Third, he called for protective legislation for women and children. Fourth, he advocated the creation of independent and specifically working class political parties in the various nations to put forward working class political positions.<sup>58</sup> Fifth, he urged the International and its affiliates to take positions in matters of foreign policy, usually on the right

of nations to self-determination, in particular the right of the people of Ireland and Poland to determine their own fate.<sup>59</sup> He also in foreign policy statements opposed militarism and imperial ambitions particularly those of Russia and Prussia which threatened the peace of Europe. Sixth, when the issue came up in the International, he advocated the establishment of social property, though this usually applied to the question of socializing the great landed estates.<sup>60</sup> Finally, while it was not a prominent issue, Marx encouraged women to join the International and defended the right of women to have their own branches of the International, if necessary, though they might also be members of branches containing both sexes. And he took pride in having a woman as a member of the International's council.<sup>61</sup> We might also note that Marx attempted to avoid or quash discussions of religion by the International, and opposed "secret societies," that is, the Masons, because of their attempts to take over the International.<sup>62</sup>

While many, but not all of these positions were shared by the British labor unions with whom he worked most closely in England, many of them were vehemently opposed by the Proudhonian organizations that dominated the working class movement in France when the International began. Proudhon (who died in 1865) and his followers were opposed to labor unions, to political parties, and to the participation of women in social and political movements. During the period from 1864 to 1872, the combination of Marx's arguments and, more important, the eruption of a wave of strikes in France, including important strikes by women, gradually succeeded in moving the French labor movement in Marx's direction. We will return to the importance of those developments in a moment, but first let's turn now to look in some more detail at Marx's views and work in the International.

The real work of the International in a practical sense tended to revolve around International solidarity and particularly strike support. As Marx explained in the same interview with the reporter for the New York World in 1871:

To give an example, one of the commonest forms of the movement for emancipation is that of strikes. Formerly when a strike took place in one country it was defeated by the importation of workmen from another. The International has stopped all that. It receives information of the intended strike, it spreads that information among its member, who at once see that for them the seat of the struggle must be forbidden ground. The masters are thus left alone to reckon with their men. In most cases the men require no other aid than that. Their own subscriptions or those of the societies to which they are more immediately affiliated supply them with funds, but should the pressure become too heavy and the strike be one of which the Association approves, their necessities are supplied out of the common purse.<sup>63</sup>

While Marx's comments here explain the International's work in a popular way, they somewhat exaggerate both the effectiveness of the organization and its ability to provide financial assistance to striking workers.

The International in fact only began to have a significant impact on the working class in 1866 when it began to intervene to prevent the importation of strikebreakers from the continent to England. The first successes came in two strikes by tailors, leading a number of English labor unions to affiliate with the International. Most of the International's trade union affiliates throughout its history came either from the building trades or such backward industries as tailoring, clothing, and shoemaking, while there was little or no participation from mining, the machine tool industry, or heavy industry in general. By 1866, some fifty unions were affiliated, including one of the "new model unions," the Carpenters and Joiners. The important Engineers (machinists) and Iron Founders and the coal and cotton unions, however, never joined. The London Trades Council sometimes cooperated with the International, but neither would it join. The National Reform League, the last of the Chartist organizations also joined as did some other nonlabor organizations.<sup>64</sup>

#### The International in France

As in England, the International grew in France through its involvement in strikes, starting with the strike by the Bronze Workers Society in 1864. When, through the work of the International, British unions representing some 200,000 workers contributed funds to support the French Bronze Workers, the International achieved notoriety in bourgeois society and fame in the labor movement.<sup>65</sup> While the British trade unionists had the largest role in establishing the International which was headquartered in London, the French workers soon became the organization's largest and most active group of adherents.<sup>66</sup>

At first, the situation in France was disastrous. Under the dictatorship of Louis Napoleon Bonaparte, the advocacy of a republican form of government and the organization of labor and social movements were at first proscribed and later seriously discouraged. From the beginning, there were accusations that Bonapartist agents had insinuated themselves into the leadership of the French organization of the International, while in fact there was a secret group of Philadelphians, the Jacobin wing of the Masonic movement, attempting to take over the International in France. Most of the French leaders were Proudhonists, and in principle opposed to the fight for a republic, to political parties, to labor unions, and to women's leaving the home. Others were Republicans and not necessarily worker activists, interested in overthrowing the regime of Louis Napoleon and putting a representative government in its place.<sup>67</sup> Nevertheless, despite the conspiracies and political conflicts, the International would be more successful in France than anywhere else for about three years, from 1866 to 1868. Yet even in France, its influence was not great in society at large or in the working class, at least at first.<sup>68</sup>

While the attempt to establish a French leadership in Paris and a formal French section of the International failed, the International did within a few years have branches in Paris, Lyon, and Marseille, as well as in a number of smaller cities and towns.<sup>69</sup> In France, the International mostly attracted workers

in the traditional artisan trades, such as bronze engraving, shoemaking, book-binding, carpentry, and jewelry making, that is, the skilled craftsmen. Only a few machinists and miners, and only one miners union affiliated with the International; finally, there were only a handful of agricultural laborers.<sup>70</sup>

At first, the International put much of its work into the cooperative movement, but it was the labor unions and above all the strike wave of the late 1860s that made France the country where the organization had the greatest following and the most influence. While the International in France was never in a position to call strikes, during the strike wave that began in 1867 among miners, weavers, metalworkers, and railroad workers, the organization gave its moral and financial support and shared its ideas, while its cadres and activists provided assistance and sometimes leadership. Interestingly, the Proudhonist leadership in Paris and in many of the other city and town organizations, while in theory opposed to strikes, never hesitated to support the strike movement that began in 1867 and erupted again in 1869, nevertheless by 1870, Proudhonians had ceased to be official leaders of the International in France, being replaced by new leaders. The International's leadership of the strike movement made it possible in Lyon in 1870 to call a meeting to explain the organization's objectives that was attended by over 5,000 people.<sup>71</sup>

We might mention that though Marx and Engels were German and had close collaborators and loyal followers in Germany, the International was slow to gain affiliates there and never became as significant as it was in England and France. In part, this was due to the fact that Germany remained until the unification under Prussia in 1870 a passel of small states and principalities, industrialization was not yet widespread, the left was divided into two rival parties (Lassalleans and Eisenachers) and feuding personalities. The first German labor organization (Verband Deutscher Arbeitervereine the Union of German Workers Associations) only finally affiliated in September of 1868, and shortly thereafter the Eisenacher (Marxist) socialists affiliated though they proved uninterested in recruiting to the International. By the time these developments had taken place, Franco-Prussian War had broken out, and the struggle between Marx and Bakunin was in the offing. For all of these reasons, the International was less significant in Germany than in France and England.<sup>72</sup>

#### Marx's View of the Unions in the Era of the International

So here is Marx in the late 1860s and early 1870s, working everyday with British labor union officials, and dealing as well with the French, Belgian, and German unions as they write resolutions on issues facing the labor movement, organize support for strikes, and speak out on question of foreign policy and international relations. Had Marx changed the view he developed in the 1850s about the "bourgeoisification" of the labor unions? No. Marx continued to have a critical view of the labor unions. In preparation for the Geneva Congress of 1866, he wrote "Instructions for the Delegates of the Provisional Council" which



included a section on "Trade Unions, Their Past, Present and Future" which gives a concise statement of his mature and considered view of the unions. He writes:

Trade unions originally sprang up from the spontaneous attempts of workmen at removing or at least checking that competition [among themselves], in order to conquer such terms of contract as might raise them at least above the condition of mere slaves. The immediate object of trade unions was therefore confined to everyday necessities, to expedencies for the obstruction of the incessant encroachment of capital—in one word, to questions of wages and time of labor. This activity of the trade unions is not only legitimate, it is necessary. It cannot be dispensed with so long as the present system of production lasts. On the contrary, it must be generalized by the formation and the combination of trade unions throughout all countries. On the other hand, unconsciously to themselves, the trade unions were forming centers of organization of the working class, as the medieval municipalities and communes did for the middle class [i.e., capitalist class]. If the trade unions are required for the guerrilla fights between capital and labor, they are still more important as organized agencies for superseding the very system of wages labor and capital rule

But at present says Marx:

Too exclusively bent upon the local and immediate struggles with capital, the trade unions have not yet fully understood their power of acting against the system of wage slavery itself. They therefore kept too much aloof from general social and political movements.

Their future, says Marx, must be different:

Apart from their original purposes, they must now learn to act deliberately as organizing centers of the working class in the broad interest of its complete emancipation. They must aid every social and political movement tending in that direction. Considering themselves and acting as the champions and representatives of the whole working class, they cannot fail to enlist the nonsociety men [that is, those who are not union members,] into their ranks. They must look carefully after the interests of the worst paid trades such as the agricultural laborers, rendered powerless by exceptional circumstances. They must convince the world at large that their efforts far from being narrow and selfish, aim at the emancipation of the downtrodden millions.<sup>73</sup>

Marx works with the unions within the framework of his objective of the "complete emancipation of the working class, which for him means socialist revolution.

Yet, though there are hundreds of pages of Marx's writings for and about the International, one finds very, very few mentions of either socialism or revolution. We do, however, find Marx putting his work with the International and the British trade unions into a revolutionary perspective during his struggle with Mikhail Bakunin, the anarchist leader who beginning in the late 1860s attempted to turn the International in a different direction. In early 1870, Marx wrote a Confidential Communication to his supporters in Germany and Switzerland to explain his outlook on the role of the International:

Although revolutionary initiative will probably come from France, England alone can serve as the lever for a serious economic revolution. It is the only country where there are no longer any peasants and where landed property is concentrated in a few hands. It is the only country where the capitalist form—that is, labor combined on a large scale under capitalist entrepreneurs—has taken over practically the whole of production. It is the only country where the great majority of the population consists of wage laborers. It is the only country where the class struggle and organization of the working class by the trade unions have attained a certain degree of maturity and universality. It is the only country where, thanks to its domination of the world market, every revolution in economic relationships must directly affect the whole world. While on the one hand landlordism and capitalism have their classic seat in this country, the material conditions for their destruction are on the other hand the most mature here. The General Council [of the International] is now in the fortunate position of having its hands directly on this great lever of proletarian revolution; what folly, year, one might almost say, what crime it would be to let this lever fall into purely English hands.

The English have at their disposal all necessary material preconditions for a social revolution. What they lack is the spirit of generalization and revolutionary passion. Only the General Council can provide them with this, and thus accelerate a truly revolutionary movement here and, in consequence, everywhere.<sup>4</sup>

For Marx, the English trade unions must be combined with the move revolutionary workers' movement on the continent in order to further in the European revolution, which would be a world revolution because of Europe economic domination of the world market. So, we see that Marx's view of the labor unions was also situated within his broader perspective and his project of bringing about a European revolution.

### The Paris Commune, Marx, and the Unions

The Paris Commune of 1871, a workers' government that lasted two months, was the result of the defeat of France in the Franco-Prussian War, the collapse of the government, the siege, and bombardment of Paris, and deteriorating economic and social conditions which led to a popular revolt under the leadership of the working class. The process began when Napoleon III took France to war against Prussia in July 1870; the French army was defeated and forced to retreat, and Paris besieged. The Parisian economic and political elite established a Government of National Defense which soon became the Third Republic headed by arch-conservative Adolph Thiers. When the Germans briefly occupied the city, the Thiers government capitulated to the Germans, fled to Versailles, and left the people of Paris to defend themselves. The Parisian peoples' militias, known as the National Guard, with elected leaders who in the working class neighborhoods were sometimes socialists, then undertook the defense of the city.

The Guard created a Central Committee to establish security and to organize the election of a government called by the ancient name for such city

governments, the commune, thus, the Paris Commune. Of 484,569 registered voters, in a city in crisis, some 229,167 voted in the election. The twenty Paris neighborhoods elected ninety-two elected representatives. The Council they elected was made up of largely of skilled workers, some professionals, and a number of political activists, both republicans and socialists. In terms of their political affiliations, the voters elected nine followers of the socialist Louis Auguste Blanqui, eleven other socialists from the labor movement, seventeen members of the International Working Men's Association, most of them Proudhonians, and four old Jacobins, while others were workers or professionals of no known political affiliation.<sup>75</sup>

The Commune carried out a radically democratic reorganization of the city's political and economic life intended to empower the working class and improve the conditions of the people. But the Commune only lasted from March 18 to May 28 when Thiers government sent the French Army to crush it. Some 15,000 to 20,000 were killed in the process, 40,000 to 50,000 later executed, and some 4,000 others were deported to the French colony of New Caledonia in the South Pacific.

Unions played an important role in Paris at the time and were quite involved in the Commune. As we have already seen, a wave of strikes and of labor union organization took place in the late 1860s often with the involvement and sometimes under the leadership of members of the International Working Men's Association. By 1870, virtually every trade or occupation in Paris had some sort of association or society, often a labor union. There were 6,000 bronze workers, 12,000 metal workers, 2,500 typographers, 1,000 foundry workers. Among these were a number of working women's organizations. A Federal Chamber of Workers Societies with 54 affiliated organizations having an estimated 40,000 members had been organized by Eugène Varlin under the aegis of the International Working Men's Association. The International itself had about twenty branches in Paris with anywhere from twenty to one hundred formal members, though it had a broader influence.<sup>76</sup> The union organizations participated actively in the creation of the Commune, and once it was created both men and women workers' organizations made proposals for the economic and social organization of Paris, such as the takeover of factories, transforming them into workers' cooperatives and the creation of public schools for the children.<sup>77</sup>

### Marx's Writings on the Commune

Marx, whose principal writings on the Paris Commune were official documents of the International Working Men's Association, gave the Commune his whole-hearted and passionate approval. Though the Commune had not been organized and was not led by the International, and though its leadership was principally in the hands of Blanquists (the followers of socialist Louis Auguste Blanqui) and Proudhonians, and though the workers' government failed to take the decisive action necessary to defeat the capitalist class, and even though he recognized early on that the Commune was doomed to defeat, Marx did not hesitate to give it his complete support, to vindicate it, to insist that the

International support it, and, after it was crushed, he did not cease to defend its reputation and to commemorate its memory. He did so because he believed that the Paris Commune represented a workers' government which would, had it not been crushed after only two months and had it been extended to all of France, have inevitably become a socialist government. Marx believed that the experience of the Commune taught the workers' and socialist movements many things, most important being that one could not takeover and use the capitalist state, but that rather the state would have to be smashed and a new democratic workers' state created in its place.

Surprisingly perhaps, Marx's major writings on the Paris Commune have virtually nothing to say about labor unions despite the fact the International had played a role in the strike waves of the late 1860s and in helping the new labor union movement. Why did Marx have nothing to say about the role of unions in the Paris Commune when, as we have seen, he had been deeply involved in promoting strike support in France, and his work in the International had served to strengthen the French trade union movement. It seems clear that Marx believed that in the course of the revolutionary experience in Paris, the labor unions had been eclipsed by the Commune which represented a broader and deeper form of working class organization. This is not to say that the labor unions had been superseded by the Commune, but simply that Marx's attention was focused on the organization of the Commune itself.

Marx characterized the Commune in *The Civil War in France* as a workers' government in action:

The Commune was formed of the municipal councilors, chosen by universal suffrage in the various wards of the town, responsible and revocable at short terms. The majority of its members were naturally working men or acknowledged representatives of the working class. The Commune was to be a working, not a parliamentary, body, executive and legislative at the same time.<sup>78</sup>

In the same passage he describes the way in which the Commune utterly reorganized and transformed other institutions of the French government. The army was "got rid of" and replaced by the National Guard made up of working men. "The first decree of the Commune, therefore, was the suppression of the standing army, and the substitution for it of the armed people." At the same time, "Instead of continuing to be the agent of the Central Government, the police was stripped of its political attributes and turned into the responsible and at all times revocable agent of the commune." To break the "parson-power," the Commune carried out "the disestablishment and disendowment of all churches as proprietary bodies." Simultaneously, "The whole of the educational institutions were opened to the people gratuitously, and at the same time clear of all interference of Church and State." And, "Like the rest of public servants, magistrates and judges were to be elective, responsible, and revocable." As he describes the Commune, Marx repeats the central lesson of the experience, that the old state had had to be broken, to be swept away, and replaced by a new administration of the working class.<sup>79</sup>

Explaining and defending the significance of the Commune, Marx writes:

Its true secret was this. It was essentially a working-class government, the produce of the struggle of the producing against the appropriating class, the political form at last discovered under which to work out the economic emancipation of labor.<sup>80</sup>

The one point where we see the Commune intersect with the labor unions is in the passage where Marx describes its economic and social measures.

The great social measure of the Commune was its own working existence. Its special measures could but betoken the tendency of a government of the people by the people. Such were the abolition of night work of journeymen bakers; the prohibition, under penalty, of the employers practice to reduce wages by levying upon their work-people fines under manifold pretexts—a process in which the employer combines in his own person the parts of a legislator, judge, and executor, and filches the money to boot. Another measure of this class was the surrender, to associations of workmen, under reserve of compensation, of all closed workshops and factories, no matter whether the respective capitalist had absconded or preferred to strike work.

That is, the Commune passed laws demanded by unions, such as ending employer fines, and the Commune turned closed or abandoned factories over to the unions. The Commune has not superseded the labor union, but has as a new, broader form of workers' government and administration has redefined the role of the labor union. Under the Commune, the workers' association, that is, the union becomes the manager and director of the workplace.

Engels expands on this in his 1891 Introduction to *The Civil War in France* where he writes:

By 1871, large-scale industry had already so much ceased to be an exceptional case even in Paris, the center of artistic handicrafts, that by far the most important decree of the Commune instituted an organization of large-scale industry and even of manufacture which was not only to be based on the association of the workers in each factory, but also to combine all these associations in one great union; in short, an organization which as Marx quite rightly says in *The Civil War*, must necessarily have led in the end to communism ...<sup>81</sup>

Neither this broad sketch in the writings of Marx and Engels nor the short-lived experience of the Commune provide us with a clear idea of what would have happened to the labor union as steward and manager of the factories and other workplaces of Paris, and, had the revolution been successful, of all of France. What we can see is that for Marx and Engels, the rise of a workers' government in the form of the Commune interacted with and inevitably transformed the labor union into an institution of workers' self-management, something it could achieve in only a very limited way under capitalism.



### The Trade Unions as Economic Regulators

While the Commune was defeated, the French labor movement soon revived, in Germany industrialization led to the rapid growth of labor unions, while in Belgium and England the unions remained as important as ever, though less radical. The unions still carried out strikes, but they had completely lost their radical character and tended to be routine affairs with no significant impact on society and politics. Engels wrote to the German socialist Eduard Bernstein in 1879:

For a number of years past the English working-class movement has been hopelessly describing a narrow circle of strikes for higher wages and shorter hours, not, however, as an expedient or means of propaganda and organization, but as the ultimate aim. The Trades Unions even bar all political action on principle and in their charters, and thereby also ban participation in any general activity of the working class as a class. The workers are divided politically into Conservatives and Liberals . . .

One can speak here of a labor movement only in so far as strikes take place here which, whether they are won or not, do not get the movement one step further.<sup>82</sup>

Engels criticized the Johann Most's English anarchist *Freiheit* newspaper for exaggerating the importance of such strikes which had often been provoked by management "as a pretext for closing down the factories and mills, strikes in which the working class movement doesn't make the slightest headway."<sup>83</sup> Engels believed, mistakenly it turned out, that as long as England dominated the world economy, its labor unions would remain insignificant. As he put it, ". . . apart from the unexpected—a really general workers' movement will come into existence here only when the workers feel that England's world monopoly is broken."<sup>84</sup>

Engels writing in the 1870s made the important observation that the unions, once established, legalized, and more or less accepted by the capitalist class, had become part of the political economy of the capitalist system serving to regulate wages. One might say that Engels saw that the unions had become deeply integrated into the capitalist political and economic institutions. As he wrote:

Sixty years' experience of struggle have [sic] brought them [the capitalists] round to some extent. Trades Unions have now become acknowledged institutions, and their action as one of the regulators of wages is recognized quite as much as the action of the Factories and Workshops Acts as regulators of the hours of work. . . . thus it is through the action of Trades Unions that the law of wages is enforced as against the employers, and that the workpeople of any well-organized trade are enabled to obtain, at least approximately, the full value of the working-power which they hire to their employer; and that, with the help of State laws, the hours of labor are made at least not to exceed too much that maximum length beyond which the working-power is prematurely exhausted.<sup>85</sup>

The unions might be said to have ceased to work to even reform capitalism but simply functioned to maintain the capitalist system and the role of workers

in it, but even that they could not do constantly and effectively. As Engels concludes this passage:

This, however, is the utmost Trades Unions, as at present organized, can hope to obtain, and that by constant struggle only, by an immense waste of strength and money; and then the fluctuations of trade, once every ten years at least, break down for the moment what has been conquered, and the fight has to be fought over again. It is a vicious circle from which there is no issue. The working-class remains what it was, and what our Chartist forefathers were not afraid to call it, a class of wage-slaves.<sup>86</sup>

The way out of the vicious circle, Engels argued, was by the transformation of the working class into a political power, breaking with the Liberals, creating its own political party, running its own candidates for office, and working to advance the struggle for the "abolition of the wage system altogether."<sup>87</sup>

### The New Unions

The Trades Unions, conservative craft unions with their opportunistic leaders and their respectable rank-and-file members, dominated the British labor scene until the rise of the New Unions beginning in the 1860s and reaching a crescendo in the late 1880s when tens of thousands of semi-skilled and unskilled laborers, women and men who worked in the match factories, in the gas works, and on the docks began to strike and to organize. Karl Marx had died in 1883, but his colleague Friedrich Engels, hailed the appearance of the New Unions, as they were called, and their strikes of tens of thousands of unskilled workers. The New Unions organized independently of the old Trades Unions, indeed some of the old trade unions such as the Engineers scabbed on the unskilled workers' strikes. Engels was delighted that these New Unions were not based on craft; that they ended the apprenticeship system often used as a subterfuge to keep the unskilled out of the Trades Unions; and that the workers did not share the older unions' desire for respectability. The General Workers and General Laborers Union that also extended to Ireland even organized agricultural workers.<sup>88</sup>

These unions were not socialist, though, he noted, some of the organizers and leaders of them were, among them Eleanor Marx, the daughter of Karl Marx. Though they were not socialist, they raised the possibility of broader class struggles. The New Union movement, born in the strikes in the East End, had its public debut on May Day 1890 when it invited the old Trades Unions to join in a demonstration for the eight-hour day in which a hundred thousand workers, the great majority of them from the New Unions, participated. By 1893, there were 240,000 workers in the demonstration, about 100,000 from the Old Unions and 140,000 from the New Unions. The new massive strike movement had given rise to new unions which engaged in massive political protest to demand a shorter work day. From Engels's point of view, this was more like it.

