

Chapter 3

Marxism: Hollow at the Core

Marxism or Marxisms?

In a recent volume of essays on Marx and Marxisms, G. H. R. Parkinson observes, commenting on the remark of one of the essayists to the effect that Marxism is a “historical movement,” that “indeed it is. But it is a movement in the sense in which Christianity is a movement; one in which there are important *disagreements* as to what the message of the founder really was.”¹ The comparison is certainly apt—in more than one respect, some would say. Writing on Marxism nowadays² is a frustrating business. It is scarcely possible to put forward any interpretation of Marx, or even any ascription to Marxism of any fundamental tenet, that will not be loudly (and abusively) disputed by some who claim to be Marxists. Accordingly, it is with some trepidation that I attempt in these few pages to put my finger on the core doctrines of Marx. Actually, I can be more restrictive than that. I shall concern myself only with those of Marx’s major arguments that bear directly on the question of whether capitalism ought to be supplanted by socialism. This, I am sure, is the question of greatest interest to most readers, just as it is scarcely possible to doubt that it was the question of greatest interest to Marx and the one to which the major proportion of his vast output was devoted.

Even here one has to pause to note a particularly maddening feature of Marx’s procedure, for it is very likely that Marx would have been quick to reject the formulation of the “question” with which, I have claimed, most of his work is concerned. For Marx almost never employs the language of ‘ought’, and he energetically denounces the practice of characterizing capitalism as “unjust.” All such language, he held, is moralistic claptrap —“ideological nonsense about right and other trash so common among the democrats and French Socialists.”³ By and large, Marx instead argues that a transition from capitalism to socialism is “inevitable.” He does not hold that there *ought* to be a revolution but that there *will* be. This would seem to make Marx’s central claim a kind of open-ended prediction; and, of course, so viewed, his work invites, and has certainly received, criticism on such embarrassing questions as why, one hundred years and more later, the Revolution has not in fact taken place in the countries that one would have supposed were most distinctively eligible for it and just what

the proposed time-modulus of the prediction was supposed to be. But I do not propose to add further to the quantities of ink already devoted to those questions. For, whatever Marx may have *said*, it is not only fairly plausible to suppose that he can hardly have meant to deny the legitimacy or relevance of questions of the form “Should we have a revolution or shouldn’t we?” but, more important, his entire body of work becomes at best academic and at worst unintelligible if it is not relevant to such questions as that.

Reading Marx and his followers, we want to know which side we should be on. We want to know whether he has given us good reason for having serious doubts about the desirability of retaining the capitalist system (or those aspects of the current economic dispensation that fit that description). Nor can it seriously be doubted that Marxists do take his work as being relevant to those questions. When one tries to piece together how a revolution would be “inevitable” on his theories, especially when taken in conjunction with the fact that Marx also devoted a great deal of time to practical revolutionary activity, there can hardly be any reasonable doubt that the “mechanism” involved, just as we would expect, is the increasing sense on the part of a great many people (mostly members of the working classes, no doubt) that capitalism is an evil and should be replaced by a better system. I shall therefore not attempt further justification of my way of putting the central issue, except to point out that no deep-seated gap between “facts” and “values” is presupposed. On the contrary, as will be seen: my criticisms are largely on the “factual” side insofar as that is a “side.”

Marx makes high-level claims about capitalism that are the basis of his critique of capitalism, and of such critiques by Marxists generally, and therefore the basis of his support for socialism. My thesis is that these claims rest, in Marx’s own treatment, on identifiable arguments, proceeding from fairly definite premises, and that these arguments are invalid. That the criticisms are also independently false is another matter. I think they are, but with much reformulation they, or something very much like them, might be argued from quite different premises; and I do not here claim that all such reformulations also amount to nothing and that all such optional arguments are wrong. My claim is the narrower but still, I think, important one, that Marx’s work is fundamentally based on fallacies. Subtle fallacies, perhaps, but not one whose status as fallacies is in any real doubt.

Many people who think Marxism in error think, I believe, along the following lines: Marx had an ingenious theoretical structure that led to certain general predictions about capitalism, and time has simply shown those predictions to be erroneous. And many Marxists think, I believe, that although it is surprising and worrisome that things haven’t gone just the way one might have expected on the basis of Marx’s writings, nevertheless his criticisms are fundamentally sound; and eventually history will after all prove him to have been right even if it is not entirely obvious so far. What I wish to argue here is that this is not the right way to look at Marx at all. My thesis is that Marx was wrong all along: not just in his predictions, but in his theoretical structure.