Engels wrote in 1892 in a new preface to a reissue of his book *The Condition of the Working Class in England* compared the New Unions to the Old:

[The East End of London] that immense haunt of misery is no longer that stagnant pool it was six years ago. It has shaken off its torpid despair, has returned to life, and has become the home of what is called the 'New Unionism,' that is to say, of the organization of the great mass of 'unskilled' workers. This organization may to a great extent adopt the form of the old Unions of 'skilled' workers but it is essentially different in character. The old Unions preserve the traditions of the time when they were founded, and look upon the wages system as a once-for-all established, final fact, which at best they can modify in the interest of their members. The new Unions were founded at a time when the faith in the eternity of the wages system was severely shaken; their founders and promoters were Socialists either consciously or by feeling; the masses, whose adhesion gave them strength, were rough, neglected, looked down upon by the working-class aristocracy; but they had this immense advantage, that their minds were virgin soil entirely free from the inherited 'respectable' bourgeois prejudices which hampered the brains of the better situated 'old' Unionists. And thus we see now these new Unions taking the lead of the working-class movement generally, and more and more taking in tow the rich and proud 'old' Unions.<sup>89</sup>

Engels died in 1895, but already by then the New Unions had either stagnated or adopted many of the Trades Unions structures, approaches, and attitudes. The New Unions failed to transform the British labor movement as Engels had hoped; rather the New Unions came in time to resemble the old.

#### Conclusion: The Marxist View of the Trade Unions

Marx and Engels initially supported trade unions because they thought they would advance the working class struggle against capital, while at the same time they supported Chartism because it represented a political party fighting to expand democracy. From the beginning, however, they understood the fight for democracy and the class struggle were dynamically related processes which mutually impacted each other. Workers' power expressed itself both in the workplace and in the streets, both in the economic and the political struggles, and each influenced the other. Taken together they opened up the possibility for workers' revolution and for socialism. The crucial issue for Marx and Engels was the independence of the working class both in its economic and its labor struggles. While they praised the political independence of the early Chartist movement, they had nothing but contempt for the union and political leaders who led the labor movement into the reformist but fundamentally capitalist Liberal Party.

Marx and Engels never saw labor unions as relegated to dealing with the workplace or merely economic issues, nor did they conceive of unions as being involved only in the politics of their own nations. They always analyzed the trades union from perspective of furthering both the democratic and socialist revolutionary movements around the world. Their internationalist perspective

led them to work to further solidarity between the labor union, democratic, and socialist organizations of England, Europe and the United States. Far from ignoring ethnic and national issues, as is sometimes claimed, they insisted that the labor movement take positions on the national questions of Ireland and Poland, for example. They believed that upholding the right of the Irish people to self-determination was key to uniting and advancing the labor movement in England. As a leader of the International Working Men's Association, Marx urged the unions to oppose militarism and the great powers' imperialism.

When we look back at Marx's and Engels' writings on trade unions and industrial unions in the period between the 1840s and the 1890s, we find that their ideas about the unions evolved over time and became more complicated. Initially seeing trade unions as potentially revolutionary organizations, they later recognized the ways in which they had become integrated into the capitalist economic and political system. Marx and Engels strongly supported the trade union movement throughout their lives, but were never uncritical of the unions, the unions' leaders, or of their members. They recognized that the trade unions that had emerged from bitter class struggles against the employers tended over time to become "bourgeoisified" and their leaders "corrupt"; the unions became integrated into the economic and state system as legal institutions that functioned imperfectly to regulate the wages. They pointed out that the English workers' racist attitudes toward the Irish workers led to mutual antagonisms that weakened the labor movement. They recognized that the unions' struggle to raise wages was more or less reversed every ten years by the regular depressions in the business cycle; the unions' work proved to be a vicious cycle of some gradual improvement in wages followed by reversal and decline. They noted too that the unions largely gave up the struggle for significant political reform and ceased to work to create their own party, becoming adjuncts to the existing capitalist parties, particularly the Liberals.

Marx and Engels believed that the only way out of this vicious cycle was through working class strikes and broader social struggles which they believed would be provoked by a deep capitalist economic and political crisis, though their experience suggested that a political crisis might also arise through war. The exacerbation of the economic situation would force workers to strike, and the broadening of the strike movement would tend to become political as workers raised demands to shorten their hours, raise their wages, and protect their families and communities. The political struggles they believed would lead to the creation of working-class political parties. Yet, just at the moment that such broader struggles became revolutionary, it would be necessary to create, to expand, and to protect other workers' organizations that arose such as the government of the Commune. The rise of a workers' government led to the redefinition of the labor unions, now no longer acting under capitalism as primarily defensive organizations of struggle, but becoming at the first appearance of socialism, part of a workers' administration aimed at organizing workers' control of production.

Marx and Engels clearly believed that socialists should be involved in strikes and union organization movements, as they and their colleagues were, but they

laid out neither a general strategy for socialist work in the unions nor did they produce a guide as to how socialists in the unions should put forward their socialist program. Clearly, their main strategic ideas were opposition to craft unions and support for the organization of industrial unions together with opposition to dependence on the capitalist parties and advocacy of the creation of a working class party. The question of socialist organization and strategy in the labor unions would be at the center of debate among socialists in the twentieth century, a period during which unions became more integrated into the capitalist economy, into the state, and into capitalist parties.<sup>90</sup> It is clear that Marx and Engels always saw their work with the labor unions as part of the broader strategy of international socialist revolution and the creation of a democratic socialist society.



# Why Class Struggle Is Central

BY Ellen Meiksins Wood

THE QUESTION WE'RE dealing with—and let's not forget this—is the *centrality*, not exclusivity, of class. To the question “is class central?” my answer is that there are two distinct questions involved.

1) Assuming that socialism is our objective, is class politics central to the struggle for socialism?

2) *Should* socialism be our objective, or should we be talking about other, perhaps more comprehensive, emancipatory projects?

Both of these questions presuppose that there must be some connection between *objectives* and the *agencies* for achieving them.

## Question 1:

If socialism is our objective, is class central? The answer would seem self-evident. If the core of socialism is the abolition of class exploitation and its replacement by a classless organization of production by the direct producers, and more immediately the abolition of capitalist exploitation, then presumably the socialist project has something *centrally* to do with the emancipation of the specific class whose exploitation defines capitalism.

Questions can be raised about exactly who constitutes that class, and about the specific means by which the people who constitute it will be motivated and organized to prosecute their struggle to the end; but there can't, surely, be much doubt that the class whose exploitation is the target of the socialist struggle has both the most immediate stake and the most strategic location in that struggle.

What, then, have been the grounds for denying the so-called “privileged” (i.e. special and central) position of the working class, and of class politics, in the struggle for socialism?

Elaborate theoretical constructions have been devoted to establishing the *autonomy* of ideology and politics from class, in order to justify the expulsion of class politics from the center of the socialist struggle. These theoretical constructions come down to some fairly simple propositions, and one very large conceptual leap.

The argument can be reduced basically to this: Many workers are not socialists, some even support Ronald Reagan or Margaret Thatcher. To this might be added the observation that there are many socialists who aren't workers; and in any case, a lot of political education and organization is generally required to transform workers, even militant ones, into socialists.

So far so good. Now comes the stratospheric leap: workers therefore have no objective interest in socialism

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*The meaning of “True Socialism,” Old and New.*



Phil Evans

(that is, in the abolition of their own exploitation), and more particularly, they are no different from anyone else in their relation to the socialist project, in that like everyone else they require *discursive construction* (or whatever) to turn them into socialists.

There isn't time here to engage in an elaborate theoretical criticism of this monumentally false logic, or the false duality between absolute determination and absolute contingency which it entails, nor to discuss how it renders any conception of history and social process impossible, or for that matter any political strategy. Instead, let me try out on you an analogy which will, I think, illustrate the complete emptiness of this argument more dramatically than any theoretical treatise.

**C**onsider the following propositions: many women are not feminists; some are even violently anti-feminist; in fact it can be argued that the women's movement has been less successful in recruiting its constituency than the labor movement has been in recruiting its own. And men can be feminists too. Okay so far? How about this, then? Therefore, it follows that women have no objective interest in the abolition of gender oppression, and they have no special connection with, and no privileged position in, the feminist project.

Everyone will surely recognize this for the fallacy that it is, not to mention the thoroughly inadequate—or non-existent—conception of historical and social determination that underlies it, its irreducible *idealism* and *subjec-*



tivism. And maybe we can also detect the tendency toward elitism in this rootless, idealist politics, which denies people their own self-emancipatory motivations in the absence of "discursive construction" by some more enlightened agency (but that's another story).

In any case, if we recognize the fallacy in this reasoning when applied to the detachment of women from the feminist project, it is not because we believe that it is the biological destiny of women to become feminists, but rather because we acknowledge some other kind of connection between the social condition of women and the political project directed at transforming that condition. This connection between women and the feminist project falls well short of logical necessity or absolute inevitability but is substantially more than, and different from, the position of non-women in relation to that project.

Presumably we also believe that any political project that goes beyond the simple statement of a program and the passive hope that people will eventually rally round it, any political project that entails transformative action—and this goes for socialism no less than feminism—has to proceed from a conception of the constituency that must, in the first instance, be mobilized for struggle. And this primary constituency is likely to be the one whose objective conditions—whose *interests* and *capacities*—are most organically connected to the project in question.

But if the basic question concerns the connection between objectives and agencies, there is another question that needs to be asked.

### Question 2:

Are we focusing on the right objective at all? Is socialism the right goal, or is there some other emancipatory project with a higher priority, one which would therefore also displace class as the principal agency?

I shall assume that no one in this audience needs to be persuaded that socialism, or specifically the classless administration of social production, is in itself a desirable goal, especially now when in the context of crisis and mass unemployment it has become painfully clear that we simply can't afford capitalism, however plausible its claims may have been in boom years. The question is whether—and how—the socialist goal is related to other emancipatory projects which go to make up the totality of human emancipation.

The question can be framed in this way: Is the socialist project more comprehensive than other projects of emancipation, so that they can be subsumed under it, or is it narrowly particularistic so that it must be subsumed under some larger political project which can encompass a whole range of particular emancipatory struggles?

The easy answer is that of course all socialists must be committed to all emancipatory struggles, against gender oppression, racism and so on. I wholeheartedly accept this as a statement of principle. But it doesn't really answer the question. Is the socialist struggle, and hence is class politics, *central* to the project of human emancipation?

A full answer to that question would have to begin with a restatement of the materialistic argument about the centrality of production and exploitation in the organization of social life, and there is clearly no time for

that here. I could say that the burden of proof is on the other side, since those who deny the centrality of class politics have yet to offer a comprehensive alternative to the materialist conception of history.

In any case, I think that even to frame the question clearly would be a big advance over the confusion of issues that tends to dominate the debate. But let me just make a couple of points which I think are critical.

**T**here are currently two principal ways of denying primacy to the socialist struggle. One is to treat it as simply one facet of a larger project that includes a whole plurality of struggles joined together by some unifying discourse. The other is to propose one specific project that claims greater priority and/or greater universality than class emancipation.

The main claimant as unifying discourse combining a plurality of struggles and agencies is something called *democracy* or *radical democracy*. My answer to this claim is that it begs all the critical questions. To qualify as a unifying discourse in the sense intended, a common denominator that cuts across all social boundaries and bypasses the centrality of class, "democracy" has to be, and consistently is, conceived in terms so vague and non-specific as to be vacuous.

In fact, the first premise of this view is what has been called by its advocates the indeterminacy of democracy. It must, for example, smudge over all the differences between, say, capitalist and socialist democracy, or even ancient Greek democracy. It must be careful not to specify the institutional forms of democracy in its various specific incarnations; and more particularly, it must treat "democracy" as *socially indeterminate* and deny any correspondence between institutional forms and the social foundations on which they rest. Above all, it must remain very vague about the obstacles between one form of "democracy"—capitalist—and another, namely socialist.

I maintain that there is no such thing as a socially indeterminate "democracy" and that renaming our struggle an indeterminate "democratic" struggle will not get us past the *class* barriers between capitalism and human emancipation. And, by the way, it seems especially ironic that this notion of an indeterminate democracy and the "autonomy" of politics should become so popular just at the moment when capitalist states are responding to crisis by demonstrating how abjectly responsive they are to the imperatives of capitalist accumulation.

The particular struggle which most persuasively rivals class emancipation in its claims to universality is, I think it's fair to say, feminism. And here I can only touch on a few major points having to do with the connection between feminism and socialism. First, let's consider the relation between gender oppression and capitalism, in order to help situate the struggle against gender oppression in the struggle against capitalism.

*Capitalism is uniquely indifferent to the social identity of the people it exploits. Unlike previous modes of production, its mode of exploitation is not inextricably linked with extra-economic, juridical or political identities, inequalities or differences.*

Further, unlike modes of production in which the domestic unit has been the principal unit of production, capitalism does not structurally link the organization of



production with the organization of the household, gender relations, sexual division of labor, and so on. The ways in which capitalism utilizes extra-economic social identities such as gender or race differ from their utilization in systems where these identities are more organically bound up with the mode of exploitation.

For one thing, capitalism is very flexible in its ability to make use of—or to discard—particular social oppressions. It can co-opt whatever social oppressions are available, but it can also give them up or trade them in for others. In principle, it can conduct its exploitation without any consideration for color, race, creed, gender, any dependence upon extra-economic inequality or difference.

Typically, capitalism in advanced Western capitalist countries uses gender in two principal ways: as a means of ideological mystification, disguising the true character of exploitation, dividing men and women so that they will not constitute a unified *class* opposition; and second, as a way of organizing social reproduction in what is thought to be the least expensive way.

In particular, since the reproduction of labor-power is a principal need of capitalism, the existing organization of gender relations, by keeping the costs of child-bearing and rearing in the private sphere of the family, may serve as a way of minimizing the costs to capital (though there are those who would argue that the socialization of this function may even prove less burdensome to capital).

In any case, we have to recognize that, from the point of view of capital, this particular social cost is no different from any other. From the point of view of capital, maternity leaves or day-care centers are not qualitatively different from old-age pensions or unemployment insurance, in that they all involve an undesirable cost which capital seeks to unload whenever possible.

Although capitalism cannot tolerate all these costs all the time, and is in that sense inimical to the emancipation of women insofar as it would entail unacceptable social costs, it is no more inimical to this cost than to any other. Capitalism is capable of absorbing such a cost if it becomes politically necessary, even if this means shifting the burden by cutting somewhere else.

Capitalism in this respect is no more incapable of tolerating gender equality than Medicare or social security. In other words, although capitalism can and does make ideological and economic use of gender oppression, that oppression has no privileged position in the structure of capitalism. In this sense, capitalism could survive the eradication of all oppressions specific to women as women; and the feminist struggle does not go to the heart of capitalist exploitation as, by definition, the class struggle does.

At the same time, if capitalism has no specific structural need for gender oppression, it certainly has not made the liberation of women necessary or inevitable. It is possible, even likely, that the abolition of class will come before the complete abolition of gender oppression—though not if gender divisions continue to be a major obstacle to working-class organization itself.

I would go even further and say that even the advent of socialism will not necessarily guarantee the disappearance of age-old cultural patterns of women's oppres-

sion. In that sense, although the feminist project is not large enough to encompass the destruction of capitalism, neither is the socialist project large enough by itself to guarantee the liberation of women.

But there are one or two more things to be said on behalf of socialism on this score. It may be true that capitalism has already deprived gender oppression of any *specific* structural foundation. It remains for socialism, however, not only to abolish those forms of oppression that men and women share as members of an exploited class, but also to eradicate the ideological and economic needs that under capitalism can be served by gender (as well as racial) oppressions.

*Socialism will be the first social form since the advent of class society whose reproduction as a social system is endangered rather than enhanced by relations and ideologies of domination and oppression.*

For at least these reasons, I conclude that the struggle for socialism, as the most potentially comprehensive emancipatory project we have, is central to the struggle for human emancipation, and hence that class politics is the primary means of advancing, and uniting, the various emancipatory struggles.

Of course, recent attacks on class politics have forced us to recognize various oppressions other than class that have often been neglected by traditional socialism. And it is certainly one of our principal tasks to incorporate a wider conception of human emancipation into the idea, and the practice, of socialism. Although Marxists have often been insensitive to other oppressions, there is no reason why granting a central position to the working class as the agent of social transformation has to involve this kind of insensitivity.

The judgment that socialism, as a comprehensive project of human emancipation, will come about, if at all, through the self-emancipation of the working class by means of class struggle, is not necessarily a judgment that class oppression is the only form of oppression, or even the one that is the most oppressive to its victims. Above all, it is a judgment about the structure of power in society in general and capitalist society in particular, about the configuration of historical forces, about the nature of the obstacles to human emancipation and the conditions and possibilities for overcoming those obstacles.

There may be a tendency to think that if we assert (correctly) the human and moral importance of all oppressions and refuse to grant a higher moral status to one than others, we can forget about the historical analysis and the assessment of the configuration of social power, the *political* judgment, on the basis of which Marxism identifies the working class and class struggle as the primary agency of socialist transformation. But we can't simply dismiss this political judgment without replacing the Marxist analysis of social power in capitalist society with a more convincing one, however strongly we may be convinced of the moral imperative to encompass all human oppression in the socialist project.

However strong the moral case for emphasizing other social oppressions and movements, I don't think we've yet been offered an alternative analysis of social relations and power to justify displacing class politics from the center of the struggle for human emancipation. □

## LIBERATION PRAXIS OF SOCIAL AND POLITICAL MOVEMENTS

ENRIQUE DUSSEL

[15.0.1] *Praxis* indicates the actuality of the subject in the world, and political *praxis* implies its presence in the political field. But a praxis of liberation (arrows A and B in figure 10) calls into question the hegemonic structures of the political system (*potestas 1*). Institutional transformations (arrow B) partially or totally change the structure of mediations in the delegated exercise of power (from *potestas 1* we move to *potestas 2*).

[15.0.2] Political action intervenes in the political field, always modifying the given structure of the political field in some way. All subjects, upon becoming actors—and especially when representing a movement or *people*—become the motor, the force, the power that *makes history*. When this is a “practical-critical activity,”<sup>91</sup> I will refer to it as *liberation praxis* (*Befreiungspraxis* in Marx and Horkheimer). This praxis has two moments: a *negative* struggle, deconstructive of the given (arrow A in figure 10), and a *positive* moment of outlet, of the construction of the new (arrow B). Insofar as this “liberates”—as in the act by which the slave is emancipated from slavery—its creative potential is opposed to and finally triumphs over the structures of domination, exploitation, and exclusion that weigh heavily upon the *people*. The power of the *people*—*hyperpotentia*, the new power of those “from below”—becomes present from the beginning, in its extreme vulnerability and poverty, but is in the end the invincible

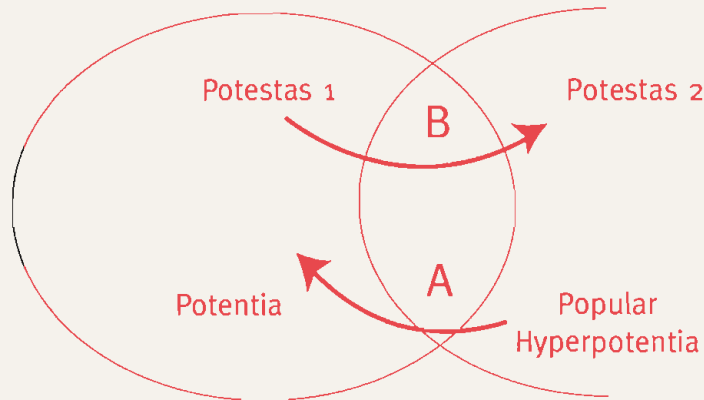


Figure 10. LIBERATION PRAXIS AND INSTITUTIONAL TRANSFORMATION

force of life “that desires-to-live.” This Will-to-Live is more powerful than death, injustice, and corruption.

[15.1] UTOPIAS AND PARADIGM: POSSIBLE MODELS,  
PROJECTS, STRATEGIES, TACTICS, MEANS

[15.1.1] “During years and years we harvested the death of our own *people* in the fields of Chiapas. . . . Our steps moved forward with no destination, we only lived and died.”<sup>92</sup> But one day the *people*, their movements and the leadership that obeys them, awaken, stand up, and say “Enough!” They enter into history through their *liberatory praxis*. This action has a logic, a demand, and it is guided especially by the critical political principle of feasibility, since what is *possible* confronts various apparent practical impossibilities that need to be overturned. The praxis of liberation demands principles, coherence, resoluteness to the death, and infinite patience (like that of our original *peoples* during the past five hundred years, from confrontations with Cortés, Pizarro, and Almagro to the triumph of Evo Morales).

[15.1.2] Rosa Luxemburg has a lovely text that deals with strategy against those “reformists” who have no “principles” (or “theory”)<sup>93</sup>: “The principles of scientific socialism, impose clearly *marked limitations* [*feste Schränke*] to practical activity, insofar as it concerns the *aims* of this activity, the *means* used in



attaining these aims and the *method* employed in this activity. It is quite natural for *people* who run after immediate 'practical' results to want to *free* themselves from such limitations and to render their practice independent of our '*theory*' [read: *principles*]."<sup>94</sup>

[15.1.3] We therefore need to keep various levels in mind during critical, anti-hegemonic praxis, which develops out of many prior moments and confronts the "historical bloc in power": level A.11 in table 2 (thesis 10).

[15.1.4] First there is the most distant horizon, which we could refer to as Utopian, in which we descriptively imagine a state of affairs. Such a horizon is more accurately understood as a *political postulate* [» 17.3] such as those of the World Social Forum that state, "Another world is possible!" or "A world in which many worlds fit!" Such postulates might seem too empty, but they are the condition of possibility for all the rest, since without the *hope* for a world that we need to make possible—so closely studied by Ernst Bloch<sup>95</sup>—there cannot exist a critical, liberation praxis. It is necessary to creatively imagine the notion "Yes we can!" in order to be able to change things. In other words, we need to always keep *potestas 2*—the *future* institutional structure that will be at the service of the *people*, and which indicates this Utopian pole—affirmatively in our minds. This is level C.4–5 in table 2.