Marx argued from certain general features of capitalism that both he and his bourgeois opponents agreed about. Marx believed that those very features

necessarily led to the demise of capitalism and to the necessity and desirability of a change to socialism. For my purposes, it does not matter whether he or anyone thinks that this change must or ought to be violent; for my argument is that his analysis is fundamentally faulty, faulty to the extent that it does not in fact give us good reason either for expecting or desiring the change at all, peaceful or otherwise. Marx was wrong, not in detail and not in incidentals, nor in excusable failure to see what the future held in store. He was wrong, I shall argue, at the core—wrong in *principle*. If, as I suspect, it is the particular doctrines on which he was in error that are almost universally assumed by modern as well as older Marxists in their criticisms of capitalism, then the implications for Marxism are serious. But given the previously alluded to difficulty of pinning any particular doctrines on absolutely all persons claiming to be Marxists, I shall not devote effort to showing that virtually all of them do in fact hold it. Can someone who disputes the divinity of Christ be accounted a Christian? I don't know. But I believe that the fundamentality of the doctrines I analyze below is such that one who rejected them but professed nevertheless to be a Marxist would be in just about the same boat.

The core doctrines of Marxism that will concern me here are two, closely related but distinguishable. They are: (1) that capitalism necessarily involves the “exploitation” of labor, in a sense of ‘exploitation’ that grounds a fundamental criticism of the system; and (2) that capitalism is a system that is founded on, and/or generates and reinforces, *class conflict*, in particular between owners and nonowners of the “means of production,” the conflict being due to a fundamental conflict of interest between those classes. In the absence of doctrine (1), doctrine (2) would either make no sense or at least be reduced to a doctrine with no distinctive Marxian interest. The class conflict in question is due, fundamentally, to the exploitation asserted in (1). And, in the absence of (2), a socialist revolution—the essence of which is that it eliminates private ownership of the means of production, that is, the existence of a distinct capitalist class—would make no sense. Moreover, Marx's apocalyptic view that capitalism would ultimately destroy itself due to its internal “contradictions” is based on the exploitative “relations of production” that define capitalism.

I omit from this very short list many doctrines that could certainly, from various points of view, be regarded as “fundamental” to Marxism. One in particular whose omission perhaps requires a word of justification is the doctrine of Historical Materialism, this being one of the two theories mentioned by Engels in his speech by the grave side of Marx as being Marx's most significant “discoveries.” The omission is intentional, however, for this famous but dark theory—the “law of development of human history,” Engels calls it⁴—is far too general to supply what is needed for supporting a socialist revolution. The two doctrines I have selected are, in effect, the specific applications of Historical Materialism to the circumstances of the capitalist era. And it would, I should point out, be perfectly possible to accept Historical Materialism—assuming that very difficult doctrine actually has any clear meaning anyway⁵—and yet deny that the time is ripe for such a revolution.⁶ The two doctrines I propose to examine here are the linch-pins of Marxism as a revolutionary doctrine. Both, I shall point out, are arrived at by fallacious reasoning. The Marxian analysis is

faulty at the crucial points. Let us consider each in turn.

Exploitation and Surplus Value

The Marxian theory of exploitation is rooted in the other of the two theories mentioned by Engels in the speech at Marx's grave side alluded to above: the "Theory of Surplus Value." The opening pages of the first volume of Marx's magnum opus, *Capital*, are devoted to the exposition of this theory and requisite background material. In Marx's pages, the theory is dependent upon—indeed, it is a straightforward deduction from—the Labor Theory of Value, a theory that is mired in problems. Not surprisingly, as we shall see, the Theory of Surplus Value, and in consequence the Marxian theory of exploitation, inherit these problems. To see how this all goes, we must, inevitably, briefly go into the Labor Theory of Value.

Marx opens his discussion by distinguishing between two sorts of 'value': use value, which is that about an object which makes it useful for whatever purposes the prospective purchaser, or the maker or finder, may have; and exchange value, or that about a transferable object which enables it to be exchanged for other things on a market, the market being the central institution of capitalism. Exchange value, in other words, is whatever it is that fundamentally accounts for price, since the price of an item is the money-expression of its capacity for exchange. And the Labor Theory of Value is the theory that exchange value is—at least "ultimately," or "fundamentally"—determined entirely by labor.

"Determined" how? Consider two identical shawls on adjacent stands in the local market. Shawl A was laboriously made by a little old lady who invested about fifty hours of work in it; shawl B was made by high-speed knitting machinery in Taiwan, with a total worker input of about five minutes. Shawl A will not, sentimental value apart, fetch six hundred times the price of shawl B; in fact, it may fetch merely the same price. Marx knew this, of course. His modification of the theory, which he accepted (having inherited it from his bourgeois predecessors,) is to affirm that what is responsible for market values is not the actual "quantity" of labor embodied in any particular bit of goods, but rather this:

The labor, however, that forms the substance of value. is homogeneous human labor, expenditure of one uniform labor power. The total labor power of society, which is embodied in the sum total of the values of all commodities produced by that society, counts here as one homogeneous mass of human labor power, composed though it be of innumerable individual units. Each of these units is the same as any other, so far as it has the character of the average labor power of society, and takes effect as such; that is, so far as it requires for producing a commodity no more time than is necessary on average, no more than is socially necessary.⁷

From then on, we must presume that whenever Marx discusses the labor factor in production, the “units” of labor that figure in the various equations are these idealized units.

It is of considerable importance to appreciate that the theory in question is, and leads to, a theoretical quagmire—“of considerable importance” because Marxists tend to talk as though Marx had here come upon a fantastically brilliant insight that had settled all the problems of the labor theory. Like Marx—I believe—they want to cling to the theory because they think that it supplies powerful support for Marx’s critique of capitalism and thus for a change to socialism. It needs to be seen that this is entirely wrong. There are three major points to make here, two of which I will make now; the third is best introduced after we have brought in the Theory of Surplus Value itself. In effect, the upshot of the first two criticisms is that the very claim that we have a definite theory here is an illusion. While trumpeted by Marx (and Marxists) as a “scientific” theory, its scientific purport turns out to be zero. The upshot of the third criticism will be that the theory, even if it was at least somewhat workable, would not have at all the effect that socialists, including Marx himself, might have supposed.

To begin with the first criticism: it will have been noticed that my statements of the Labor Theory of Value have included a parenthetical qualifier: market pricing is “(ultimately)” determined by labor. Why the qualifier? Marx was well aware that many other factors influence pricing in a market besides the labor inputs of the goods being sold. Some goods do not, in the usual understanding of the term, have a labor input at all: virgin land, for example. Sudden changes in demand will cause major changes in prices irrespective of labor inputs. All these are passed off as “incidental.” But if these are incidental, then what is essential? The standard response to this is that what Marx is after is the determination of “equilibrium” prices: the prices achieved in a stable market when all variables have settled down—assuming, of course, a perfectly competitive market. In that case—if only it were possible to reply to the next objection, that is—prices would be proportional to labor inputs. But, if that is all the Labor Theory says, then it is exceedingly uninteresting. Nobody ever doubted that in the case of things produced by labor, labor costs are a significant factor in pricing. But Marx’s claim is that it has a peculiarly fundamental significance—that it is, somehow, the *sole* factor that matters. Since both perfect competition and complete equilibrium are theoretical idealizations, akin to the perfect vacuum in physics, the upshot is that there is no actual case in which the central claim of the Labor Theory of Value is true. It began, bravely, by asserting that market prices are due entirely to labor; it ends by saying, meekly, that price is proportional solely to labor *when all else is held constant*—which is, for all practical purposes, never!