[15.1.5] Second, in political practice or theory we must progressively sketch a *paradigm or model of possible transformation*, which is not simple and often shifts throughout time, such that it cannot always be delineated in a detailed fashion. Against liberal democracy, the welfare State, or Keynesian economics (structures that are located in various fields), and against the transitional democracies of Latin America (since 1983) that generate a frequently corrupt "political class," we must move forward with the formulation of a *new* "paradigm" or "model." Such a model would entail broad participation, popular hegemony, national identity (especially in postcolonial or peripheral countries), the defense of the economic interests of the weakest (impossible to fulfill through neoliberal capitalism and its globalizing strategy of the domination and exploitation of subaltern nations), and a renewed administrative effectiveness grounded in a new "social pact" and, moreover, in new constitutions that give rise to new structures within a transformed State.

[15.1.6] Third, on an even more concrete level, we need to work toward a

*project for feasible transformations* (level A.7 in table 2), in which the *concrete* goals of liberatory action in all spheres (material, legitimacy, State administration) are made explicit. These would be properly political but simultaneously critical, and they would operate by way of *critical*, liberatory, and progressive political parties [» 15.3], as well as through teams of scientists (political scientists, economists, educators, doctors, union leaders, representatives of social movements, etc.). This project could be expressed in the short term through criteria and concrete theses for efficient feasible realization within a government cycle (of four to six years), but it must also be accompanied by medium-term (about twenty-five years) and *long-term* projects for popular participation (especially with regard to ecological and transcapitalist economic questions).

[15.1.7] Fourth, political leaders need to have *strategic* clarity (level A.8 in table 2) in their transformative action. On this level, projects need to be administratively and conjuncturally implemented with an eye to the transformation of institutions. This level depends on the practical wisdom (*prudence*) of political actors operating within a democratic system to produce consensual decisions, in a team, through participation “from below” (from popular movements, the *people*, neighborhoods, rural communities, etc.). This strategy should be elaborated democratically and as a whole on all levels.

[15.1.8] Fifth, it is necessary to formulate *efficient tactics* (level A.9 in table 2), which constitute mediations for carrying out the strategies that have been elaborated theoretically, in the practice of forming cadres, in the election of candidates as representatives, in propaganda itself, in the ideological and normative orientation of said informational process, in the mode of action, etc.

[15.1.9] Sixth, *appropriate means* must be selected for all of the aspects mentioned above (level A.10 in table 2), but only among those that are *possible* given the demands that structure all of the described levels (fulfilling principles, postulates, models, etc.). A purely *Machiavellian* tactical approach (one not ascribed to by Machiavelli) in which “the ends justify any means” is always destructive in the end, both for the actor as well as for the *people*. This is because feasible means—and here Horkheimer’s *Critique of Instrumental Reason* is worth considering—that appear to be more efficient may end up losing sight of the “principles” (as Luxemburg tells us). As a result, one loses the “clearly marked limitations” that create coherence, positive effects in the long run, and

clarity of action, thanks to which *confidence* in the *people* is mutually crafted. As Fidel Castro puts it, “When the *people* believe in the *people*,” that is, the point at which the political actor and the citizen awaken this faith from “the top down” (as *obediential* power) and from “the bottom up” (as faith in honest, principled action, which is the condition of just, normative, and effective leadership of the *delegated* power of the governor). Machiavelli demanded a certain *virtù* by which politicians construct “dikes” to constrain the impetuous and destructive force of *Fortuna*, the chaotic and unforeseeable events of everyday politics that need to be resolved in the same manner but without losing sight of serving the *people* as the obediential exercise of power.

#### [15.2] ORGANIZATION OF NEW SOCIAL MOVEMENTS AND STRUGGLES OVER DEMANDS

[15.2.1] Liberation praxis is not solipsistic—that is, it is not created by a single and inspired subject: the leader (who should necessarily be distinguished from *obediential* leadership). Liberation praxis is *always* an intersubjective community act of reciprocal consensus, which does not reject leadership, as we have said, but definitively abandons vanguardism. It is a “rearguard” action by the *people* itself, which educates social movements about its democratic autonomy, its political evolution, and about being mutually responsible for its destiny. The liberation politician, Gramsci’s organic intellectual, is more a promoter, an organizer, and a light that illuminates the path constructed, unfolded, and perfected by the *people*. Political leadership is service, obedience, coherence, intelligence, discipline, and devotion.

[15.2.2] To fulfill the Will-to-Live, popular movements and the *people* need to be organized, and this organization already represents a passage from *potentia* (the power of the *people*, of social movements) to *potestas* (that power which is granted institutions for them to concretely exercise delegated power). Without this separation, without this split (between potential power *in-itself* and institutional power *for-itself*), and without organization, the power of the *people* remains pure *potential*, possibility, objective nonexistence, ideal voluntarism, and anarchism. To organize a movement, a *people*, is to create heterogeneous and differentiated functions, in which each member learns to fulfill

different responsibilities but all within the consensual unity of the *people*. This is an intermediary, social, civil level of the delegated exercise of power, a political institutionalization of Civil Society, within the State in the broad, Gramscian sense. Through organization, the homogeneous, undifferentiated, and thereby impotent community—consensual wills that nevertheless lack feasibility, since feasibility is functional and differential concretization—achieves the possibility of exercising power. It becomes *potent*: “able-to-create” the means for its own survival [» 2.1].<sup>96</sup>

[15.2.3] In order to hunt during the paleolithic era, humans needed to be organized: one person preparing the weapons, another scouting the area, another gives the attack cry, another advances on the right flank, another on the left, still another seizes the prey, another distributes it, and as a result all needs are satisfied: in short, they live. In order to improve life—in ecological, economic, cultural, and religious terms, etc.—the differentiation of functions, or organization, is essential. Today this organization must be *democratic*, always and in all its instances, with the *symmetrical* participation of all those affected by domination and exclusion. Luxemburg anticipated the collapse of actually existing socialism based precisely upon difficulties on the organizational level: “We can conceive of no greater danger to the Russian party than Lenin’s plan of organization. *Nothing will more surely enslave a young labor movement to an intellectual elite hungry for power than this bureaucratic straitjacket, which will immobilize the movement and turn it into an automaton manipulated by a Central Committee. . . .* The game of bourgeois demagogues will be made easier if at the present stage, the spontaneous action, initiative, and political sense of the advanced sections of the working class are hindered in their development and restricted by the protectorate of an authoritarian Central Committee.”<sup>97</sup>

[15.2.4] Even in the Sandinista movement there was a tendency to “send down” orders from above to the Sandinista masses. Only with Zapatismo has vanguardism been definitively overcome. Democracy is not a slogan but rather a necessary moment in the subjectivity of the political actor, an institution to be practiced on all levels of the organization of popular movements, within movements, among different movements, and as a demand put forward to progressive, critical, and liberatory political parties.

### [15.3] THE ORGANIZATION OF PROGRESSIVE POLITICAL PARTIES

[15.3.1] Progressive, critical, liberatory political parties should function like the mythical Mayan “tree of life” that sinks its roots into *terra mater* (the *people*), raises its trunk over the terrestrial surface (Civil Society), and unfolds its foliage and fruits in the sky (in Political Society, the State in the restricted sense). The party, therefore, is the *location* where the representative can regenerate his or her *delegation* of power *constructed from below*. The member base of the party must be able to demand explanation, to reprimand, and to criticize its partner-in-faith, the representative, when these individuals betray their principles or fail to fulfill their promises. The party is where political theory is discussed and produced, where utopias are sketched, and where concrete projects and the strategies to achieve proposed goals and other levels of liberation praxis are formulated. It is where candidates for elections are decided upon democratically. It is where a well-thought-out, discussed, and grounded opinion of a type of future society, a concrete model, is developed, bearing in mind the historical development of the political, geopolitical, national, and global present.

[15.3.2] Unfortunately, the Latin American political parties that have existed since the installation of transitional democracies in 1983 have fetishized the “political class” that exercises power monopolistically. These parties are in need of profound transformation, as they are often little more than *electoral machines*, which like antediluvian fossils begin to move when they make out on the horizon an election for *paid* functionaries. The temptation for payment, the perverse pleasure of the fetishized exercise of power, plunges groups, sectors, and internal movements into proportional distribution (in proportion to their corruption, clearly), to get carried away with possible candidacies in the face of the scandalous and very public presence of the *people*, which they claim to represent and serve. The party as *electoral machine* is rotten—it is useless for the critique, transformation, or liberation demanded by popular movements; useless for the oppressed and excluded *people*. It is a scandal! To democratize a party and impede the subsidies to which it feels entitled as the representative of the monopolistic “political class” means to universalize its



cadres, to dissolve its internal divisions, and to allow the movement of opinion in theoretical discussions, projects, and concrete proposals (but not only nor even principally in the election of candidates). Perhaps a Party Youth contingent, not summoned by internal groupings but rather by the party as a whole, might be able in the medium term to provide a bodily spirit to those parties that arise from particularistic, personalistic, corporative, and local strongman alliances, and that lack an ideology sufficient for the demands of the *people*, and especially the poor. Party corruption results from a loss of ideological clarity regarding the paradigm being struggled for, the nonexistence of research and discussion projects, and a lack of ethical coherence among party cadres.

[15.3.3] Parties must be regenerated through both subjective and objective-ideological discipline, thanks to which the daily conduct of the politician might relate more coherently to party principles. To do so would mean to operate according to a shared responsibility toward the exploited and the poor, with the goal of creating conditions of respect for symmetry in democratic participation, with the compromise of those who roll up their sleeves, take off their shoes, and get dirty, getting blistered hands . . . alongside the *people*. We need a new generation of politicians, perhaps a younger one, who will enthusiastically assume the noble vocation of politics!

[15.3.4] Party organization must reflect the demands of the times in impoverished peripheral countries. The winds that arrive from the South—from Nestor Kirchner, Tabaré Vázquez, Luiz Inácio Lula da Silva, Evo Morales, Hugo Chávez, Fidel Castro, and so many others—show us that things can be changed. The *people* must reclaim sovereignty! The elections of popular leaders and candidates, the renewed production of foundational documents, projects for educative, industrial, and ecological policies, and concrete proposals—these all must be the fruit of democratic procedures with a symmetrical horizontalism involving the participation of all members, and especially the representation within political parties of neighborhood communities, base committees, and open popular councils, in which direct democracy teaches the humble citizen how to truly participate in popular politics. This participation should then be equally organized “upward” to constitute Citizen Power, as the supreme Power controlling all other State Powers [» 19.34, 20.23].

[15.3.5] Michael Walzer, in his work *Exodus and Revolution*, writes the following: “First, that wherever you live, it is probably Egypt; second, that there is a better place, a world more attractive, a promised land; and third, that ‘the way to the land is through the wilderness.’ There is no way to get from here to there except by joining together and marching.”<sup>98</sup>

[15.3.6] *Egypt* represents the totality of the prevailing coercive system, the *promised land* is a liberated future, and the *wilderness* is the winding and uncertain path of political strategy: tough, exhausting, full of danger . . . but we must maintain our compass so as not to wander off course and to arrive at the oasis where “milk and honey flow,” as the Sandinista hymn goes.

# CAPITALISM TODAY “LATE CAPITALISM”

The primary dynamics of capitalist exploitation, accumulation, and expansion are essentially as they have been for more than a century. However, our era of “Late Capitalism” bears distinct features which should shape socialist strategy today.

The final Class takes up critical questions facing the movement, and a discussion of these readings is meant to help us develop strategy and organizational methods that respond to the capitalism of our time. *Neoliberalism* is a conscious political project of the capitalist class to eliminate legal, political, cultural, and physical barriers to expansion. Deregulation, privatization, and austerity are more than just bad ideas; they are key pillars of the modern social order. *Social Reproduction Theory* helps us understand the oppressions and alienation we experience and their relationship to capitalism. The perpetuation of capitalism requires a daily and generational renewal of a subordinate class; this is a burden offloaded onto particular sections of that class in the sphere of reproduction (the home). Lastly, the *Right to The City* allows us to theorize methods of resistance to the developers and financiers to whom the urban landscape - our gentrifying neighborhoods and disappearing common spaces - is a laboratory for commodifying every aspect of life; their neoliberal dream and our everyday nightmare.



# *MODULE FOUR*

What has been the impact of neoliberalism on traditional forms of working class organization? Is there a way to organize opposition to capitalism today which is not merely a reaction to neoliberalism, which doesn't just reflect the conditions forced upon us?

How does social reproduction theory shape, conflict with, or blend with our understanding of concepts like privilege, patriarchy, and oppression?

How can the demand for a "Right To The City" move us from campaigns to better our immediate conditions to the radical transformation of society itself, and our lives along with it?

# Neoliberalism Is A Political Project

## what neoliberalism is - and why the concept matters

*an interview with* David Harvey  
*by* Bjarke Skærlund Risager

Eleven years ago, David Harvey published *A Brief History of Neoliberalism*, now one of the most cited books on the subject. The years since have seen new economic and financial crises, but also new waves of resistance, which often target “neoliberalism” in their critique of contemporary society.

Cornel West speaks of the Black Lives Matter movement as “an indictment of neoliberal power”; the late Hugo Chávez called neoliberalism a “path to hell”; and labor leaders are increasingly using the term to describe the larger environment in which workplace struggles occur. The mainstream press has also picked up the term, if only to argue that neoliberalism doesn’t actually exist.

But what, exactly, are we talking about when we talk about neoliberalism? Is it a useful target for socialists? And how has it changed since its genesis in the late twentieth century?

Bjarke Skærlund Risager, a PhD fellow at the Department of Philosophy and History of Ideas at Aarhus University, sat down with David Harvey to discuss the political nature of neoliberalism, how it has transformed modes of resistance, and why the Left still needs to be serious about ending capitalism.

Neoliberalism is a widely used term today. However, it is often unclear what people refer to when they use it. In its most systematic usage it might refer to a theory, a set of ideas, a political strategy, or a historical period. Could you begin by explaining how you understand neoliberalism?

**BSR**

**DH**

I’ve always treated neoliberalism as a political project carried out by the corporate capitalist class as they felt intensely threatened both politically and economically towards the end of the 1960s into the 1970s. They desperately wanted to launch a political project that would curb the power of labor.

In many respects the project was a counterrevolutionary project. It would nip in the bud what, at that time, were revolutionary movements in much of the developing world — Mozambique, Angola, China etc. — but also a rising tide of communist influences in countries like Italy and France and, to a lesser degree, the threat of a revival of that in Spain.

Even in the United States, trade unions had produced a Democratic Congress that was quite radical in its intent. In the early 1970s they, along with other social movements, forced a slew of reforms and reformist initiatives which were anti-corporate: the Environmental Protection Agency, the Occupational Safety and Health Administration, consumer protections, and a whole set of things around empowering labor even more than it had been empowered before.



So in that situation there was, in effect, a global threat to the power of the corporate capitalist class and therefore the question was, "What to do?". The ruling class wasn't omniscient but they recognized that there were a number of fronts on which they had to struggle: the ideological front, the political front, and above all they had to struggle to curb the power of labor by whatever means possible. Out of this there emerged a political project which I would call neoliberalism.

Can you talk a bit about the ideological and political fronts and the attacks on labor?

BSR

DH

The ideological front amounted to following the advice of a guy named Lewis Powell. He wrote a memo saying that things had gone too far, that capital needed a collective project. The memo helped mobilize the Chamber of Commerce and the Business Roundtable.

Ideas were also important to the ideological front. The judgement at that time was that universities were impossible to organize because the student movement was too strong and the faculty too liberal-minded, so they set up all of these think tanks like the Manhattan Institute, the Heritage Foundation, the Ohlin Foundation. These think tanks brought in the ideas of Freidrich Hayek and Milton Friedman and supply-side economics.

The idea was to have these think tanks do serious research and some of them did — for instance, the National Bureau of Economic Research was a privately funded institution that did extremely good and thorough research. This research would then be published independently and it would influence the press and bit by bit it would surround and infiltrate the universities.

This process took a long time. I think now we've reached a point where you don't need something like the Heritage Foundation anymore. Universities have pretty much been taken over by the neoliberal projects surrounding them.

With respect to labor, the challenge was to make domestic labor competitive with global labor. One way was to open up immigration. In the 1960s, for example, Germans were importing Turkish labor, the French Maghrebian labor, the British colonial labor. But this created a great deal of dissatisfaction and unrest.

Instead they chose the other way — to take capital to where the low-wage labor forces were. But for globalization to work you had to reduce tariffs and empower finance capital, because finance capital is the most mobile form of capital. So finance capital and things like floating currencies became critical to curbing labor.

At the same time, ideological projects to privatize and deregulate created unemployment. So, unemployment at home and offshoring taking the jobs abroad, and a third component: technological change, deindustrialization through automation and robotization. That was the strategy to squash labor.

It was an ideological assault but also an economic assault. To me this is what neoliberalism was about: it was that political project, and I think the bourgeoisie or the corporate capitalist class put it into motion bit by bit.

I don't think they started out by reading Hayek or anything, I think they just intuitively said, "We gotta crush labor, how do we do it?" And they found that there was a legitimizing theory out there, which would support that.

Since the publication of 'A Brief History of Neoliberalism' in 2005 a lot of ink has been spilled on the concept. There seem to be two main camps: scholars who are most interested in the intellectual history of neoliberalism and people whose concern lies with "actually existing neoliberalism." Where do you fit?

BSR

DH

There's a tendency in the social sciences, which I tend to resist, to seek a single-bullet theory of something. So there's a wing of people who say that, well, neoliberalism is an ideology and so they write an idealist history of it.

A version of this is Foucault's governmentality argument that sees neoliberalizing tendencies already present in the eighteenth century. But if you just treat neoliberalism as an idea or a set of limited practices of governmentality, you will find plenty of precursors.

What's missing here is the way in which the capitalist class orchestrated its efforts during the 1970s and early 1980s. I think it would be fair to say that at that time — in the English-speaking world anyway — the corporate capitalist class became pretty unified.

They agreed on a lot of things, like the need for a political force to really represent them. So you get the capture of the Republican Party, and an attempt to undermine, to some degree, the Democratic Party.

From the 1970s the Supreme Court made a bunch of decisions that allowed the corporate capitalist class to buy elections more easily than it could in the past.

For example, you see reforms of campaign finance that treated contributions to campaigns as a form of free speech. There's a long tradition in the United States of corporate capitalists buying elections but now it was legalized rather than being under the table as corruption.

Overall I think this period was defined by a broad movement across many fronts, ideological and political. And the only way you can explain that broad movement is by recognizing the relatively high degree of solidarity in the corporate capitalist class. Capital reorganized its power in a desperate attempt to recover its economic wealth and its influence, which had been seriously eroded from the end of the 1960s into the 1970s.

There have been numerous crises since 2007. How does the history and concept of neoliberalism help us understand them?

BSR

DH

There were very few crises between 1945 and 1973; there were some serious moments but no major crises. The turn to neoliberal politics occurred in the midst of a crisis in the 1970s, and the whole system has been a series of crises ever since. And of course crises produce the conditions of future crises.

In 1982–85 there was a debt crisis in Mexico, Brazil, Ecuador, and basically all the developing countries including Poland. In 1987–88 there was a big crisis in US savings and loan institutions. There was a wide crisis in Sweden in 1990, and all the banks had to be nationalized.

Then of course we have Indonesia and Southeast Asia in 1997–98, then the crisis moves to Russia, then to Brazil, and it hits Argentina in 2001–2.

And there were problems in the United States in 2001 which they got through by taking money out of the stock market and pouring it into the housing market. In 2007–8 the US housing market imploded, so you got a crisis here.

You can look at a map of the world and watch the crisis tendencies move around. Thinking about neoliberalism is helpful to understanding these tendencies.

One of big moves of neoliberalization was throwing out all the Keynesians from the World Bank and the International Monetary Fund in 1982 — a total clean-out of all the economic advisers who held Keynesian views.

They were replaced by neoclassical supply-side theorists and the first thing they did was decide that from then on the IMF should follow a policy of structural adjustment whenever there's a crisis anywhere.

In 1982, sure enough, there was a debt crisis in Mexico. The IMF said, "We'll save you." Actually, what they were doing was saving the New York investment banks and implementing a politics of austerity.

The population of Mexico suffered something like a 25 percent loss of its standard of living in the four years after 1982 as a result of the structural adjustment politics of the IMF.

Since then Mexico has had about four structural adjustments. Many other countries have had more than one. This became standard practice.

What are they doing to Greece now? It's almost a copy of what they did to Mexico back in 1982, only more savvy. This is also what happened in the United States in 2007–8. They bailed out the banks and made the people pay through a politics of austerity.

Is there anything about the recent crises and the ways in which they have been managed by the ruling classes that have made you rethink your theory of neoliberalism?

BSR

DH

Well, I don't think capitalist class solidarity today is what it was. Geopolitically, the United States is not in a position to call the shots globally as it was in the 1970s.

I think we're seeing a regionalization of global power structures within the state system — regional hegemons like Germany in Europe, Brazil in Latin America, China in East Asia.

Obviously, the United States still has a global position, but times have changed. Obama can go to the G20 and say, "We should do this," and Angela Merkel can say, "We're not doing that." That would not have happened in the 1970s.

So the geopolitical situation has become more regionalized, there's more autonomy. I think that's partly a result of the end of the Cold War. Countries like Germany no longer rely on the United States for protection.

Furthermore, what has been called the "new capitalist class" of Bill Gates, Amazon, and Silicon Valley has a different politics than traditional oil and energy.

As a result they tend to go their own particular ways, so there's a lot of sectional rivalry between, say, energy and finance, and energy and the Silicon Valley crowd, and so on. There are serious divisions that are evident on something like climate change, for example.

The other thing I think is crucial is that the neoliberal push of the 1970s didn't pass without strong resistance. There was massive resistance from labor, from communist parties in Europe, and so on.

But I would say that by the end of the 1980s the battle was lost. So to the degree that resistance has disappeared, labor doesn't have the power it once had, solidarity among the ruling class is no longer necessary for it to work.

It doesn't have to get together and do something about struggle from below because there is no threat anymore. The ruling class is doing extremely well so it doesn't really have to change anything.

Yet while the capitalist class is doing very well, capitalism is doing rather badly. Profit rates have recovered but reinvestment rates are appallingly low, so a lot of money is not circulating back into production and is flowing into land-grabs and asset-procurement instead.

Let's talk more about resistance. In your work, you point to the apparent paradox that the neoliberal onslaught was paralleled by a decline in class struggle — at least in the Global North — in favor of "new social movements" for individual freedom.

BSR

Could you unpack how you think neoliberalism gives rise to certain forms of resistance?

DH

Here's a proposition to think over. What if every dominant mode of production, with its particular political configuration, creates a mode of opposition as a mirror image to itself?

During the era of Fordist organization of the production process, the mirror image was a large centralized trade union movement and democratically centralist political parties.

The reorganization of the production process and turn to flexible accumulation during neoliberal times has produced a Left that is also, in many ways, its mirror: networking, decentralized, non-hierarchical. I think this is very interesting.

And to some degree the mirror image confirms that which it's trying to destroy. In the end I think that the trade union movement actually undergirded Fordism.

I think much of the Left right now, being very autonomous and anarchical, is actually reinforcing the endgame of neoliberalism. A lot of people on the Left don't like to hear that.

But of course the question arises: Is there a way to organize which is not a mirror image? Can we smash that mirror and find something else, which is not playing into the hands of neoliberalism?

Resistance to neoliberalism can occur in a number of different ways. In my work I stress that the point at which value is realized is also a point of tension.

Value is produced in the labor process, and this is a very important aspect of class struggle. But value is realized in the market through sale, and there's a lot of politics to that.

A lot of resistance to capital accumulation occurs not only on the point of production but also through consumption and the realization of value.

Take an auto plant: big plants used to employ around twenty-five thousand people; now they employ five thousand because technology has reduced the need for workers. So more and more labor is being displaced from the production sphere and is more and more being pushed into urban life.

The main center of discontent within the capitalist dynamic is increasingly shifting to struggles over the realization of value — over the politics of daily life in the city.

Workers obviously matter and there are many issues among workers that are crucial. If we're in Shenzhen in China struggles over the labor process are dominant. And in the United States, we should have supported the Verizon strike, for example.

But in many parts of the world, struggles over the quality of daily life are dominant. Look at the big struggles over the past ten to fifteen years: something like Gezi Park in Istanbul wasn't a workers' struggle, it was discontent with the politics of daily life and the lack of democracy and decision-making processes; in the uprisings in Brazilian cities in 2013, again it was discontent with the politics of daily life: transport, possibilities, and with spending all that money on big stadiums when you're not spending any money on building schools, hospitals, and affordable housing. The uprisings we see in London, Paris, and Stockholm are not about the labor process: they are about the politics of daily life.

This politics is rather different from the politics that exists at the point of production. At the point of production, it's capital versus labor. Struggles over the quality of urban life are less clear in terms of their class configuration.

Clear class politics, which is usually derived out of an understanding of production, gets theoretically fuzzy as it becomes more realistic. It's a class issue but it's not a class issue in a classical sense.

Do you think we talk too much about neoliberalism and too little about capitalism? When is it appropriate to use one or the other term, and what are the risks involved in conflating them?

BSR

DH

Many liberals say that neoliberalism has gone too far in terms of income inequality, that all this privatization has gone too far, that there are a lot of common goods that we have to take care of, such as the environment.

There are also a variety of ways of talking about capitalism, such as the sharing economy, which turns out to be highly capitalized and highly exploitative.

There's the notion of ethical capitalism, which turns out to simply be about being reasonably honest instead of stealing. So there is the possibility in some people's minds of some sort of reform of the neoliberal order into some other form of capitalism.

I think it's possible that you can make a better capitalism than that which currently exists. But not by much.

The fundamental problems are actually so deep right now that there is no way that we are going to go anywhere without a very strong anticapitalist movement. So I would want to put things in anticapitalist terms rather than putting them in anti-neoliberal terms.

And I think the danger is, when I listen to people talking about anti-neoliberalism, that there is no sense that capitalism is itself, in whatever form, a problem.

Most anti-neoliberalism fails to deal with the macro-problems of endless compound growth — ecological, political, and economic problems. So I would rather be talking about anticapitalism than anti-neoliberalism.



RUTH WILSON GILMORE

## **Globalisation and US prison growth: from military Keynesianism to post-Keynesian militarism**

Ever since Richard M. Nixon's 1968 campaign for president on a 'law and order' platform, the US has been home to a pulsing moral panic over crime and criminality. The 'law and order' putsch has produced an increase of 1.4 million people in the prison and jail population since 1982: by the time this essay goes to press, there will be nearly 2,000,000 women and men living in cages. But are the key issues underlying carceral expansion 'moral' ones – or are they racial, economic, political? And if some combination of the latter, why did 'the law' enmesh so many people so quickly, but delay casting its dragnet until almost fifteen years after Nixon's successful bid for the presidency?

California is a case in point. In mid-1996 the State's attorney general, who is responsible for prosecuting all serious and violent crimes, circulated a report showing that the crime rate peaked in 1980 and declined, unevenly but decisively, thereafter. However, since 1982, when the State<sup>1</sup> embarked on the biggest prison construction programme in the history of the world, the number in the California Department of Corrections (CDC) prisons rose 400 per cent – to 156,000. African Americans and Latinos (primarily Mexican Americans) comprise two-thirds of the prison population; seven per cent are women of all races. Almost half the prisoners had steady employment, that is, they were working for the same employer for at least one year before arrest, while

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### *Race & Class*

upwards of 80 per cent were, at some time in their case, represented by state-appointed lawyers for the indigent: in short, as a class, convicts are the working or workless poor. At a cost of 280-350 million dollars *each*, California has completed twenty-two new prisons since 1984. The new prisons, plus the state's twelve previously existing facilities, plus four new prisons being planned, plus internal expansions, plus space contracted with public or private providers, will give the system a lockdown capacity of more than 200,000 by 2001, according to data from the California Legislative Analyst's Office and the CDC.

But California's prison expansion has to be situated in the political-economic geography of globalisation if its full significance is to be understood. A new kind of state is being built on prison foundations in the world's seventh or eighth largest economy. The importance of California is not that it represents the average case of current conditions throughout the US but, rather, that the State stands in as a plausible future for polities within and outside national borders: California has long served as an activist exemplar that others keenly emulate.

#### **Why prisons: dominant and counter explanations**

The media, government officials and policy advisers endlessly refer to the moral panic over crime and connect prison growth to public desire for social order. In this explanation, what is pivotal is not the state's definition of crime, *per se*, but rather society's condemnation of rampant deviant behaviour – thus a moral not (necessarily) legal panic. The catapulting of crime to US public anxiety number one, even when unemployment and inflation might have garnered greater worry in the recessions of the early 1980s and the early 1990s, suggests that concerns about social deviance overshadowed other, possibly more immediate issues.

However, by the time the great prison round-ups began, crime had started to go down. Mainstream media reported the results of statistics annually gathered and published by the Federal Bureau of Investigation (FBI) and the Bureau of Justice Statistics (BJS). In other words, if the public had indeed demanded crime reduction, the public was already getting what it wanted. State officials could have taken credit for decreasing crime rates without producing more than a million new prison beds. But the beds are there.

Another explanation for the burgeoning prison population is the drug epidemic and the threat to public safety posed by the unrestrained use and trade of illegal substances. Information about the controlling (or most serious) offence<sup>2</sup> of prisoners supports the drug explanation: drug commitments to federal and state prison systems surged 975 per cent between 1982 and 1996. Therefore, it is reasonable to conclude that widening use of drugs in the US in the late 1970s and early 1980s

provoked prison expansion. According to this scenario – as news stories, sensational television programmes, popular music and movies and politicians' anecdotes made abundantly clear – communities, especially poor communities of colour, would be more deeply decimated by addiction, drug dealing and gang violence were it not for the restraining force of prisons. The explanation rests on two assumptions: first, that drug use exploded in the 1980s and, second, that the sometimes violent organisation of city neighbourhoods into gang enclaves was accomplished in order to secure drug markets.

In fact, according to the BJS, illegal drug use among all kinds of people throughout the United States declined precipitously, starting in the mid-1970s. Second, although large-scale traffic in legal or illegal goods requires highly organised distribution systems – be they corporations or gangs – not all gangs are in drug trafficking; for example, according to Mike Davis, in Los Angeles, an area of heavy gang and drug concentration, prosecutors in the late 1980s charged only one in four dealers with gang membership.<sup>3</sup>

A third explanation blames structural changes in employment opportunities; these changes have left large numbers of people challenged to find new income sources, and many have turned to what one pundit called 'illegal entitlements'. In this view, those who commit property crimes – along with those who trade in illegal substances – reasonably account for a substantial portion of the vast increase in prison populations. Controlling offence data for new prisoners support the income-supplementing explanation: the percentage of people in prison for property offences more than doubled since 1982. But, at the same time, incidents of property crime peaked in 1980; indeed, the decline in property crime pushed down the overall crime rate.

More recently, as both print and electronic media have started again to headline annual federal reports about long-term drops in crime (still falling since 1980) and as elected and appointed officials have started to take credit for the trends, the explanation for bulging prisons centres on the remarkable array of longer and stiffer sentences now doled out for a wide range of behaviour that used to be punished differently, if at all. This explanation, tied to but different from the 'moral panic' explanation, proposes that while social deviance might not have exploded after all, active intolerance pays handsome political dividends. The explanation that new kinds of sentences (which is to say the concerted action of lawmakers) rather than crises in the streets, produced the growth in prison, is a *post facto* explanation that begs the question. Where did the punitive passion come from in the first place? While all the dominant accounts carry some explanatory power, there is a huge hole at their centre. Who is being punished, for what, and to what end? If crime rates peaked before the proliferation of new laws and new cages, what work does prison do?

### *Race & Class*

There are two major counter explanations for prison expansion. The first charges racism, especially anti-Black racism. The second focuses on the economic development and profit-generating potential that prisons promise, suggesting that *military* Keynesianism is giving way to, or complemented by, *carceral* Keynesianism. As with the dominant explanations, there is a great deal of truth in these claims. The statistical inversion, by race, of those arrested (70 per cent white) to those put in cages (70 per cent persons of colour) quantitatively indicates that the system punishes different kinds of people differently; qualitatively, the stories of individuals and families caught up in the system graphically illustrate this uneven development. It is also true that communities and industrial sectors are increasingly dependent on prisons for governmental, household and corporate income. But these explanations do not show us how prison – and the industrialised punishment system that is the heart of the prison industrial complex – achieved such a central place in structuring the state and shaping the landscape, nor do they show us whether the state is a variation on the Keynesian theme or something new to globalisation.

In my view, the expansion of prison constitutes a geographical solution to socio-economic problems, politically organised by the state which is itself in the process of radical restructuring. This view brings the complexities and contradictions of globalisation home, by showing how already existing social, political and economic relations constitute the conditions of possibility (but not inevitability) for ways to solve major problems. In the present analysis ‘major problems’ appear, materially and ideologically, as surpluses of finance capital, land, labour and state capacity that have accumulated from a series of overlapping and interlocking crises stretching across three decades.

The accumulation of surpluses is symptomatic of ‘globalisation.’ Changes in the forces, relations and geography of capitalist production during the past thirty years have produced more densely integrated ‘sovereign’ (nation state) political economies, exemplified by supra-national trade regions such as NAFTA and supra-national currencies such as the Euro. However, interdependence is not a precursor to universal equality. Quite the contrary, as Neil Smith argues, the trend towards equalisation rests on a deep foundation of differentiation: if the whole world is available as site or resource for capitalist production, intensive investment in some places to the detriment of others is caused by and produces ‘uneven development’. The disorderly effects of ‘globalisation’ are part and parcel of uneven development, and the expansion of prison in the US is a logical, although by no means necessary, outcome of dynamic unevenness. But if economics lies at the base of the prison system, its growth is a function of politics not mechanics.

**Why 1968? Historicising crime, Keynesianism, and crises**

I have said that the ‘moral panic’ underlying prison growth achieved formal US-wide recognition in Nixon’s 1968 ‘law and order’ campaign. Mid-sixties radical activism, both spontaneous and organised, successfully produced widespread disorder throughout society. The ascendant Right’s effort to gain the presidency used the fact of disorder in persuading voters that the incumbents failed to govern. The claim was true insofar as it described objective conditions. But in order to exploit the evidence for political gain, the Right had to interpret the turmoil as something it could contain, if elected, using already existing, unexceptionable capacities: the power to defend the nation against enemies foreign and domestic. And so the contemporary US crime problem was born. The disorder that became ‘crime’ had particular urban and racial qualities and the collective characteristics of activists (whose relative visibility as enemies was an inverse function of their structural lack of power) defined the face of the individual criminal.

A broad-brush review of some major turning points in political radicalism highlights who became the focus of moral panic. Given that criminalisation is most intensely applied to African Americans, it makes sense to start with the Black Power movement. Black Power became a popularly embraced alternative to assimilationist civil rights struggle in 1964, after the Democratic Party publicly refused to seat the Black Mississippi Freedom Democratic Party (MFDP) at the national convention. The delegation represented women and men who had engaged in deadly struggles with white power southern elites in order to gain the vote. While antisystemic bullets did not replace reformist ballots with the emergence of Black Power, the MFDP experience convinced many activists who had worked within legal and narrowly (electoral) political systems that tinkering with the racial structure and organisational practices of the US state would not make it something new. In response to the plausible impossibility that Black or other subordinated people could ever sue for equality within the framework of constitutional rights, below-surface militancy popped up all over the landscape.

Until the 1960s, virtually all riots in the US were battles instigated by white people against people of colour, or by public or private police (including militias and vigilantes, also normally white) against organising workers of all races. But, from the 1965 Los Angeles Watts Riots forward, urban uprising became a means by which Black and other people held court in the streets to condemn police brutality, economic exploitation and social injustice. Radical Black, Brown, Yellow and Red Power movements<sup>4</sup> fought the many ways the state organised poor peoples’ perpetual dispossession in service to capital. Radical white activists – students, wage workers, welfare rights agitators



### *Race & Class*

– added to domestic disorders by aligning with people of colour; they also launched autonomous attacks against symbols and strongholds of US capitalism and Euro-American racism and imperialism.

Indeed, growing opposition to the US war in Vietnam and Southeast Asia helped forge one international community of resistance, while an overlapping community, dedicated to anti-colonialism and anti-apartheid on a world scale, found in Black Power a compelling renewal of historical linkages between ‘First’ and ‘Third World’ Pan African and other liberation struggles. At the same time, students and workers built and defended barricades from Mexico City to Paris: no sooner had the smoke cleared in one place than fires of revolt flared up in another. The more that militant anti-capitalism and international solidarity became everyday features of US anti-racist activism, the more vehemently the state and its avatars responded by, as Allen Feldman puts it, ‘individualizing disorder’ into singular instances of criminality, that could then be solved via arrest or state-sanctioned killings rather than fundamental social change. With the state’s domestic war-making in mind, I will briefly examine another key aspect of the legendary year.

### **Something else about 1968**

If 1967-68 marks the domestic militarist state’s contemporary rise, it also marks the end of a long run-up in the rate of profit, signalling the close of the golden age of US capitalism. The golden age started thirty years earlier, when Washington began the massive build-up for the second world war. Ironically, as Gregory Hooks has demonstrated, the organisational structures and fiscal powers that had been designed and authorised for New Deal social welfare agencies provided the template for the Pentagon’s painstaking transformation from a periodically expanded and contracted Department of War to the largest and most costly bureaucracy of the federal government. The US has since committed enormous expenditure for the first *permanent* warfare apparatus in the country’s pugnacious history.

The wealth produced from warfare spending underwrote the motley welfare agencies that took form during the Great Depression but did not become fully operational until the end of the second world war. Indeed, the US welfare state bore the popular tag military Keynesianism to denote the centrality of war-making to socio-economic security. On the domestic front, while labour achieved moderate protections and entitlements, worker militancy was crushed and fundamental US hierarchies remained intact. The hierarchies map both the structure of labour markets and the socio-spatial control of wealth. Thus, white people fared well compared with people of colour, most of whom were deliberately excluded from original legislation; men received automatically what women had to apply for individually, and,

### *From military Keynesianism to post-Keynesian militarism*

normatively, urban, industrial workers secured limited wage and bargaining rights denied household and agricultural field workers.

The military Keynesian or 'warfare-welfare' state (to use James O'Connor's term) was first and foremost, then, a safety net for the capital class as a whole in all major areas: collective investment, labour division and control, comparative regional and sectoral advantage, national consumer market integration and global reach. And, up until 1967-68, the capital class paid handsome protection premiums for such extensive insurance. However, at the same time that Black people were fighting to dismantle US apartheid, large corporations and other capitals, with anxious eyes fixed on the flattening profit-rate curve, began to agitate forcefully and successfully to reduce their contribution to the 'social wage'. Capital's successful tax revolts, fought out in federal and state legislatures, provoked the decline of military Keynesianism.

Put broadly, the economic project of Keynesianism consisted of investments against the tide, designed to avoid the cumulative effects of downward business cycles by guaranteeing effective demand (via incomes programmes, public borrowing strategies and so forth) during bad times. The social project of Keynesianism, following from the central logic that full employment of resources enhances rather than impedes the production of new wealth, was to extend to workers – unequally, as we have seen – protections against calamity and opportunities for advancement. In sum, Keynesianism was a capitalist project that produced an array of social goods that had not existed under the preceding liberal (or laissez-faire) capitalist state form.

Keynesianism's economic project, severely weakened by capital's tax revolt, encountered its first round of dismantling in the early 1970s, but the social project took the rap for all the anxiety and upheaval that ensued. Part of the post-war civil rights struggle had been to extend eligibility for social welfare rights and programmes to those who had been deliberately excluded. The individualisation of *this* disorder (from the 1965 Moynihan report on the pathological Black family, through the 1980 Reagan presidential campaign) increasingly starred an unruly African American woman whose putative dependency on the state, rather than a husband, translated into criminality.

### **Crisis and surplus**

To sum up: there is a moral panic over 'crime' – civil disorder, idle youth on the streets, people of colour out of control, women and children without husbands and fathers, students who believe it is their job to change the world (not merely to understand it) and political alliances among organisations trying to merge into full-scale movements. In other words, there is a social crisis. And there is also an economic panic

### *Race & Class*

– capital disorder, or the profits crisis. These crises collide and combine into the crisis that prison ‘fixes’.

The new state emerging from the crises, and materialised as the integument of the prison industrial complex, is neither unexpected nor without roots. Rather, the US state (from the local to the national) can claim permanent ideological surplus in the realm of ‘defence’. Indeed, from the genocidal wars against Native Americans to the totalitarian chattel slavery perpetrated on Africans, to colonial expansion, to the obliteration of radical anti-racist and anti-capitalist movements, the annals of US history document a normatively aggressive, crisis-driven state. Its modus operandi for solving crises has been the relentless identification, coercive control, and violent elimination of foreign and domestic enemies.<sup>5</sup>

Crisis and surplus are two sides of the same coin. Within any system of production, the idling, or surplus, of productive capacities means that the society dependent on that production cannot reproduce itself as it had in the past, to use Stuart Hall’s neat summary of Marx. Such inability is the hallmark of crisis, since reproduction, broadly conceived, is the human imperative. Objectively, crises are neither bad nor good, but crises do indicate inevitable change, the outcome of which is determined through struggle. Struggle, like crisis, is a politically neutral word: in this scenario, everyone struggles because they have no alternative.

The economic panic deepened in the early 1970s, at the same time that radical political activists were assassinated, went to prison, disappeared underground, or fled into exile. In 1973, the federal government finished its five-year plan to decouple the dollar from gold and immediately thereafter devalued the dollar, shoving the US into the 1973-7 global recession. The 1973 wage freeze was prelude to a twenty-five year decline in ordinary people’s real purchasing power, made instantly harsh as workers tried to buy necessities at inflated prices with devalued greenbacks. During the same period, of course, money began its spectacular rise as *the* contemporary commodity (to echo Paget Henry’s inflection), and interest brokering displaced productive investment as the means to make money make more of itself.

The mid-1970s recession produced many other kinds of displacements, related to the movement of dollars away from gold and capital away from production. Steep unemployment deepened the effects of high inflation for workers and their families. Big corporations eliminated jobs and factories in high-wage heavy industries (e.g., auto, steel, rubber), decimating entire regions of the country and emptying cities of wealth and people. Even higher unemployment plagued farmworkers and others who laboured in rural extractive industries such as timber, fishing and mining. Landowners’ revenues did not keep up with the cost of money for a variety of reasons related to changing

### *From military Keynesianism to post-Keynesian militarism*

production processes and product markets, as well as seemingly 'natural' disasters. Defaults displaced both agribusinesses and smaller growers and other kinds of rural producers from their devalued lands, with the effect that land and rural industry ownership sped up the century-long tendency to concentrate.

Urban dwellers left cities, looking for new jobs, for cheaper housing (given the inflated cost of houses and money), or for whiter communities, and suburban residential and industrial districts developed at the same time that city centres crumbled. Those left behind were stuck in space, lacking the social or financial mobility to follow capital, while at the same time international migrants arrived in the US, pushed and pulled across territory and state by the same forces of equalisation and differentiation that were producing the US cataclysm.

The sum of these displacements was socialised, in a negative way, by the state's displacement from its Keynesian job to produce equilibrium from profound imbalances. No central, strategic plan emerged to employ the state's capacities and absorb the national surpluses of finance capital, land or labour. And why would there be, since the scale at which military Keynesianism operated – that of the nation state – was approaching political-economic obsolescence in the late twentieth century round of globalisation. Make no mistake: I do not mean 'the state' was withering. Quite the contrary, the nation was being 'prepped' for global developments by operators firmly ensconced in state institutions, such as the Federal Reserve Bank governors who, as Edwin Dickens argues, powerfully insisted that the state's capacity to discipline labour was politically and economically more important than the state's capacity to guarantee labour a decent share of surplus value. The unabsorbed accumulations from the 1973-7 recession laid the groundwork for additional surpluses idled in the 1981-4 recession and again in 1990-4, as the furious integration of some worlds produced the terrifying disintegration of others.

#### **Dateline California**

California passed the trillion (million million) dollar Gross State Product (GSP) mark in 1997, a level nominally equal to the GDP of the entire United States in 1970. However, the wealthy and productive State's family poverty rate more than doubled between 1969 and 1995, rising from 8.4 per cent to 17.9 per cent of the growing population. Indeed, in 1995, California's national poverty ranking was eighth from the top, in company with historically poor states such as Louisiana, New Mexico, Mississippi, West Virginia and Kentucky; with rich New York and Texas, where prisons have also expanded significantly, and with the classically bifurcated District of Columbia, that has both the highest per capita income and second highest poverty in the country.

### *Race & Class*

Throughout the golden age of capitalism, California functioned as what Dick Walker calls a 'principal engine of US economic growth', and used resources from defence-dependent prosperity to provide state residents with broadening opportunities. An indicator of change to come was the 25 per cent increase in children's poverty between 1969 and 1979. This abandonment of the least powerful members of society presaged the State's future broadening abdication of responsibility to remedy adversity and inequality. And, in fact, the child poverty rate jumped again, rising 67 per cent between 1979 and 1995, to shape the future chances of one in four of the State's kids.