All this was assuming that we do, at least, have an empirically significant variable to work with in the Theory. But do we? Remember, it is no longer sufficient merely to measure the number of hours of labor put in by any, or even every, particular worker. For some “hours” are worth more than others! Thus in considering the case of skilled labor, Marx says, “Skilled labor counts only as simple labor intensified, or rather, as multiplied simple labor, a given quantity

of skilled being considered equal to a greater quantity of simple labor. Experience shows that this reduction is constantly being made.”⁸ But how is it made? The sort of examples Marx uses in this connection confirm what any of us would say about it. In effect, we look at the effect on output of the different skill levels, on their different levels of training, and so forth. But mostly, in the end, we simply look at what we have to pay for different levels of skill! And it is really obvious, when one thinks about this, that there is no other theoretically possible way to do this. As soon as actual “labors” are nonhomogeneous, and we try to compare them in terms of their impact on production, we find we must employ the market in order to make the comparison. But of course the Labor Theory of Value says that market pricing is determined by quantity of labor! If the only possible way to measure the “labor” variable is in the light of antecedent market pricing activity, then the theory has become hopelessly circular. Of course this is not the “only possible way to measure” quantities of labor. We could just doggedly count up hours, no matter whose and no matter what is being done during those hours. But if we did, we would have a theory whose falsity was spectacularly obvious instead of a theory with a certain specious plausibility that turns out, as we have just seen, to be due to circularity.

With this background in mind, what about the famous Theory of Surplus Value? This theory is brought in to solve what appeared to be a serious problem. What motivates entrepreneurs in a market is the prospect of profit. Profits are made by selling things for more than the total cost of making and marketing them. But suppose we are convinced by the Labor Theory of Value? And suppose, as was assumed by Marx and his predecessors, that in a market things always exchange “at their values”—equals for equals. But if all value is labor value, then it seems that the amount of labor embodied in the goods bought by the consumer must be equal to the labor commanded by the money he pays for his purchase—so where does profit come from? To this Marx came up with a simple, ingenious, and elegant answer. We must, he points out, make a distinction when we come to the special case of that very important capitalist market commodity called labor power: a distinction between (a) the value that the laborer bestows on what he produces by laboring, and (b) the value that is “embodied in” the laborer himself! The appearance that there is a mystery about profit is due to the confusion between these two very different things. Quantity (a) is, of course, what determines the market value of the product, given the Labor Theory of Value. But quantity (a) is not what determines the value of the laborer’s labor-power, even though all value is determined by labor. For quantity (b) is not the amount of time the laborer spends behind the machine or whatever. It is, instead, the amount of time spent by both himself and others in maintaining that laborer in a condition in which he can labor. Let us simplify the reference to “others” by assuming that all of the other costs are paid for by the laborer himself, on the average at any rate. Then we can say that there is a “quantity of labor” (labor-time, actually, but the reader will know what is meant) that determines the value of the laborer’s wages, and so in that sense is “embodied in the laborer,” and a different quantity embodied in what the laborer produces during his working hours. And, of course, if we look at it this way, it

must follow that, if the firm is a profitable one, then on the average the quantity “embodied in the laborer” *must* be less than the amount embodied in the laborer’s product. If all value is labor-value and there is profit, then that profit must embody labor, and (on the average, etc.) it must in fact embody some of the laborer’s labor.

What the Theory of Surplus Value boils down to, if we have swallowed the background assumptions and followed out the logic of the argument, will certainly appear to be this: all profit is extracted from the hides of laborers. The temptation will be to say, what Marx does say or obviously imply. In many, many passages throughout his work, that profit is a sort of robbery and, what is more, the worst sort, since it consists in separating, as it were, a part of the very laborer himself from himself! In Marx’s earlier writings, he tended to identify man’s essence in terms of his work-activity. In the case of wage-work, the “form” of labor we have under capitalism, this “essence” is under the control of other men, the capitalists. The worker is “forced” under capitalism to sell himself to other people. This, of course, is dehumanizing, alienating and alienated, and so on.

On top of all this, Marx also tended to think of the Value of Labor as the minimum that could be expended in order to keep the laborer laboring; and he comes up with the famous “theory of immiseration,” according to which wages under capitalism could be expected, by and large, to fall toward subsistence and, by and large, to remain there; or at least in the case of the wages of unskilled industrial workers, which were the main focus of his attention. (This tendency, it should be observed, emphasizes one of the two different components of the Marxian version of the Labor Theory of Value. That theory, recall, identifies the source of value as “socially necessary labor power,” though it also identifies it with average labor power. ‘Socially necessary’ suggests the minimum of what is needed given the best current technology. On this understanding, the value of a laborer is the least it would take, given current methods of keeping someone alive, to keep that laborer alive. The independent problems with the “immiseration” theory will be gone into below.)