California's phenomenal rise in family and child poverty is a dynamic symptom of the displacements characterising the 1970s, 1980s and 1990s recessions – dynamic because the negative effects have compounded even in boom years. The surplus of California's children goes hand in hand with the accumulation of other surpluses.

- *Finance capital* California experienced a dual shift in income. First, property income increased as a share of total income, the other principal components of which are wages and salaries. Second, interest income increased as a share of property income, the other components of which are dividends, rent and profits. Productive capitals in the State started paying for equipment or factory expansion out of retained earnings (profits not paid out to shareholders as dividends). In these circumstances, finance capitals had to scramble for new profit-making opportunities, and increasingly looked to money itself, rather than steel, cars or aircraft, to do the job.

As a category of capital, finance capital is the most mobile, but the actual firms that specialise in matching borrowers with funds operate in particular political economic geographies.<sup>6</sup> Spatial constraint is abundantly clear in the US realm of public debt: all borrowing done at the State or municipal level is, by federal law, State-regulated. For California firms specialising in public sector finance, the challenge to find governmental borrowers was further complicated because traditional infrastructural investment (school buildings, highways and roads) had been deferred during the long 1970s recession, while thereafter both State and local officials depleted reserves rather than ask short-tempered, wage-frozen taxpayers to approve new debt obligations. In sum, public sector financiers had a crisis – growing pools of investable cash but shrinking outlets – that could only be resolved in the political arena, where decisions about the legitimate uses of public debt are made by voters, legislators and clever interpreters of existing statute.

- *Land* California's patterns of land use have changed significantly during the past thirty years. Most notably, since 1978 about 100,000 acres per year of irrigated farmland have been taken out of production. The fate of these idled farmlands stands as proxy for rural restructuring



in general. The recession of the 1970s overlapped with a drought, huge increases in farm debt (taken on in part to irrigate land) and suburbanisation brought on by the combination of white flight and the inability of wage earners of all kinds to afford houses in desirable urban areas.

Agribusinesses of varying sizes were forced out by debt – whether because their commodities were destroyed by early 1980s floods, or priced out of global commodity markets due to the then-surging dollar – or quit in anticipation of adversity or an advantageous sale. Indeed, for some owners the surplus of lands converted into cash because developers bought the farm: portions of inland counties once used almost exclusively for irrigated agriculture were developed into vast residential and commercial areas. However, there was not an acre-for-acre trade-off between farm disinvestment and suburban development. For other owners, whose lands lay outside the path of development, the surplus constituted crisis, in the form of both ‘fictitious’ costs<sup>7</sup> and real costs (taxes, insurance, maintenance) necessary to maintain an under-producing asset. And finally, for rural monopolies or oligopolies, the crisis consisted of how to maintain unequal relations of power and control in places where increased productivity due to mechanisation surplused both marginal land and many many workers, with the rural proletariat, rather than the long-disappeared small farmer, bearing the principal brunt of displacements. Indeed, surplus land and high unemployment can be guides for locating each other because in tandem they indicate that capital has reorganised in, or withdrawn from, an area. Such is the case with large areas of urban California.

- *Surplus labour* California’s restructuring since the early 1970s included the reorganisation, or the termination, of many capital-labour relationships that had been hammered out through struggle during the golden age. All kinds of workers experienced profound insecurity, as millions were displaced from jobs and industries by capital flight, by outsourcing and by mechanisation. Racist and nationalist confrontations heightened, driven by the common-sense perception that the state’s public and private resources were too scarce to support the growing population and that therefore some people had to go. But actually people came, as immigrants reconfigured the state’s demographic composition. These twin movements of capital and labour produced a growing relative surplus population; workers at the extreme edges or completely outside restructured labour markets.

During most of the 1970s, California’s increase in the labour force was roughly commensurate with the increase in available jobs, even though unemployment hit extremely high levels in the recession. But from 1980 onward, employments stopped keeping pace with the labour force – shortly before the number of prisoners started to shoot off the chart. The overall trend is for labour force growth to exceed employment growth by about 4 per cent. The sum of the state’s average annual

number of unemployed persons, plus the average annual number of prisoners, is about one million. These million constitute the empirical minimum of California's relative surplus population, or surplus labour.

The reorganisation of labour markets has expelled from the workforce modestly educated people in the prime of life who once might have gained their wages making and moving things. African American men are first among the dispossessed in this regard, although many kinds of workers are experiencing something close to permanent redundancy. Underemployment and worklessness are higher among men than women of similar demographic profile. The lower a person's income, the more likely she or he is to have been unemployed. In urban space, high unemployment rates correspond to areas with the greatest school dropouts, which in turn map onto areas that industries have abandoned, taking along their own jobs and local jobs dependent on the dollars circulated by the bigger firms. Of course, these dynamics are not simply the residual outcomes of 'market forces' but, rather, the predictable results of capital abandonment facilitated by what Michael Tonry calls the State's 'malign neglect'.

- *State capacity* As stated earlier, the Keynesian state came under sustained attack from powerful economic and political critics. Marx observed that tax struggle is the oldest form of class struggle. The tax revolt staged by California capitals in the late 1960s was answered by the legendary homeowners' (i.e., labour's) tax revolt of 1978. And finally, starting in the early 1980s, the federal government reduced its participation in State and local government funding of social programmes, thereby passing along to lower-scale jurisdictions the task of making up for federal tax cuts that had been granted to capitals and rich individuals. California was left with the *technical* ability to do all kinds of things: raise money and spend it, pass laws and enforce them. But it lacked the legitimacy to renovate the old military Keynesian projects by, for example, putting inner-city and rural youth to work, or expanding and improving educational opportunity, or buying firms that threatened to leave and making them community-owned cooperatives.

In this historical context, old markets for certain fractions of finance capital, land and labour were dying, while new ones had not yet been born that might absorb the surpluses. For California, the outcomes of tax struggles translated into delegitimation of programmes the state might have used to put surpluses back to work, while at the same time the state retained bureaucratic, fiscal and legal apparatuses from the golden age. In other words, the massive restructuring of the state's tax base in effect surplused the Keynesian state's capacities. However the state did not disappear, just as surplus workers or land or other idled factors of production do not disappear. Rather, what withered was the state's legitimacy to act as the Keynesian state. The state's crisis, then, was also a crisis for persons whose rights and entitlements would be

surplused from the state: how absolutely would they be abandoned, and would their regulation take new forms?

The post-war pragmatic care once unevenly bestowed on labour was transferred, with an icing of solicitude, to capital. The state at all levels focused on capital's needs, particularly on how to minimise impediments and maximise opportunities for capital recruitment and retention. However, having abandoned the Keynesian full employment/aggregate guarantee approach to downturns, the power bloc that emerged from the 1980s onward faced the political problem of how to carry out its agenda – how, in other words, to go about its post-Keynesian state-building project in order to retain and reproduce victories. Capital might be the object of desire, but voters mattered. The new bloc, having achieved power under crisis conditions, consolidated around a popular anti-crime campaign that revived Richard Nixon's successful law and order pitch. Thus the state rebuilt itself by building prisons fashioned from surpluses that the emergent post-golden-age political economy was not absorbing in other ways.

### **The prison fix**

A final blow to 'golden-age' activism was the end of prisoners' rights movements. In concert with their counterparts elsewhere, California's radical prisoners framed their activism in terms of their economic, political and racial lack of power, and challenged the class nature of the state's cage-based social control. But, at the same time, many prisoners fought in federal courts for reform; they used constitutional law to compel the State to improve prison conditions and to stop giving people indeterminate (i.e., one-year-to-life) sentences. Federal court-ordered successes formed the basis on which California began to revise the purpose and design of the system. However, by changing its sentencing structure and pledging to remedy overcrowded and decrepit facilities, the State paved the way for expanding, rather than surplusing, its capacity to put people in cages.

The limit to any reform, as Angela Y. Davis and others consistently argue, is the system itself: reform tends to strengthen institutions, especially those geared to social control. At first, California planned simply to replace decrepit facilities with small (500 person) new ones. However, that plan never materialised. Instead, new power blocs (which took office in 1982 using a strategy similar to Nixon's 1968 'law and order' campaign) used the improvement plans as a template for the 'megaprisons' that have since been built.

Once the State embarked on the prison construction project, the problem of funding surfaced immediately. In the flush of victory, the newly ensconced post-Keynesian power bloc persuaded voters that if crime was the problem (as electioneers had promised) prison was the

solution and therefore voter approval of public debt was the means to the end. Voters did approve debt to start the building programme, and several rounds thereafter. However, the problem remained that those very voters had given themselves an enormous tax break in recent electoral memory, and had since secured their residential perimeters by rejecting broad obligations and voting for taxes and debt that would improve their exclusive locality. Therefore, State officials (both of the New Right and of the lapsed New Deal sort), guided by entrepreneurial California-based finance capitalists, figured out how to go behind taxpayers' backs. The California Public Works Board, an eminently Keynesian institution, was used to borrow money to build prisons. Previously, the Board's borrowing capacities were used only to raise money for housing, schools, hospitals and other goods that would pay for themselves from homeowners' mortgage payments, local tax revenues, or fees. Prisons produce no income...yet. And then they hired a technocrat from the State's welfare agency to run the expanding prison apparatus.

California's new prisons are sited on devalued rural land, most, in fact, on formerly irrigated agricultural acres. The State intended to put all the new prisons in the southern counties (the Southland) that produce nearly 70 per cent of prisoners. However, political opposition, led by mothers of actual and potential prisoners, kept the State from putting a prison in Mexican American East Los Angeles. Landowners from the agricultural valleys spied an opportunity to unload sinking assets, and politicians from the area (which serves as the great tie-breaking region between the more 'progressive' San Francisco-Oakland area and the conservative Southland) saw advancement if they could deliver the dollars to the agribusiness power brokers. The State bought land sold by big landowners. And the State assured the small, depressed towns now shadowed by prisons that the new, recession-proof, non-polluting industry would jump start local redevelopment, but in fact prisons have not produced the jobs or related improvements projected by prison boosters.

The Southland is an enormous area comprising eight of the State's fifty-eight counties. The greatest number of prisoners come from Los Angeles County, where they have been convicted in nearly two out of three cases of property or drug possession offences. David Grant and his colleagues note that between 1985 and 1990, fully 25 per cent of African American men who moved out of Los Angeles County were involuntary migrants in the prison system, as were 10 per cent of the Black men who moved into the county. While the percentage of women in prison is relatively small, the rate of increase in the number is actually higher than that for men, with again, drugs as the principal 'controlling' offence. The ongoing destruction of post-war labour markets pushes people into new relations of competition, while the dismantling of the welfare state



### *From military Keynesianism to post-Keynesian militarism*

adds new stresses to the everyday life of the working and workless poor. And once in the industrialised punishment system, it is hard to stay out; administrative parole violations are now used so frequently that annually more than half the state's 110,000 parolees go back into cages without being convicted of new crimes.

The State has used its enormous capacity to raise money, buy land and build and staff prisons. It also makes new laws that guarantee incarceration for more and more kinds of offences, old and new. In fact, the flurry of law-making caused the California legislature to establish permanent committees (the Committees on Public Safety, or 'COPS') whose entire charge is to review and recommend new criminal statutes. Nearly two thousand pieces of criminal law have been enacted in the past decade, and legislators from the dwindling Left to the firmly ensconced Right have all taken the lead on some piece of the new social product. Legislated justice micro-manages the courtroom, and speeds up convictions and incarcerations (and the death penalty) by deskilling judges who otherwise might render different decisions than those mandated. Thus the state produces, and is produced by, the industrialised punishment system which is the core of the prison industrial complex.

#### **In the long run, we're all dead**

As I have already noted, California's State budget has grown since the 1970s, while voters have reduced their participation. An enormous, and growing, portion of revenue flows into the prison system, at a level nearly equal to general fund appropriations for the State's two university systems. One explanation for California's budget expansion is that the underlying conditions leading to the waves of tax revolts on the part of capital, labour, and the federal state have continued to be in flux, and therefore the state's definitive task – maintaining a general balance of power – has required big spending at the State level. This would suggest that the new power bloc's intervention, in the name of a small state apparatus, has not achieved hegemony and therefore, if and when relatively uncontested consent is secured, the State's apparatus might shrink. But an equally plausible explanation is that the new power bloc cannot rejig power in the form of the state with any greater cost-efficiency than it has already exhibited. The 'big stick' approach used by US capital to discipline labour requires an enormous, expensive industrial bureaucracy, as David Gordon has shown; the same appears to be true for the capitalist state in crisis.

How can the big state pay its way? Perhaps by selling off assets, such as public utilities and prisons. Many rightly worry that the privatisation of prisons will further the civil deaths of those in custody and present grave dangers that might result in greater numbers of physical deaths



## *Race & Class*

and injuries as well. Capitals are, of course, trying to get a foothold in this lucrative market, where 95 per cent of US prisons and jails are now publicly owned and operated. Alternatively, all prisoners might well be required to work in the public sector, both to pay their own costs and to make profit for the state, as was the case in prisons of the US South starting at the turn of the twentieth century. In such an eventuality, wide-scale slavery, under the provisions of the Thirteenth Amendment to the US constitution, could be the big state's answer to tax struggle. We might think of public sector slavery as the 'crime tax', part of the 'surplus labour tax', whose freeworld (non-prison) variation is workfare, or the 'poverty tax'. Thus we return analytically to the class struggle inherent in tax struggle. But this return takes us to a new place, if we understand from the 'surplus labour tax' that prisoners and other dispossessed persons are at the centre (rather than under or marginal to) the contradictions by which the system moves.

In sum, military Keynesianism emerged from the profound crises of the Great Depression, when dislocations and reconfigurations of capital, land, labour and state capacity restructured capital-labour relations and remapped the world, with California, in some key ways, first among first. Military Keynesianism came out of the same objective conditions that had produced Nazism and Fascism. In the current period of globalisation, we see the demise of military Keynesianism, and its successor militarist state rising on a firm foundation of prisons, peopled by the 2,000,000 and more who represent both the demise of golden-age capitalism and the defeat of alternative societies militantly pursued, throughout the golden age, by those who sought to make impossible the future we live today. But, before we're all dead, alternative global activism, matured by thirty years of mortal lessons, might rise to tear down the sturdy curtain of racism behind which the prison industrial complex devours working men and women of all kinds.

## **Notes**

My special thanks to Craig Gilmore.

- 1 'State' with an upper-case 'S' designates a specific political geography or government (such as the State of California); 'state' with a lower-case 's' designates the general political-territorial form (the rising prison state) that ranges, in scale, from municipality to nation state.
- 2 Prisoners are classified according to their 'controlling' or most serious conviction. Thus, the more than 6,500 people in CDC custody for 'petty theft with prior' did not commit other, more serious crimes, such as robbery.
- 3 The low ratio is critical: gang membership designation allows prosecutors to demand longer, fixed sentences for dealers, and local law enforcement throughout California has conducted a census of gang membership so zealously that, in at least one city, according to Mike Davis, the police enumerated more gangsters between the ages of 18 and 25 than were actually resident in their jurisdiction.

### *From military Keynesianism to post-Keynesian militarism*

- 4 The colours refer, respectively, to African, Latino (especially Chicana/o and Puerto Rican), Asian American and Native American groupings.
- 5 Outside the scope of this essay is a discussion of two key themes. One concerns how the US also built into the legal landscape a notably high tolerance for homicide, by defining 'self-defence' so broadly that today the 'average American' believes it is human nature to kill over property or insult as well as to remedy greater perceived wrongs; not surprisingly, the case law establishing aggressively violent standards consists exclusively of incidents in which white men killed white men. The law therefore establishes norms that fix particular relationships among gender, race, citizenship, and power (see Brown, 1991). The second key theme concerns violence differentials between nation states, and the role of victorious war-making in modelling civilian behaviour in the US (Archer and Gartner, 1984).
- 6 Of course there are multi-State and multinational finance capital firms; but, deal by deal, they do their business in places, not in undifferentiated space. No matter how quickly value can be transferred between currencies and polities, each accounting moment occurs in, and by virtue of, a jurisdiction. Thus, when Leeson brought down Barings Bank (that accumulated much lucre in the nineteenth century lending money to US cotton plantations worked by slaves), he fled Singapore, not Barings, to evade punishment.
- 7 The decline in the price at which the land might sell, especially compared to the rising price of suburbanisable plots.

# How Not To Skip Class:

## Social Reproduction of Labor and the Global Working Class

Tithi Bhattacharya 10.31.2015

Since its very formation, but particularly since the late twentieth century, the global working class has faced a tremendous challenge – how to overcome all its divisions to appear in ship-shape in full combative form to overthrow capitalism. After global working class struggles failed to surmount this challenge, the working class itself became the object of a broad range of theoretical and practical condemnations. Most often, these condemnations take the form of either declarations or predictions about the demise of the working class or simply arguing that the working class is not longer a valid agent of change. Other candidates – women, racial/ethnic minorities, new social movements, an amorphous but insurgent “people,” community, to name a few – are all thrown up as possible alternatives to this presumed moribund/reformist or masculinist and economistic category, the working class.

What many of these condemnations have in common is a shared misunderstanding of exactly what the working class really is. Instead of the complex understand of class historically proposed by Marxist theory, which discloses a vision of insurgent working class power capable of transcending sectional categories, today’s critics rely on a highly narrow vision of a “working class” in which a worker is simply a person who has a specific kind of job.

In this essay, I will refute this spurious conception of class by reactivating fundamental Marxist insights about class formation that have been obscured by four decades of neoliberalism and the many defeats

“...labor-power is a commodity which its possessor, the wage-worker, sells to the capitalist. Why does he sell it? It is in order to live.”

– Karl Marx, Wage, Labor and Capital

of the global working class. The key to developing a sufficiently dynamic understanding of the working class, I will argue, is the framework of social reproduction. In thinking about the working class, it is essential to recognize that workers have an existence beyond the workplace. The theoretical challenge therefore lies in understanding the relationship between this existence and that of their productive lives under the direct domination of the capitalist. The relationship between these spheres will in turn help us consider strategic directions for class struggle.

But before we get there, we need to start from the very beginning, that is, from Karl Marx’s critique of political economy, since the roots of today’s limited conception of the working class stem in large part from an equally limited understanding of the economy itself.

### The Economy

The allegations that Marxism is reductive or economistic only make sense if one reads the economy as neutral market forces determining the fate of humans by chance; or in the sense of a trade-union bureaucrat whose understanding of the worker is restricted to the wage earner. Let us here first deal with why this restrictive view of the “economic” is something that Marx often criticizes.

Marx’s contribution to social theory was not simply to point to the historical-materialist basis of social life, but to propose that in order to get to this materialist basis the historical materialist must first understand that reality is not as it appears.

The “economy,” as it appears to us, is the sphere where we do an honest day’s work and get paid for it. Some wages might be low, others high. But the

principle that structures this “economy” is that the capitalist and the worker are equal beings who engage in an equal transaction: the worker’s labor for a wage from the boss.

According to Marx, however, this sphere is “in fact a very Eden of the innate rights of man. There alone rule Freedom, Equality, Property and Bentham.” In this one stroke Marx shakes our faith in the fundamental props of modern society: our juridical rights. Marx is not suggesting that the juridical rights we bear as equal subjects are nonexistent or fictive, but that such rights are anchored in market relations. The transactions between workers and capitalists take the form – insofar as they are considered purely from the standpoint of market exchange – of exchange between legal equals. Marx is not arguing there are no juridical rights, but that they mask the reality of exploitation.

If what we commonly understand as the “economy” is then merely surface, what is this secret that capital has managed to hide from us? That its animating force is human labor.

As soon as we, following Marx, restore labor as the source of value under capitalism and as the expression of the very social life of humanity, we restore to the “economic” process its messy, sensuous, gendered, raced, and unruly component: living human beings capable of following orders – as well as of flouting them.

## The economic as a social relation

To concentrate on the surface “economy” (of the market) as if this was the sole reality is to obscure two related processes:

1. the separation between the “political” and “economic” that is unique to capitalism; and
2. the actual process of domination/expropriation that happens beyond the sphere of “equal” exchange.

The first process ensures that the acts of appropriation by the capitalist appear completely cloaked in economic garb, inseparable from the

process of production itself. As Ellen Meiksins Wood explained: “So...where earlier [precapitalist] producers might perceive themselves as struggling to keep what was rightfully theirs, the structure of capitalism encourages workers to perceive themselves as struggling to get a share of what belongs to capital, a ‘fair wage,’ in exchange for their labor.” Since this process makes invisible the act of exploitation, the worker is caught in this sphere of juridical “equality,” negotiating rather than questioning the wage-form.

However, it is the second invisible process that forms the pivot of social life. When we leave the Benthamite sphere of juridical equality and head to what Marx calls the “hidden abode of production”:

He, who before was the money-owner, now strides in front as capitalist; the possessor of labor-power follows as his laborer. The one with an air of importance, smirking, intent on business; the other, timid and holding back, like one who is bringing his own hide to market and has nothing to expect but – a hiding.

Marx emphasizes here the opposite of “economism” or “free trade vulgarism” as he calls it. He is inviting us to see the “economic” as a social relation: one that involves domination and coercion even if juridical forms and political institutions seek to obscure that.

Let us pause here to rehearse the three fundamental claims made about the economy so far. One, that the economy as we see it is, according to Marx, a surface appearance; two, that the appearance, which is steeped in a rhetoric of equality and freedom, conceals a “hidden abode” where domination/coercion reigns and those relations form the pivot of capitalism; hence, three, that the economic is also a social relation, in that the power that is necessary to run this hidden abode – to submit the worker to modes of domination – is also by necessity a political power.

The purpose of this coercion and domination, and the crux of the capitalist economy considered as a social relation, is to get the worker to produce more

than the value of their labor power. "The value of labour power" Marx tells us, "is the value of the means of subsistence necessary for the maintenance of its owner [i.e., the worker]." The additional value that she produces during the working day is appropriated by capital as surplus value. The wage form is nothing but the value necessary to reproduce the worker's labor power.

In order to explain how this theft occurs every day, Marx introduces us to the concepts of necessary and surplus labor time. Necessary labor time is that portion of the work day in which the direct producer, our worker, makes value equivalent to what is needed for her own reproduction, surplus labor time is all of the remaining work day where she makes additional value for capital.

This ensemble of conceptual categories that Marx proposes here form what is more generally known as the labor theory of value. In this ensemble, two core categories that we should particularly attend to are (a) labor power itself: its composition, deployment, reproduction and ultimate replacement; and (b) the space of work, i.e. the question of labor at the point of production.

### Labor power: the "unique commodity" and its social reproduction

Marx introduces the concept of labor power with great deliberation. Labor-power, in Marx's sense, is our capacity to labor. "We mean by labour-power or labour-capacity," Marx explains, "the aggregate of those mental and physical capabilities existing in the physical form, the living personality, of a human being, capabilities which he sets in motion whenever he produces a use-value of any kind." Obviously, the capacity to labor is a transhistoric quality that humans possess irrespective of the social formation of which they are a part. What is specific to capitalism however is that only under this system of production, commodity production becomes generalized throughout society and commodified labor, available for sale in the marketplace, becomes the dominant mode of

exploitation. Thus, under capitalism, what is generalized in commodity form is a human capacity. In several passages Marx refers to this with the savagery that such a mutilation of self deserves: "The possessor of labour-power, instead of being able to sell commodities in which his labour has been objectified, must rather be compelled to offer for sale as a commodity that very labour-power which exists only in his living body."

Further, we can only speak of labor power when the worker uses that capacity, or it "becomes a reality only by being expressed; it is activated only through labour." So it must follow that as labor power is expended in the process of production of other commodities, thereby "a definite quantity of human muscle, nerve, brain, etc.," the rough composite of labor power, "is expended, and these things have to be replaced."

How can labor power be restored? Marx is ambiguous on this point:

If the owner of labour-power works today, tomorrow he must again be able to repeat the same process in the same conditions as regards health and strength. His means of subsistence must therefore be sufficient to maintain him in his normal state as a working individual. His natural needs, such as food, clothing, fuel and housing vary according to the climatic and other physical peculiarities of his country. On the other hand, the number and extent of his so-called necessary requirements, as also the manner in which they are satisfied, are themselves the product of history, and depend therefore to a great extent on the level of civilization attained by a country; in particular they depend on the conditions in which and consequently on the habits and expectations with which, the class of free workers has been formed.

Here we falter and sense that the content of Marx's critique to be inadequate to his form. There are several questions the above passage provokes and then leaves unanswered.

Social Reproduction Marxists and feminists, such as



Lise Vogel, have drawn attention to the “production” of human beings, in this case, the worker, which takes place away from the site of production of commodities. Social Reproduction theorists rightly want to develop further what Marx leaves unexamined. That is, what are the implications of labor power being produced outside the circuit of commodity production, yet being essential to it? The most historically enduring site for the reproduction of labor power is of course the kin-based unit we call the family. It plays a key role in biological reproduction – as the generational replacement of the working class – and in reproducing the worker, through food, shelter, and psychical care, to become ready for the next day of work. Both those functions are disproportionately borne by women under capitalism and are the sources of women’s oppression under the system.

But the above passage needs development in other respects as well. Labor power, for instance, as Vogel has pointed out, is not simply replenished at home, nor is it always reproduced generationally. The family may form the site of individual renewal of labor power, but that alone does not explain “the conditions under which, and...the habits and degree of comfort in which,” the working class of any particular society has been produced. What other social relationships and institutions are comprised by the circuit of social reproduction? Public education and health care systems, leisure facilities in the community, pensions and benefits for the elderly all compose together those historically determined “habits.” Similarly, generational replacement through childbirth in the kin-based family unit, although dominant, is not the only way a labor force may be replaced. Slavery and immigration are two of the most common ways in which capital has replaced labor within national boundaries.

Relatedly, let us suppose that a certain basket of goods (x) is necessary to “reproduce” a particular worker. This “basket of goods” containing food, shelter, education, healthcare, and so on are then consumed by this mythical (or some would say

universal) worker to reproduce herself. But does the size and content of the basket goods not vary depending on the race, nationality and gender of the worker? Marx seemed to think so. Consider his discussion of the Irish Worker and her/his “needs” as compared to other workers. If workers lowered their consumption (in order to save), Marx argues, then they would “inevitably degrade... [themselves] to the level of the Irish, to that level of wage laborers where the merest animal minimum of needs and means of subsistence appears as the sole object and purpose of their exchange with capital.”

We will have occasion to discuss the question of differential needs producing different kinds of labor powers later, for now let us simply note that the question of reproduction of labor power is by no means a simple one. As we can see there is already intimation of a complex totality when considering Marx’s “hidden abode of production” and its structuring impulse on the surface “economy.” Marx’s original outline, enriched now through the framework of social reproduction of labor power, thoroughly complicates the narrow bourgeois definition of the “economy” and/or “production” that we began with in fundamental ways.

Beyond the two-dimensional image of individual direct producer locked in wage labor, we begin to see emerge myriad capillaries of social relations extending between workplace, home, schools, hospitals – a wider social whole, sustained and co-produced by human labor in contradictory yet constitutive ways. If we direct our attention to those deep veins of embodying social relations, in any actual society today, how can we fail to find the chaotic, multiethnic, multigendered, differently abled subject that is the global working class?

## The twains of production and reproduction

It is important in this regard to clarify that what we designated above as two separate spaces – (a) spaces of production of value (point of production)

(b) spaces for reproduction of labor power – may be separate in a strictly spatial sense but they are actually united in both the theoretical and operational senses. They are, particular historical forms of appearance, in which capitalism posits itself. Indeed, sometimes the two processes may be ongoing within the same space. Consider the case of public schools. They function both as work places or points of production and also as spaces where labor power (of the future worker) is socially reproduced. As in the case of pensions, so in the case of public health or education, the State outlays some funds for the social reproduction of labor power. It is only within the home that the process of social reproduction remains unwaged.

The question of separate spheres and why they are historical forms of appearance, is an important one and worth spending some time on.

A common misunderstanding about “social reproduction theory” is that it is about two separate spaces and two separate processes of production: the economic and the social – often understood as the workplace and home. In this understanding, the worker produces surplus value at work, and hence is part of the production of the total wealth of society. At the end of the workday, because the worker is “free” under capitalism, capital must relinquish control over the process of regeneration of the worker and hence the reproduction of the workforce.

First, this is a theoretical concept he deploys to draw attention to the reproduction of society as a whole not only with the regeneration of labor power of the worker or reproduction of the workforce. This understanding of the theater of capitalism as a totality is important, because at this point of the argument in *Capital* Volume 1, Marx has already established that unlike bourgeois economics that sees the commodity as the central character of this narrative (supply and demand determine the market), it is labor that is its chief protagonist. Thus what happens to labor – specifically, how labor creates value and consequently surplus value – shapes the entirety of

the capitalist process of production. “In the concept of value,” Marx says in the *Grundrisse*, capital’s “secret is betrayed.”

Social reproduction of the capitalist system – and it is to explain the reproduction of the system that Marx uses the term – is therefore not about a separation between a non-economic sphere and the economic, but about how the economic impulse of capitalist production conditions the so called non-economic. The “non-economic” includes among other things, what sort of state, juridical institutions and property-form a society has – while these in turn are conditioned, but not always determined, by the economy. Marx understands each particular stage in the valorization of capital as a moment of a totality that leads him to state clearly in *Capital*: “When viewed, therefore, as a connected whole, and in the constant flux of its incessant renewal, every social process of production is at the same time a process of reproduction.”

This approach is best outlined in Michael Lebowitz’s *Beyond Capital*. Lebowitz’s work is a masterful integrative analysis of the political economy of labor power, in which he shows that understanding the social reproduction of wage labor is not an outer or incidental phenomena that ought to be “added” to the understanding of capitalism as a whole, but actually reveals important inner tendencies of the system. Lebowitz calls the moment of the production of labor power “a second moment” of production as a whole. This moment is “distinct from the process of production of capital” but the circuit of capital “necessarily implies a second circuit, the circuit of wage-labor.”

As Marx sums it up, rightly, and with a bit of flourish:

The capitalist process of production, therefore, seen as a total connected process, i.e. a process of reproduction, produces not only commodities, not only surplus-value, but it also produces and reproduces the

capital relation itself; on the one hand the capitalist, on the other the wage-labourer.

Here, by social reproduction Marx means the reproduction of the entirety of society, which brings us back to the unique commodity, labor power, that needs to be replenished and ultimately replaced without there being any breaks or stoppages to the continuous circuit of production and reproduction of the whole.

There is a lot at stake, both theoretical as well as strategic, in understanding this process of the production of commodities and the reproduction of labor power as unified. Namely, (a) we need to abandon not just the framework of discrete spheres of production and reproduction, but also (b) because reproduction is linked within capitalism to production, we need to revise the commonsense perception that capital relinquishes all control over the worker when s/he leaves the workplace.

Theoretically if we concede that production of commodities and the social reproduction of labor power belong to separate processes, then we have no explanation for why the worker is subordinate before the moment of production even takes place. Why does labor appear, in Marx's words, "timid and holding back, like one who is bringing his own hide to market"? It is because Marx has a unitary view of the process that he can show us that the moment of production of the simple commodity is not necessarily a singular entry point for the enslavement of labor. Therefore, "in reality," Marx tells us, "the worker belongs to capital before he has sold himself to the capitalist. His economic bondage is both at once mediated through, and concealed by, the periodic renewal of the act by which he sells himself, his change of masters, and the oscillations in the market-price of his labour."

But this link between production and reproduction, and the extension of the class relationship into the latter, means that, as we will see in the next section, the very acts where the working class strives to attend to its own needs can be the ground for class struggle.

## Extended reproduction: the key to class struggle

What binds the worker to capital?

Under capitalism, since the means of production (to produce use values) are held by the capitalists, the worker only has access to the means of subsistence through the capitalist production process – selling her labor power to the capitalist in return for wages with which to purchase and access the means of her life, or subsistence.

This schema of capital-labor relationship is heavily predicated upon two things: (a) that the worker is forced to enter this relationship because she has needs as a human being to reproduce her life but cannot do so on her own because she has been separated from the means of production by capital; and (b) she enters the wage relations for her subsistence needs, which is to say that the needs of "life" (subsistence) have a deep integral connection to the realm of "work" (exploitation).

Exact delineations of the relationships between the value of labor power, the needs of the worker, and how those in turn affect surplus value are, however, neither undisputed nor adequately theorized in 'Capital and it is to this that we will spend the remainder of this section.

Let us revisit the moment in 'Capital' where even the individual consumption of the worker is also part of the circuit of capital because the reproduction of the worker is, as Marx calls it, "a factor of the production and reproduction of capital."

A central premise that Marx offers us about labor power is that the value of labor power is set by the "value of the necessities required to produce, develop, maintain, and perpetuate the laboring power." But there is something else to this formulation. For the sake of making a logical argument (as opposed to a historical one) Marx treats the standard of necessities as constant: "In a given country at a given period, the average

amount of the means of subsistence necessary for the worker is a known datum."

In 'Capital' the value of labor power on the basis of the standard of necessity (U) is taken as constant and the changes in price of labor power are attributed to the introduction of machinery and/or the rise and fall of supply and demand of workers in the labor market.

As Lebowitz has pointed out, taking this methodological assumption as fact would put Marx at his closest to Classical economists: endorsing the formulation that supply shifts in the labor market and the introduction of machinery adjust the price of labor to its value, just as it does for all other commodities.

But there is a reason why the worker's labor power is deemed a unique commodity by Marx, unlike, say sugar or cotton. In the case of labor, a reverse process may and can take place: the value of her labor power may adjust to price, rather than the other way around. The worker may adjust (lower or raise) her needs to what she receives in wages.

According to Lebowitz, Marx does not have a generalized concept of constant real wages (means of subsistence, U) but only adopts it as a "methodologically sound assumption." In contrast to bourgeois political economists, Marx always "rejected the tendency...to treat workers' needs as naturally determined and unchanging." It was patently mistaken, Marx thought, to conceptualize subsistence level "as an unchangeable magnitude – which in their [bourgeois economists'] view is determined entirely by nature and not by the stage of historical development, which is itself a magnitude subject to fluctuations." Nothing could be "more alien to Marx" emphasizes Lebowitz, than "the belief in a fixed set of necessities."

Let us consider a scenario where the standard of necessity (U) is fixed as Marx dictates, but there is an increase in productivity (q). In such a case the value of the set of wage goods (our original basket of goods x) would fall thereby reducing the value of labor power. In this scenario Marx says that labor

power "would be unchanged in price" but "would have risen above its value." This means that with more money wages at their disposal, workers can go on to buy more goods or services that satisfy their needs. But according to Lebowitz, this never happens. Instead, money wages tend to adjust to real wages, and capitalists are thus able to benefit from the reduced value of labor power. Lebowitz then proceeds to explain why it is that capitalists, rather than workers, benefit from this scenario.

Briefly put, he points out that the standard of necessity (U) is not invariable, but is actually "enforced by class struggle." Thus, with a rise in productivity (q) and a "decline in the value of wage goods providing slack in the workers' budget, capitalists...[are] emboldened to attempt to drive down money wages to capture the gain for themselves in the form of surplus value." But once we see that the standard of necessity is variable and can be determined by class struggle then it becomes clear that the working class can fight on this front as well. Indeed, this is one of the consequences of understanding the expanded sense in which the economic is actually a set of social relations traversed by a struggle for class power.

Once we acknowledge class struggle as a component of the relations of production it becomes clear, as Lebowitz shows, that there are two different "moments of production." They are composed of "two different goals, two different perspectives on the value of labor power: while for capital, the value of labor power is a means of satisfying its goal of surplus value...for the wage-laborer, it is the means of satisfying the goal of self development."

Reproduction, in short, is therefore a site of class conflict. However, this conflict is inflected with certain contradictory tendencies. For instance, on the one hand, as the orchestrator of the production process the capitalist class strives to limit the needs and consumption of the working class. But on the other hand, to ensure the constant realization of surplus value, capital must also create new needs in

the working class as consumers and then “satisfy” such new needs with new commodities. The growth of workers’ needs under capitalism is thus an inherent condition of capitalist production and its expansion.

A further complication in this class struggle over the terms of reproduction is that the growth of needs for workers is neither secular or absolute. The position of the working class under capitalism is a relative one, i.e. in a relationship with the capitalist class. Hence any changes in the needs and in the level of satisfaction of workers are also relative to changes in the same for the capitalists. Marx used the memorable example of how the perception of the size of a house (its bigness or smallness) was relative to the size of its surrounding houses.<sup>27</sup> Thus one generation of a working class may earn, in absolute terms, more than its previous generation; however, their satisfaction will never be absolute as that generation of capitalists will always have more. Since the growth of workers’ needs, then, is part of the process of capital’s valorization and their satisfaction cannot take place within the framework of the system, the struggle by workers to satisfy their own needs is also an inherent and integral part of the system.

If we include the struggle for higher wages (to satisfy ever increasing needs) in the argument in Capital is it an exogenous, hence eclectic, “addition” to Marxism? Lebowitz shows it not to be so.

What Capital lays out for us is the path of reproduction for capital. Marx represents capital’s movement as a circuit:

$$M - C (M_p, L_p) — P — C' - M'$$

Money (M) is exchanged for commodities (C) that is a combination of (i) means of production (M<sub>p</sub>) and (ii) labor power (L<sub>p</sub>). The two elements combine through capitalist production (P) to produce new commodities and surplus value (C') to be then exchanged for a greater amount of money (M'). Such a circuit is both continuous and complete upon itself, ruling out any exogenous elements.

But what about the circuit of reproduction of wage labor?

The “uniqueness” of labor power lies in the fact that although it is not produced and reproduced by capital, it is vital to capital’s own circuit of production. In Capital Marx does not theorize this second circuit but simply notes that “The maintenance and reproduction of the working class remains a necessary condition for the reproduction of capital,” and that “the capitalist may safely leave this to the worker’s drive for self-preservation and propagation.” This is where Lebowitz argues there ought to be acknowledged a missing circuit of production and reproduction, that of labor power. Marx perhaps would have addressed this in later volumes of Capital, but it remains incomplete as the “Missing Book on Wage Labor.”

Once we theoretically integrate the two circuits: that of production and reproduction of capital and that of the same for labor power, commodities themselves reveal their dual functions.

Commodities produced under capitalist production are both means of production (bought by capital for money), and articles of consumption (bought by workers with their wages). A second circuit of production then must be posited, distinct from that of capital, though in relation with it. This circuit is as follows:

$$M - A_c — P — L_p - M$$

Money (M), in the worker’s hands, is exchanged for articles of consumption (A<sub>c</sub>) which are then consumed in a similar process of production (P). But now what is produced in this “production process” is a unique commodity – the worker’s labor power (L<sub>p</sub>). Once produced (or reproduced) it is then sold to the capitalist in exchange for wages (M).

The production of labor power then takes place outside the immediate circuit of capital but remains essential for it. Within capital’s circuit, labor power is a means of production for capital’s



reproduction, or valorization. But within wage labor's circuit, the worker consumes commodities as use values (food, clothing, housing, education) in order to reproduce herself. The second circuit is a process of production of self for the worker or a process of self-transformation.

The second circuit of production encloses a purposeful activity, under the workers' own self-direction. The goal of this process, is not the valorization of capital, but the self development of the worker. The historically embedded needs of the worker which themselves change and grow with capitalist growth, provide the motive for this labor process. The means of production for this circuit are the manifold useful values that the working class needs in order to develop. These are more than just means to simple biological reproduction, but are "social needs":

Participation in the higher, even cultural satisfactions, the agitation for his own interests, newspaper subscriptions, attending lectures, educating his children, developing his taste etc., his only share of civilization which distinguishes him from the slave, [which] is economically only possible by widening the sphere of his pleasures at the times when business is good...

Whether the working class can access such social goods, and to what extent it can, depends not only on the existence of such goods and services in society but on the tussle between capital and labor over surplus value (which reproduces capital) and the basket of goods (which reproduces the worker). On the one hand the worker consumes use values to regenerate fresh labor power. But on the other hand, the reproduction of labor power also presupposes, what Lebowitz perceptively shows, an ideal goal for the worker:

The second aspect of the worker considered as a labor process is that the activity involved in this process is "purposeful activity." In other words, there is a preconceived goal, a goal that exists ideally, before the process

itself...[and this goal] is the worker's conception of self—as determined within society...That preconceived goal of production is what Marx described as "the worker's own need of development."

However, the materials necessary to produce the worker in the image of her own needs and goals – be it food, housing, "time for education, for intellectual development," or the "free play of his [or her] own physical and mental powers" – cannot be realized within the capitalist production process, for the process as a whole exists for the valorization of capital and not the social development of labor. Thus the worker, due to the very nature of the process, is already-always reproduced as lacking in what she needs, and hence built into the fabric of wage labor as a form, is the struggle for higher wages: class struggle. And here, finally, we arrive at the strategic implications of social reproduction theory, or why an integrative sense of capitalism is necessary in our actual battles against capital.

## Social reproduction framework as strategy

The "actual degree" of profit, Marx tells us, "is only settled by the continuous struggle between capital and labor, the capitalist constantly tending to reduce wages to their physical minimum, and to extend the working day to its physical maximum, while the working man constantly presses in the opposite direction." This struggle "resolves itself into a question of the respective powers of the combatants."

Note that as he lays out here the inner logic of the system, Marx does not talk of individual capitalists and the workplaces they command, but capital as a whole. Indeed, Marx is clear that although the system appears to us as an ensemble of "many capitals" it is "capital in general" that is the protagonist and the many capitals are ultimately shaped by the inherent determinants of "capital in general."

If we apply what I call this method of social reproduction of labor theory to the question of

workplace struggle, we can now have a few givens:

1. That the individual capitals, in competition with each other, will try to increase surplus value from the worker.
2. That the worker will pull in the opposite direction to increase the time (quantity) and wages, benefits (quality of life) she can have for her own social development. This most frequently will take the form of struggle for a shorter workweek, or higher wages and better work conditions in the workplace.

What is the ideal situation for the worker? That she pulls all the way in the opposite direction and annihilates surplus value altogether, i.e. she only works the hours necessary to reproduce her own subsistence, and the rest of the time is her own to do as she pleases. This is an impossible solution, in that capital will then cease to be capital. The struggle for higher wages, benefits etc. in a work place, against a boss, or even in a series of workplaces and against specific bosses, then is only part of the pivotal struggle of capital in general versus wage labor in general. The worker can even "leave" an individual boss but she cannot opt out of the system as a whole (while the system as it stands exists):

The worker leaves the capitalist, to whom he has sold himself, as often as he chooses, and the capitalist discharges him as often as he sees fit, as soon as he no longer gets any use, or not the required use, out of him.

But the worker, whose only source of income is the sale of his labor-power, cannot leave the whole class of buyers, i.e., the capitalist class, unless he gives up his own existence. He does not belong to this or that capitalist, but to the capitalist class; and it is for him to find his man – i.e., to find a buyer in this capitalist class.

Most trade unions, even the most militant ones, are typically equipped to fight against the individual boss or a collective of bosses, which in Marx's terms

takes the form of "many capitals." Trade unions leave the task of confronting "capital in general" alone. There is a very good reason why this is so.

As Lebowitz shows, capital's power "as owner of the products of labor is...both absolute and mystified" – this ultimately undergirds its ability to buy labor power and submit it to its will in the production process. If the worker is to transcend the partial struggle for better work conditions and direct all social labor to producing only use values for social and individual development, then it is this underlying power of capital as a whole that must be confronted. But capital's power in this arena is qualitatively different from that of workplace struggles: "There is no direct area of confrontation between specific capitalists and specific wage laborers in this sphere comparable to that which emerges spontaneously in the labor market and the workplace...[Instead] the power of capital as owner of the products of labor appears as the dependence of wage labor upon capital-as-a-whole."

Consider the two ways in which surplus value is increased: one by the absolute extension of the work day and the other by cutting wages or reducing the cost of living thereby reducing the necessary labor time. While Marx is clear that absolute and relative surplus are related concepts, it is quite clear that some aspects of this process of realization (the boss's efforts to reduce wages, for instance) are more easily confronted in the workplace than others.

Let us take a historical example of how the system as a whole will sometimes increase relative surplus value by reducing the cost of living of the working class as a whole. During the 18th century a section of the working class in Britain was put on a diet of potatoes, a cheaper food option to wheat, such that the cost of feeding workers was forced down thereby cheapening the cost of labor as a whole. One of the best and undoubtedly one of the most lyrical historians of working class life, E. P. Thompson, called this a "regular dietary class war" waged for over 50 years on the English working

class. What concrete forms did this class war take? While the cheapening of labor increased surplus value at the point of production and hence benefitted the bosses in the workplace, it was not just in the workplace, or at the hands of the bosses, that the cheapening of labor took place. Thompson gives us a moving account of how "landowners, farmers, parsons, manufacturers, and the Government itself sought to drive laborers from a wheaten to a potato diet." The ruling class, as a class, then forced the increase potato acreage over wheat and prompting the historian Redcliffe Salaman to rightly claim that "the use of the potato...did, in fact, enable the workers to survive on the lowest possible wage." Similarly, Sandra Halperin has shown how in the late nineteenth century British overseas investment, control over colonies, its railways, harbor and shipbuilding for Baltic and North American grain, "produced a backflow of cheaply produced...raw materials and foodstuffs that did not compete with domestic English agriculture and drove domestic working class wages down."

Trade unions, even the best ones, by nature, struggle against specific and particular capitals, but the above examples show the need to confront capital in its totality. Lebowitz accurately concludes, "in the absence of such a total opposition, the trade unions fight the effects within the labor market and the workplace but not the causes of the effects."

To his comrades in the First International Marx pointed to precisely this caveat in trade union struggles. The trade unions, Marx pointed out, were "Too exclusively bent upon the local and immediate struggles with capital" and had "not yet fully understood their power of acting against the system of wages slavery itself." What, according to Marx, was proof of their narrowness? That "they had kept too much aloof from general social and political movements." Marx's advice to them was to overcome this narrowness and go beyond the purely economic struggle for wages:

they must now learn to act deliberately as organizing centers of the working class in the

broad interest of its complete emancipation. They must aid every social and political movement tending in that direction. Considering themselves and acting as the champions and representatives of the whole working class, they cannot fail to enlist the non-society men into their ranks. They must look carefully after the interests of the worst paid trades, such as the agricultural laborers, rendered powerless [French text has: "incapable of organized resistance"] by exceptional circumstances. They must convince the world at large [French and German texts read: "convince the broad masses of workers"] that their efforts, far from being narrow – and selfish, aim at the emancipation of the downtrodden millions.

If we take our lead from Marx himself, then it is utterly unclear why only the economic struggle for wages and benefits at the workplace must be designated as class struggle. Every social and political movement "tending" in the direction of gains for the working class as a whole, or of challenge to the power of capital as a whole, must be considered an aspect of class struggle.

Significantly, one of the greatest tragedies of the destruction of working class power and the dissolution of proletarian living communities in the last forty years has been the loss in practice of this insight about the social totality of production of value and reproduction of labor power.

At any given moment of history, a working class may or may not be able to fight for higher wages at the point of production. Labor unions may not exist or may be weak and corrupt. However, as items in the basket of goods change (fall or rise in quality and quantity of social goods) the class is acutely aware of such changes to their life as a whole, and those battles may emerge away from the point of production, but nevertheless reflecting the needs and imperatives of the class. In other words, where a struggle for a higher wage is not possible, different kinds of struggles around the circuit of social reproduction may also erupt. Is it then any

wonder that in the era of neoliberalism, when labor unions agitating at the point of production (for wages) are weak or non-existent in large parts of the globe, we have rising social movements around issues of living conditions, from the struggle for water in Cochabamba and Ireland, issues of land eviction in India and struggles for fair housing in the United Kingdom and elsewhere? A pattern perhaps best summarized by the anti-austerity protesters in Portugal: "Que se lixe a troika! Queremos as nossas vidas!" ("Fuck the troika! We want our lives!")

### The working class: solidarity and "difference"

We should then reconsider our conceptual vision of the working class. I am not suggesting here a concrete accounting of who constitutes the global working class, although that would be an important exercise. Instead, leading from our previous discussion about the need to reimagine a fuller figuration for "economy" and "production," I am proposing here three things: (a) a theoretical restatement of the working class as a revolutionary subject; (b) a broader understanding of the working class than those employed as waged laborers at any given moment; and (c) a reconsideration of class struggle to signify more than the struggle over wages and working conditions.

The premise for this reconsideration is a particular understanding of historical materialism. Marx reminds us that "the specific economic form, in which unpaid surplus labor is pumped out of direct producers, determines the relationship of rulers and ruled, as it grows directly out of production itself and, in turn, reacts upon it as a determining element."

Under capitalism wage labor is the generalized form through which the rulers expropriate the direct producers. In the abstract, capital is indifferent to the race, gender, or abilities of the direct producers as long as her or his labor power can set the process of accumulation into motion. But the relations of production, as we saw in the

earlier section, are actually a concatenation of existing social relations, shaped by past history, present institutions, and state forms. The social relations outside of wage labor are not accidental to it, but take specific historical form in response to it. For instance, the gendered nature of reproduction of labor power has conditioning impulses for the extraction of surplus value. Similarly, a heterosexist form of the family unit is sustained by capital's needs for the generational replacement of the labor force.

The question of "difference" within the working class is significant in this respect. As mentioned before, Marx gestures towards differently "produced" sections of the working class in his discussion of the Irish worker, where the English worker is "produced" with access to a better basket of goods, his or her needs adjusted to this higher level, while the Irish worker remains at a brutal level of existence with only "the most animal minimum of needs." Obviously Marx did not believe that the value of the labor power of the Irish worker was a constant that remained below that of her English counterpart due to ethnicity. Instead it was a result of class struggle, or lack thereof, and it was the English worker that needed to understand the commonality of their class interest with the Irish against capital as a whole.

Incorporating class struggle as a crucial element that determines the extent and quality of social reproduction of the worker then enables us to truly understand the significance of a Marxist notion of "difference" within the class. Acknowledging that at any given historical moment the working class might be differently produced (with varying wages and differential access to means of social reproduction) is more than simply stating an empirical truth. By showing how concrete social relations and histories of struggle contribute to the "reproduction" of labor power this framework actually points to the filaments of class solidarity that must be forged, sometime within and sometimes without the workplace, in order to increase the "share of civilization" for all workers.

Writing in the Britain of the early eighties, when the working class was being physically brutalized by Thatcherism and theoretically assaulted by a range of liberal theories, Raymond Williams understood very well the dangers of a false dichotomy between “class struggles” and “new social movements”:

all significant social movements of the last thirty years have started outside the organized class interests and institutions. The Peace movement, the ecology movement, the women’s movement, human rights agencies, campaigns against poverty and homelessness...all have this character, that they sprang from needs and perceptions which the interest-based organizations had no room or time for, or which they simply failed to notice.

Today, we can add to the list the recent anti-police brutality struggles in the United States.

But while these struggles may arise outside the workplace, or be understood as struggles for extra-class interests, Williams points to the absurdity of such a characterization:

What is then quite absurd is to dismiss or underplay these movements as “middle class issues.” It is a consequence of the social order itself that these issues are qualified and refracted in these ways. It is similarly absurd to push the issues away as not relevant to the central interests of the working class. In all real senses they belong to these central interests. It is workers who are most exposed to dangerous industrial processes and environmental damage. It is working class women who have most need of new women’s rights...

If for whatever historical reasons organizations that are supposed to champion “class struggle,” such as trade unions, fail to be insurgent, it does not mean then that “class struggle” goes away, or that these struggles are “beyond class.” Indeed as Williams astutely observes, “there is not one of these issues which, followed through, fails to lead us into the

central systems of the industrial-capitalist mode of production and... into its system of classes.”

Understanding the complex but unified way in which the production of commodities and reproduction of labor power takes place, helps us understand how the concrete allocation of the total labor of society is socially organized in gendered and racialized ways through lessons learnt by capital from previous historical epochs and through its struggle against the working class. The process of accumulation, thus, in actuality cannot be indifferent to social categories of race, sexuality or gender, but seeks to organize and shape those categories that in turn act upon the determinate form of surplus labor extraction. The wage labor relation suffuses the spaces of non-waged everyday life.

**“A development of the forces of the working class - suspends capital itself”**

If the social reproduction of labor power is accorded the theoretical centrality that we propose it should, how useful is that to our second proposal – the rethinking of the working class?

Social Reproduction theory illuminates the social relations and pathways involved in reproducing labor power thereby broadening our vision of how we ought to approach the notion of the working class.

The framework demonstrates why we ought not to rest easy with the limiting understanding of class as simply those who are currently employed in the capital versus waged labor dynamic. To do so would restrict both our vision of class power and our identification of potential agents of class solidarity.

The “waged worker” may be the correct definition for those who currently work for a wage, but such a vision is, again, one of “the trade union secretary.” The working class, for the revolutionary Marxist, must be perceived of as everyone in the producing class who has in their lifetime participated in the



totality of reproduction of society – irrespective of whether that labor has been paid for by capital or remained unpaid. Such an integrative vision of class gathers together the temporary Latina hotel worker from Los Angeles, the flextime working mother from Indiana who needs to stay home due to high childcare costs, the African-American full-time school teacher from Chicago, and the white, male and unemployed, erstwhile UAW worker from Detroit. But they come together not in competition with each other, a view of the working class still in terms of the market, but in solidarity. Strategic organizing on the basis of such a vision can reintroduce the idea that an injury to the schoolteacher in Chicago is actually an injury to all the others.

When we restore a sense of the social totality to class we immediately begin to reframe the arena for class struggle.

What has been the form of the one-sided class struggle from the global ruling class in the past four decades of neoliberalism?

It is crucial to understand that it has been a twin attack by capital on global labor to try and restructure production in workplaces and the social processes of reproduction of labor power in homes, communities and niches of everyday life.

In the workplace primarily the assault took the form of breaking the back of union power. The neoliberal edifice, as I have argued elsewhere, was built on the back of a series of defeats for the global working class, the most spectacular examples being those of the air traffic controllers in the United States (1981), the mill workers in India (1982) and the miners in the United Kingdom (1984–85).

If the ruling class attack in the workplace, or on productive labor, took the form of violent anti-unionism, it certainly did not end there. Outside the workplace the attack on reproductive labor was equally vicious. For specific countries this second line of attack may be said to have been even greater. In the case of the US, several scholars from David McNally and Anwar Shaikh to Kim Moody

have shown how an absolute decline in working class living and working standards built the capitalist expansion of the 1980s. Key areas of social reproduction were attacked through increased privatization of social services and the retrenchment of important federal programs such as Aid To Dependent Children/Temporary Aid to Needy Families, unemployment insurance, and Social Security. In the global south this took the form of the IMF and the World Bank forcibly raising the price of imports – the bulk of which for these countries were food grain, fuel and medicines.

This was open class war strategically waged on the entire working class, not just its waged members, that became so effective precisely because it extended beyond the confines of the workplace. By systematically privatizing previously socialized resources, reducing the quality of services, capital aimed to make the work of daily regeneration more vulnerable and precarious while simultaneously unloading the entire responsibility and discourse of reproduction onto individual families. Where these processes of degrading the work of social reproduction worked most effectively was in social contexts where capital could bank on, create anew, or re-energize practices and discourses of oppression. From racist clarion calls against the “welfare queen,” new forms of sexualization of bodies that diminished sexual choices, to rising Islamophobia, neoliberalism found increasingly creative ways to injure the working class. It destroyed class confidence, eroded previously embedded cultures of solidarity and most importantly in certain communities, succeeded in erasing a key sense of continuity and class memory.

### Spaces of insurgency: confronting capital beyond the factory floor

One of the leaders of a recent factory occupation in India explained to a shocked business reporter: “The negotiating power of workers is the most in the factory but no one listens to you when you reach Jantar Mantar [traditional protest square in the Indian capital of Delhi].”

The experiential discernment of this rebel worker is often the political-economic commonsense of revolutionary Marxism about capital-labor relations. The “dominant” reading of Marx locates the possibilities for a critical political engagement of the working class with capital chiefly at the point of production, where the power of workers to affect profits is the most.

This essay, so far, has been a counterintuitive reading of the theoretic import of the category of “production” and so we must now consider the strategic import of the workplace as a pivotal organizing space. Recent scholarship on the global south, for instance the “coolie lines” in India or the “dormitory labor regime” in China brings to striking analytical prominence not only the places where the working class works, but the spaces where the working class, sleeps, plays, goes to school – or in other words lives full sensual lives beyond the workplace. What role do such spaces play in organizing against capital? And more importantly, do point-of-production struggles have no strategic relevance any more?

The contours of class struggle (or what is traditionally understood as such) are very clear in the workplace. The worker both feels capital’s dominance experientially on an everyday basis, and understands its ultimate power over her life, her time, her life chances, indeed over her ability to exist and map any future. Workplace struggles thus have two irreplaceable advantages. One, they have clear goals and targets. Two, workers are concentrated at those points in capital’s own circuit of reproduction and have the collective power to shut down certain parts of the operation. This is precisely why Marx called trade unions “centers of organization of the working class.”<sup>42</sup> This is also why capital’s first attack is always upon organized sections of the class in order to break this power.

But let us rethink the theoretical import of extra-workplace struggle, such as those for cleaner air, better schools, against water privatization, against climate change or for fairer housing policies. These reflect, I submit, those social needs

of the working class that are essential for its social reproduction. They also are an effort by the class to demand its “share of civilization.” In this, they are also class struggles.

Neoliberalism’s devastation of working class neighborhoods in the global north has left behind boarded buildings, pawnshops and empty stoops. In the global south it has created vast slums as the breeding ground for violence and want. The demand by these communities to extend their “sphere of pleasure” is thus a vital class demand. Marx and Engels, writing in 1850, advanced the idea that workers must “make each community the central point and nucleus of workers’ associations in which the attitude and interests of the proletariat will be discussed independently of bourgeois interests.”

It is our turn now to restore to our organs and practices of protest this integrative understanding of capitalist totality. If the socialist project remains the dismantling of wage labor, we will fail in that project unless we understand that the relationship between wage labor and capital is sustained in all sorts of unwaged ways and in all kind of social spaces—not just at work.

When the United Automobile Workers (UAW) went to organize a union at the Volkswagen plant in the American South, its bureaucratic leaders maintained a religious separation between their union work at the plant and the workers lived experience in the community. The union leaders signed a contract with the bosses that they would never talk to workers in their homes. But these were communities that had never experienced union power, had never sung labor songs or had picnics at union halls. Unions played little role in the social texture of their lives. In such a community, devastated and atomized as it was by capital, the union movement could only be rebuilt if doing so made sense in the total aspect of their lives and not just in a sectoral way at work alone.

Contrast this tactic to the one used by the Chicago teacher’s union to rebuild their union. They did

what the UAW did not, which is connect the struggles in the workplace with the needs of a wider community. For years they brought their union banner to one grieving neighborhood after another when they were about to lose a school to the privatizers and protested against school closures. In the deeply racialized poverty of Chicago, the struggle of a union trying to save a working class child's right to learn made a difference. So when this very union went on strike they had already established a history of working and struggling in extra-workplace spaces, which is why the wider working class of Chicago saw the strike as their own struggle, for the future of their children. And when striking teachers in red shirts swelled the streets of the city the city's working class gave them their solidarity and support.

We want such working class insurgents to flood city streets like they did in Chicago during the CTU strike. To prepare our theory and our praxis to be ready for such times the first stop should be a revived understanding of class, rescued from decades of economic reductionism and business unionism. The constitutive roles played by race, gender or ethnicities on the working class need to be re-recognized while struggle reanimated with broader visions of class power beyond contract negotiations.

Only such a struggle will have the power to rupture capital's "hidden abode" and return the control of our sensuous, tactile, creative capacity to labor to where it truly belongs – to ourselves.

# Right To The City

David Harvey

We live in an era when ideals of human rights have moved centre stage both politically and ethically. A great deal of energy is expended in promoting their significance for the construction of a better world. But for the most part the concepts circulating do not fundamentally challenge hegemonic liberal and neoliberal market logics, or the dominant modes of legality and state action. We live, after all, in a world in which the rights of private property and the profit rate trump all other notions of rights. I here want to explore another type of human right, that of the right to the city.

Has the astonishing pace and scale of urbanization over the last hundred years contributed to human well-being? The city, in the words of urban sociologist Robert Park, is:

man's most successful attempt to remake the world he lives in more after his heart's desire. But, if the city is the world which man created, it is the world in which he is henceforth condemned to live. Thus, indirectly, and without any clear sense of the nature of his task, in making the city man has remade himself.

The question of what kind of city we want cannot be divorced from that of what kind of social ties, relationship to nature, lifestyles, technologies and aesthetic values we desire. The right to the city is far more than the individual liberty to access urban resources: it is a right to change ourselves by changing the city. It is, moreover, a common rather than an individual right since this transformation inevitably depends upon the exercise of a collective power to reshape the processes of urbanization. The freedom to make and remake our cities and ourselves is, I want to argue, one of the most precious yet most neglected of our human rights.

From their inception, cities have arisen through geographical and social concentrations of a surplus product. Urbanization has always been, therefore, a class phenomenon, since surpluses are extracted from somewhere and from somebody, while the control over their disbursement typically lies in a few hands. This general situation persists under capitalism, of course; but since urbanization depends on the mobilization of a surplus product, an intimate connection emerges between the development of capitalism and urbanization. Capitalists have to produce a surplus product in order to produce surplus value; this in turn must be reinvested in order to generate more surplus value. The result of continued reinvestment is the expansion of surplus production at a compound rate—hence the logistic curves (money, output and population) attached to the history of capital accumulation, paralleled by the growth path of urbanization under capitalism.

The perpetual need to find profitable terrains for capital-surplus production and absorption shapes the politics of capitalism. It also presents the capitalist with a number of barriers to continuous and trouble-free expansion. If labour is scarce and wages are high, either existing labour has to be disciplined—technologically induced unemployment or an assault on organized working-class power are two prime methods—or fresh labour forces must be found by immigration, export of capital or proletarianization of hitherto independent elements of the population. Capitalists must also discover new means of production in general and natural resources in particular, which puts increasing pressure on the natural environment to yield up necessary raw materials and absorb the inevitable waste. They need to open up terrains for

raw-material extraction—often the objective of imperialist and neo-colonial endeavours.

The coercive laws of competition also force the continuous implementation of new technologies and organizational forms, since these enable capitalists to out-compete those using inferior methods. Innovations define new wants and needs, reduce the turnover time of capital and lessen the friction of distance, which limits the geographical range within which the capitalist can search for expanded labour supplies, raw materials, and so on. If there is not enough purchasing power in the market, then new markets must be found by expanding foreign trade, promoting novel products and lifestyles, creating new credit instruments, and debt-financing state and private expenditures. If, finally, the profit rate is too low, then state regulation of ‘ruinous competition’, monopolization (mergers and acquisitions) and capital exports provide ways out.

If any of the above barriers cannot be circumvented, capitalists are unable profitably to reinvest their surplus product. Capital accumulation is blocked, leaving them facing a crisis, in which their capital can be devalued and in some instances even physically wiped out. Surplus commodities can lose value or be destroyed, while productive capacity and assets can be written down and left unused; money itself can be devalued through inflation, and labour through massive unemployment. How, then, has the need to circumvent these barriers and to expand the terrain of profitable activity driven capitalist urbanization? I argue here that urbanization has played a particularly active role, alongside such phenomena as military expenditures, in absorbing the surplus product that capitalists perpetually produce in their search for profits.

## *Urban Revolutions*

Consider, first, the case of Second Empire Paris. The year 1848 brought one of the first clear, and European-wide, crises of both unemployed surplus capital and surplus labour. It struck Paris particularly hard, and issued in an abortive revolution by unemployed workers and those bourgeois utopians who saw a social republic as the antidote to the greed and inequality that had characterized the July Monarchy. The republican bourgeoisie violently repressed the revolutionaries but failed to resolve the crisis. The result was the ascent to power of Louis-Napoleon Bonaparte, who engineered a coup in 1851 and proclaimed himself Emperor the following year. To survive politically, he resorted to widespread repression of alternative political movements. The economic situation he dealt with by means of a vast programme of infrastructural investment both at home and abroad. In the latter case, this meant the construction of railroads throughout Europe and into the Orient, as well as support for grand works such as the Suez Canal. At home, it meant consolidating the railway network, building ports and harbours, and draining marshes. Above all, it entailed the reconfiguration of the urban infrastructure of Paris. Bonaparte brought in Georges-Eugène Haussmann to take charge of the city’s public works in 1853.

Haussmann clearly understood that his mission was to help solve the surplus-capital and unemployment problem through urbanization. Rebuilding Paris absorbed huge quantities of labour and capital by the standards of the time and, coupled with suppressing the aspirations of the Parisian workforce, was a primary vehicle of social stabilization. He drew upon the utopian plans that Fourierists and Saint-Simonians had debated in the 1840s for reshaping



Paris, but with one big difference: he transformed the scale at which the urban process was imagined. When the architect Jacques Ignace Hittorff showed Haussmann his plans for a new boulevard, Haussmann threw them back at him saying: 'not wide enough . . . you have it 40 metres wide and I want it 120.' He annexed the suburbs and redesigned whole neighbourhoods such as Les Halles. To do this Haussmann needed new financial institutions and debt instruments, the *Crédit Mobilier* and *Crédit Immobilier*, which were constructed on Saint-Simonian lines. In effect, he helped resolve the capital-surplus disposal problem by setting up a proto-Keynesian system of debt-financed infrastructural urban improvements.

The system worked very well for some fifteen years, and it involved not only a transformation of urban infrastructures but also the construction of a new way of life and urban persona. Paris became 'the city of light', the great centre of consumption, tourism and pleasure; the cafés, department stores, fashion industry and grand expositions all changed urban living so that it could absorb vast surpluses through consumerism. But then the overextended and speculative financial system and credit structures crashed in 1868. Haussmann was dismissed; Napoleon III in desperation went to war against Bismarck's Germany and lost. In the ensuing vacuum arose the Paris Commune, one of the greatest revolutionary episodes in capitalist urban history, wrought in part out of a nostalgia for the world that Haussmann had destroyed and the desire to take back the city on the part of those dispossessed by his works.

Fast forward now to the 1940s in the United States. The huge mobilization for the war effort temporarily resolved the capital-surplus disposal problem that had seemed so intractable in the 1930s, and the unemployment that went with it. But everyone was fearful about what would happen after the war. Politically the situation was dangerous: the federal government was in effect running a nationalized economy, and was in alliance with the Communist Soviet Union, while strong social movements with socialist inclinations had emerged in the 1930s. As in Louis Bonaparte's era, a hefty dose of political repression was evidently called for by the ruling classes of the time; the subsequent history of McCarthyism and Cold War politics, of which there were already abundant signs in the early 40s, is all too familiar. On the economic front, there remained the question of how surplus capital could be absorbed.

In 1942, a lengthy evaluation of Haussmann's efforts appeared in *Architectural Forum*. It documented in detail what he had done, attempted an analysis of his mistakes but sought to recuperate his reputation as one of the greatest urbanists of all time. The article was by none other than Robert Moses, who after the Second World War did to New York what Haussmann had done to Paris. That is, Moses changed the scale of thinking about the urban process. Through a system of highways and infrastructural transformations, suburbanization and the total re-engineering of not just the city but also the whole metropolitan region, he helped resolve the capital-surplus absorption problem. To do this, he tapped into new financial institutions and tax arrangements that liberated the credit to debt-finance urban expansion. When taken nationwide to all the major metropolitan centres of the us—yet another transformation of scale—this process played a crucial role in stabilizing global capitalism after 1945, a period in which the us could afford to power the whole global non-communist economy by running trade deficits.

The suburbanization of the United States was not merely a matter of new infrastructures. As in Second Empire Paris, it entailed a radical transformation in lifestyles, bringing new products

from housing to refrigerators and air conditioners, as well as two cars in the driveway and an enormous increase in the consumption of oil. It also altered the political landscape, as subsidized home-ownership for the middle classes changed the focus of community action towards the defence of property values and individualized identities, turning the suburban vote towards conservative republicanism. Debt-encumbered homeowners, it was argued, were less likely to go on strike. This project successfully absorbed the surplus and assured social stability, albeit at the cost of hollowing out the inner cities and generating urban unrest amongst those, chiefly African-Americans, who were denied access to the new prosperity.

By the end of the 1960s, a different kind of crisis began to unfold; Moses, like Haussmann, fell from grace, and his solutions came to be seen as inappropriate and unacceptable. Traditionalists rallied around Jane Jacobs and sought to counter the brutal modernism of Moses's projects with a localized neighbourhood aesthetic. But the suburbs had been built, and the radical change in lifestyle that this betokened had many social consequences, leading feminists, for example, to proclaim the suburb as the locus of all their primary discontents. If Haussmannization had a part in the dynamics of the Paris Commune, the soulless qualities of suburban living also played a critical role in the dramatic events of 1968 in the us. Discontented white middle-class students went into a phase of revolt, sought alliances with marginalized groups claiming civil rights and rallied against American imperialism to create a movement to build another kind of world—including a different kind of urban experience.

In Paris, the campaign to stop the Left Bank Expressway and the destruction of traditional neighbourhoods by the invading 'high-rise giants' such as the Place d'Italie and Tour Montparnasse helped animate the larger dynamics of the 68 uprising. It was in this context that Henri Lefebvre wrote *The Urban Revolution*, which predicted not only that urbanization was central to the survival of capitalism and therefore bound to become a crucial focus of political and class struggle, but that it was obliterating step by step the distinctions between town and country through the production of integrated spaces across national territory, if not beyond. The right to the city had to mean the right to command the whole urban process, which was increasingly dominating the countryside through phenomena ranging from agribusiness to second homes and rural tourism.

Along with the 68 revolt came a financial crisis within the credit institutions that, through debt-financing, had powered the property boom in the preceding decades. The crisis gathered momentum at the end of the 1960s until the whole capitalist system crashed, starting with the bursting of the global property-market bubble in 1973, followed by the fiscal bankruptcy of New York City in 1975. As William Tabb argued, the response to the consequences of the latter effectively pioneered the construction of a neoliberal answer to the problems of perpetuating class power and of reviving the capacity to absorb the surpluses that capitalism must produce to survive.

## *Girding The Globe*

Fast forward once again to our current conjuncture. International capitalism has been on a roller-coaster of regional crises and crashes—East and Southeast Asia in 1997–98; Russia in 1998; Argentina in 2001—but had until recently avoided a global crash even in the face of a chronic inability to dispose of capital surplus. What was the role of urbanization in stabilizing

this situation? In the United States, it is accepted wisdom that the housing sector was an important stabilizer of the economy, particularly after the high-tech crash of the late 1990s, although it was an active component of expansion in the earlier part of that decade. The property market directly absorbed a great deal of surplus capital through the construction of city-centre and suburban homes and office spaces, while the rapid inflation of housing asset prices—backed by a profligate wave of mortgage refinancing at historically low rates of interest—boosted the us domestic market for consumer goods and services. American urban expansion partially steadied the global economy, as the us ran huge trade deficits with the rest of the world, borrowing around \$2 billion a day to fuel its insatiable consumerism and the wars in Afghanistan and Iraq.

But the urban process has undergone another transformation of scale. It has, in short, gone global. Property-market booms in Britain and Spain, as well as in many other countries, have helped power a capitalist dynamic in ways that broadly parallel what has happened in the United States. The urbanization of China over the last twenty years has been of a different character, with its heavy focus on infrastructural development, but it is even more important than that of the us. Its pace picked up enormously after a brief recession in 1997, to the extent that China has taken in nearly half the world's cement supplies since 2000. More than a hundred cities have passed the one-million population mark in this period, and previously small villages, such as Shenzhen, have become huge metropolises of 6 to 10 million people. Vast infrastructural projects, including dams and highways—again, all debt-financed—are transforming the landscape. The consequences for the global economy and the absorption of surplus capital have been significant: Chile booms thanks to the high price of copper, Australia thrives and even Brazil and Argentina have recovered in part because of the strength of Chinese demand for raw materials.

Is the urbanization of China, then, the primary stabilizer of global capitalism today? The answer has to be a qualified yes. For China is only the epicentre of an urbanization process that has now become genuinely global, partly through the astonishing integration of financial markets that have used their flexibility to debt-finance urban development around the world. The Chinese central bank, for example, has been active in the secondary mortgage market in the us while Goldman Sachs was heavily involved in the surging property market in Mumbai, and Hong Kong capital has invested in Baltimore. In the midst of a flood of impoverished migrants, construction boomed in Johannesburg, Taipei, Moscow, as well as the cities in the core capitalist countries, such as London and Los Angeles. Astonishing if not criminally absurd mega-urbanization projects have emerged in the Middle East in places such as Dubai and Abu Dhabi, mopping up the surplus arising from oil wealth in the most conspicuous, socially unjust and environmentally wasteful ways possible.

This global scale makes it hard to grasp that what is happening is in principle similar to the transformations that Haussmann oversaw in Paris. For the global urbanization boom has depended, as did all the others before it, on the construction of new financial institutions and arrangements to organize the credit required to sustain it. Financial innovations set in train in the 1980s—securitizing and packaging local mortgages for sale to investors worldwide, and setting up new vehicles to hold collateralized debt obligations—played a crucial role. Their many benefits included spreading risk and permitting surplus savings pools easier access to surplus housing demand; they also brought aggregate interest rates down, while generating

immense fortunes for the financial intermediaries who worked these wonders. But spreading risk does not eliminate it. Furthermore, the fact that it can be distributed so widely encourages even riskier local behaviours, because liability can be transferred elsewhere. Without adequate risk-assessment controls, this wave of financialization has now turned into the so-called sub-prime mortgage and housing asset-value crisis. The fallout was concentrated in the first instance in and around us cities, with particularly serious implications for low-income, inner-city African-Americans and households headed by single women. It also has affected those who, unable to afford the skyrocketing house prices in urban centres, especially in the Southwest, were forced into the metropolitan semi-periphery; here they took up speculatively built tract housing at initially easy rates, but now face escalating commuting costs as oil prices rise, and soaring mortgage payments as market rates come into effect.

The current crisis, with vicious local repercussions on urban life and infrastructures, also threatens the whole architecture of the global financial system and may trigger a major recession to boot. The parallels with the 1970s are uncanny—including the immediate easy-money response of the Federal Reserve in 2007–08, which will almost certainly generate strong currents of uncontrollable inflation, if not stagflation, in the not too distant future. However, the situation is far more complex now, and it is an open question whether China can compensate for a serious crash in the United States; even in the prc the pace of urbanization seems to be slowing down. The financial system is also more tightly coupled than it ever was before. Computer-driven split-second trading always threatens to create a great divergence in the market—it is already producing incredible volatility in stock trading—that will precipitate a massive crisis, requiring a total re-think of how finance capital and money markets work, including their relation to urbanization.

## *Property & Pacification*

As in all the preceding phases, this most recent radical expansion of the urban process has brought with it incredible transformations of lifestyle. Quality of urban life has become a commodity, as has the city itself, in a world where consumerism, tourism, cultural and knowledge-based industries have become major aspects of the urban political economy. The postmodernist penchant for encouraging the formation of market niches—in both consumer habits and cultural forms—surrounds the contemporary urban experience with an aura of freedom of choice, provided you have the money. Shopping malls, multiplexes and box stores proliferate, as do fast-food and artisanal market-places. We now have, as urban sociologist Sharon Zukin puts it, ‘pacification by cappuccino’. Even the incoherent, bland and monotonous suburban tract development that continues to dominate in many areas now gets its antidote in a ‘new urbanism’ movement that touts the sale of community and boutique lifestyles to fulfill urban dreams. This is a world in which the neoliberal ethic of intense possessive individualism, and its cognate of political withdrawal from collective forms of action, becomes the template for human socialization. The defence of property values becomes of such paramount political interest that, as Mike Davis points out, the home-owner associations in the state of California become bastions of political reaction, if not of fragmented neighbourhood fascisms.

We increasingly live in divided and conflict-prone urban areas. In the past three decades, the neoliberal turn has restored class power to rich elites. Fourteen billionaires have emerged in Mexico since then, and in 2006 that country boasted the richest man on earth, Carlos Slim, at

the same time as the incomes of the poor had either stagnated or diminished. The results are indelibly etched on the spatial forms of our cities, which increasingly consist of fortified fragments, gated communities and privatized public spaces kept under constant surveillance. In the developing world in particular, the city

is splitting into different separated parts, with the apparent formation of many 'microstates'. Wealthy neighbourhoods provided with all kinds of services, such as exclusive schools, golf courses, tennis courts and private police patrolling the area around the clock intertwine with illegal settlements where water is available only at public fountains, no sanitation system exists, electricity is pirated by a privileged few, the roads become mud streams whenever it rains, and where house-sharing is the norm. Each fragment appears to live and function autonomously, sticking firmly to what it has been able to grab in the daily fight for survival.

Under these conditions, ideals of urban identity, citizenship and belonging—already threatened by the spreading malaise of a neoliberal ethic—become much harder to sustain. Privatized redistribution through criminal activity threatens individual security at every turn, prompting popular demands for police suppression. Even the idea that the city might function as a collective body politic, a site within and from which progressive social movements might emanate, appears implausible. There are, however, urban social movements seeking to overcome isolation and reshape the city in a different image from that put forward by the developers, who are backed by finance, corporate capital and an increasingly entrepreneurially minded local state apparatus.

## *Dispossessions*

Surplus absorption through urban transformation has an even darker aspect. It has entailed repeated bouts of urban restructuring through 'creative destruction', which nearly always has a class dimension since it is the poor, the underprivileged and those marginalized from political power that suffer first and foremost from this process. Violence is required to build the new urban world on the wreckage of the old. Haussmann tore through the old Parisian slums, using powers of expropriation in the name of civic improvement and renovation. He deliberately engineered the removal of much of the working class and other unruly elements from the city centre, where they constituted a threat to public order and political power. He created an urban form where it was believed—incorrectly, as it turned out in 1871—that sufficient levels of surveillance and military control could be attained to ensure that revolutionary movements would easily be brought to heel. Nevertheless, as Engels pointed out in 1872:

In reality, the bourgeoisie has only one method of solving the housing question after its fashion—that is to say, of solving it in such a way that the solution continually reproduces the question anew. This method is called 'Haussmann' . . . No matter how different the reasons may be, the result is always the same; the scandalous alleys and lanes disappear to the accompaniment of lavish self-praise from the bourgeoisie on account of this tremendous success, but they appear again immediately somewhere else . . . The same economic necessity which produced them in the first place, produces them in the next place.

It took more than a hundred years to complete the embourgeoisement of central Paris, with the



consequences seen in recent years of uprisings and mayhem in those isolated suburbs that trap marginalized immigrants, unemployed workers and youth. The sad point here, of course, is that what Engels described recurs throughout history. Robert Moses 'took a meat axe to the Bronx', in his infamous words, bringing forth long and loud laments from neighbourhood groups and movements. In the cases of Paris and New York, once the power of state expropriations had been successfully resisted and contained, a more insidious and cancerous progression took hold through municipal fiscal discipline, property speculation and the sorting of land-use according to the rate of return for its 'highest and best use'. Engels understood this sequence all too well:

The growth of the big modern cities gives the land in certain areas, particularly in those areas which are centrally situated, an artificially and colossally increasing value; the buildings erected on these areas depress this value instead of increasing it, because they no longer belong to the changed circumstances. They are pulled down and replaced by others. This takes place above all with workers' houses which are situated centrally and whose rents, even with the greatest overcrowding, can never, or only very slowly, increase above a certain maximum. They are pulled down and in their stead shops, warehouses and public buildings are erected.

Though this description was written in 1872, it applies directly to contemporary urban development in much of Asia—Delhi, Seoul, Mumbai—as well as gentrification in New York. A process of displacement and what I call 'accumulation by dispossession' lie at the core of urbanization under capitalism. [12] It is the mirror-image of capital absorption through urban redevelopment, and is giving rise to numerous conflicts over the capture of valuable land from low-income populations that may have lived there for many years.

Consider the case of Seoul in the 1990s: construction companies and developers hired goon squads of sumo-wrestler types to invade neighbourhoods on the city's hillsides. They sledgehammered down not only housing but also all the possessions of those who had built their own homes in the 1950s on what had become premium land. High-rise towers, which show no trace of the brutality that permitted their construction, now cover most of those hillsides. In Mumbai, meanwhile, 6 million people officially considered as slum dwellers are settled on land without legal title; all maps of the city leave these places blank. With the attempt to turn Mumbai into a global financial centre to rival Shanghai, the property-development boom has gathered pace, and the land that squatters occupy appears increasingly valuable. Dharavi, one of the most prominent slums in Mumbai, is estimated to be worth \$2 billion. The pressure to clear it—for environmental and social reasons that mask the land grab—is mounting daily. Financial powers backed by the state push for forcible slum clearance, in some cases violently taking possession of terrain occupied for a whole generation. Capital accumulation through real-estate activity booms, since the land is acquired at almost no cost.

Will the people who are displaced get compensation? The lucky ones get a bit. But while the Indian Constitution specifies that the state has an obligation to protect the lives and well-being of the whole population, irrespective of caste or class, and to guarantee rights to housing and shelter, the Supreme Court has issued judgements that rewrite this constitutional requirement. Since slum dwellers are illegal occupants and many cannot definitively prove their long-term residence, they have no right to compensation. To concede that right, says the Supreme Court, would be tantamount to rewarding pickpockets for their actions. So the squatters either resist

and fight, or move with their few belongings to camp out on the sides of highways or wherever they can find a tiny space. [13] Examples of dispossession can also be found in the us, though these tend to be less brutal and more legalistic: the government's right of eminent domain has been abused in order to displace established residents in reasonable housing in favour of higher-order land uses, such as condominiums and box stores. When this was challenged in the us Supreme Court, the justices ruled that it was constitutional for local jurisdictions to behave in this way in order to increase their property-tax base.

In China millions are being dispossessed of the spaces they have long occupied—three million in Beijing alone. Since they lack private-property rights, the state can simply remove them by fiat, offering a minor cash payment to help them on their way before turning the land over to developers at a large profit. In some instances, people move willingly, but there are also reports of widespread resistance, the usual response to which is brutal repression by the Communist party. In the prc it is often populations on the rural margins who are displaced, illustrating the significance of Lefebvre's argument, presciently laid out in the 1960s, that the clear distinction which once existed between the urban and the rural is gradually fading into a set of porous spaces of uneven geographical development, under the hegemonic command of capital and the state. This is also the case in India, where the central and state governments now favour the establishment of Special Economic Zones—ostensibly for industrial development, though most of the land is designated for urbanization. This policy has led to pitched battles against agricultural producers, the grossest of which was the massacre at Nandigram in West Bengal in March 2007, orchestrated by the state's Marxist government. Intent on opening up terrain for the Salim Group, an Indonesian conglomerate, the ruling cpi(m) sent armed police to disperse protesting villagers; at least 14 were shot dead and dozens wounded. Private property rights in this case provided no protection.

What of the seemingly progressive proposal to award private-property rights to squatter populations, providing them with assets that will permit them to leave poverty behind? [15] Such a scheme is now being mooted for Rio's favelas, for example. The problem is that the poor, beset with income insecurity and frequent financial difficulties, can easily be persuaded to trade in that asset for a relatively low cash payment. The rich typically refuse to give up their valued assets at any price, which is why Moses could take a meat axe to the low-income Bronx but not to affluent Park Avenue. The lasting effect of Margaret Thatcher's privatization of social housing in Britain has been to create a rent and price structure throughout metropolitan London that precludes lower-income and even middle-class people from access to accommodation anywhere near the urban centre. I wager that within fifteen years, if present trends continue, all those hillsides in Rio now occupied by favelas will be covered by high-rise condominiums with fabulous views over the idyllic bay, while the erstwhile favela dwellers will have been filtered off into some remote periphery.

## *Formulating Demands*

Urbanization, we may conclude, has played a crucial role in the absorption of capital surpluses, at ever increasing geographical scales, but at the price of burgeoning processes of creative destruction that have dispossessed the masses of any right to the city whatsoever. The planet as building site collides with the 'planet of slums'. Periodically this ends in revolt, as in Paris in 1871 or the us after the assassination of Martin Luther King in 1968. If, as seems likely, fiscal

difficulties mount and the hitherto successful neoliberal, postmodernist and consumerist phase of capitalist surplus-absorption through urbanization is at an end and a broader crisis ensues, then the question arises: where is our 68 or, even more dramatically, our version of the Commune? As with the financial system, the answer is bound to be much more complex precisely because the urban process is now global in scope. Signs of rebellion are everywhere: the unrest in China and India is chronic, civil wars rage in Africa, Latin America is in ferment. Any of these revolts could become contagious. Unlike the fiscal system, however, the urban and peri-urban social movements of opposition, of which there are many around the world, are not tightly coupled; indeed most have no connection to each other. If they somehow did come together, what should they demand?

The answer to the last question is simple enough in principle: greater democratic control over the production and utilization of the surplus. Since the urban process is a major channel of surplus use, establishing democratic management over its urban deployment constitutes the right to the city. Throughout capitalist history, some of the surplus value has been taxed, and in social-democratic phases the proportion at the state's disposal rose significantly. The neoliberal project over the last thirty years has been oriented towards privatizing that control. The data for all oecd countries show, however, that the state's portion of gross output has been roughly constant since the 1970s. The main achievement of the neoliberal assault, then, has been to prevent the public share from expanding as it did in the 1960s. Neoliberalism has also created new systems of governance that integrate state and corporate interests, and through the application of money power, it has ensured that the disbursement of the surplus through the state apparatus favours corporate capital and the upper classes in shaping the urban process. Raising the proportion of the surplus held by the state will only have a positive impact if the state itself is brought back under democratic control.

Increasingly, we see the right to the city falling into the hands of private or quasi-private interests. In New York City, for example, the billionaire mayor, Michael Bloomberg, is reshaping the city along lines favourable to developers, Wall Street and transnational capitalist-class elements, and promoting the city as an optimal location for high-value businesses and a fantastic destination for tourists. He is, in effect, turning Manhattan into one vast gated community for the rich. In Mexico City, Carlos Slim had the downtown streets re-cobbled to suit the tourist gaze. Not only affluent individuals exercise direct power. In the town of New Haven, strapped for resources for urban reinvestment, it is Yale, one of the wealthiest universities in the world, that is redesigning much of the urban fabric to suit its needs. Johns Hopkins is doing the same for East Baltimore, and Columbia University plans to do so for areas of New York, sparking neighbourhood resistance movements in both cases. The right to the city, as it is now constituted, is too narrowly confined, restricted in most cases to a small political and economic elite who are in a position to shape cities more and more after their own desires.

Every January, the Office of the New York State Comptroller publishes an estimate of the total Wall Street bonuses for the previous twelve months. In 2007, a disastrous year for financial markets by any measure, these added up to \$33.2 billion, only 2 per cent less than the year before. In mid-summer of 2007, the Federal Reserve and the European Central Bank poured billions of dollars' worth of short-term credit into the financial system to ensure its stability, and thereafter the Fed dramatically lowered interest rates or pumped in vast amounts of liquidity every time the Dow threatened to fall precipitously. Meanwhile, some two million

people have been or are about to be made homeless by foreclosures. Many city neighbourhoods and even whole peri-urban communities in the us have been boarded up and vandalized, wrecked by the predatory lending practices of the financial institutions. This population is due no bonuses. Indeed, since foreclosure means debt forgiveness, which is regarded as income in the United States, many of those evicted face a hefty income-tax bill for money they never had in their possession. This asymmetry cannot be construed as anything less than a massive form of class confrontation. A 'Financial Katrina' is unfolding, which conveniently (for the developers) threatens to wipe out low-income neighbourhoods on potentially high-value land in many inner-city areas far more effectively and speedily than could be achieved through eminent domain.

We have yet, however, to see a coherent opposition to these developments in the twenty-first century. There are, of course, already a great many diverse social movements focusing on the urban question—from India and Brazil to China, Spain, Argentina and the United States. In 2001, a City Statute was inserted into the Brazilian Constitution, after pressure from social movements, to recognize the collective right to the city. In the us, there have been calls for much of the \$700 billion bail-out for financial institutions to be diverted into a Reconstruction Bank, which would help prevent foreclosures and fund efforts at neighbourhood revitalization and infrastructural renewal at municipal level. The urban crisis that is affecting millions would then be prioritized over the needs of big investors and financiers. Unfortunately the social movements are not strong enough or sufficiently mobilized to force through this solution. Nor have these movements yet converged on the singular aim of gaining greater control over the uses of the surplus—let alone over the conditions of its production.

At this point in history, this has to be a global struggle, predominantly with finance capital, for that is the scale at which urbanization processes now work. To be sure, the political task of organizing such a confrontation is difficult if not daunting. However, the opportunities are multiple because, as this brief history shows, crises repeatedly erupt around urbanization both locally and globally, and because the metropolis is now the point of massive collision—dare we call it class struggle?—over the accumulation by dispossession visited upon the least well-off and the developmental drive that seeks to colonize space for the affluent.

One step towards unifying these struggles is to adopt the right to the city as both working slogan and political ideal, precisely because it focuses on the question of who commands the necessary connection between urbanization and surplus production and use. The democratization of that right, and the construction of a broad social movement to enforce its will is imperative if the dispossessed are to take back the control which they have for so long been denied, and if they are to institute new modes of urbanization. Lefebvre was right to insist that the revolution has to be urban, in the broadest sense of that term, or nothing at all.