We can now explore the third criticism I have in mind. The laborer, on Marx’s analysis, is necessarily exploited under capitalism. He is “exploited,” to begin with, in one of the straightforwardly literal senses of that term, in that he is made use of, and of course, one would hope, made the best possible use of in the productive activities in which he is involved. And, second, he is “exploited” in a technical, Marxian sense deriving from what we have just been noting: exploited in that he is paid less than the value he confers on what he produces. All we need to do is to assume, as many people will naturally tend to do, that all of the work of a worker ought, after all, to belong to the worker—in short, that what he is worth is the entirety of that value. All workers, just by virtue of being workers, are necessarily underpaid! And thus, the allegedly “technical” sense of ‘exploitation’ takes on a third connotation that it also frequently has in ordinary usage, namely, the sense that to exploit someone is to do something unjust and wrong and to be criticized—a pejorative sense, in short.

Now the first of the two core doctrines of Marxism, I have said, is that workers are exploited in a sense of ‘exploitation’ that grounds a fundamental

criticism of capitalism. Does the Marxian analysis in fact support such a criticism, so far as it goes? The answer to this, I suggest, is resoundingly in the negative. To see this, let us begin by pointing out that the entire framework of the Marxian analysis, rooted as it is in the Labor Theory of Value, is completely hopeless from the start, so that any theorems derived from it must thereby be suspect. For one example, just notice that, since there is no natural correspondence between a real hour of a real person's labor and the theoretical "unit of homogeneous socially necessary labor time" of the theory, you could never prove that any actual person was "exploited," even in Marx's technical sense, in the first place! The number of labor-theoretical hours embodied in Smith's wages might be far greater, rather than far less, than the number of actual hours he puts in. But never mind. Let us be extremely generous and suppose that some kind of sense can be given to the Surplus Value idea; still, what really matters is this: Is the worker necessarily worse off by virtue of having some of "his" labor power "taken away from" him? Is the fact that profits are being made from his hide necessarily a bad thing from his point of view? A moment's reflection assures us that it is not.

To take a case that would be highly apropos in Marx's own time, consider the cottage worker with his hand loom, his own sheep, and so on. He is self-employed from start to finish, so there is no question of exploitation by a capitalist. Suppose he is able to produce one shirt a week from his efforts—of course he gets to keep 100 percent of whatever he can get for that shirt. Now consider his industrial colleague who labors, we shall hypothesize, the same number of hours a week (likely very high in both cases!); and suppose that the industrial worker produces, in effect, 100 shirts a week ("in effect" because, of course, this worker may never make a whole shirt; one must, say, divide the total output by the total number of workers in the shirt-producing sector of the factory to arrive at the relevant figure). Now even if the owner kept the equivalent of 95 of those shirts, the worker is left with five times the number of shirts he would have had in his cottage. If we measure his situation by his real income, that is, the volume of goods and services he commands by his efforts, then he would in this case be five times as well off by virtue of being "exploited" as he would by being entirely his own master.

Obviously there is room to argue that the simple peasant's life he leads in his cottage is spiritually superior to the factory existence, and many socialists have, virtually, so argued. Such arguments do not sit very well with peasants, who know what their life is like, nor with typical industrial workers who are not much interested in returning to a steady diet of goat's milk and rough bread. Nor should they sit well with Marxists who, after all, profess to follow a man whose leading principle was that "mankind must first of all eat, drink, have shelter and clothing before it can pursue political science, art, religion, etc."⁹—or, we may add, appreciate the virtues of poverty and spiritual simplicity! But mainly, of course, socialists have leaned on Marx's apocalyptic assessment of capitalism, and in particular his belief that capitalism will necessarily lead to a growing "mass of misery, oppression, slavery, degradation, exploitation . . ."¹⁰ Insofar as that prediction is based on the simple theory of exploitation, it is, as we have seen, utterly unsupported. But perhaps, as Marxists will of course be

quick to point out, it is not based only on that simple theory. Perhaps further social considerations will shore up the Marxian account? To follow Marx's technical argument to the end would involve endless labor, but fortunately we will find it unnecessary to do that. We shall instead turn to the claim about class interest and class conflict. Here, we shall find, the situation is not more favorable to the Marxist conclusion; if anything, it is less so.

Class Interests in the Capitalist Era

"Our epoch . . . has simplified the 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 Proletarian."¹¹

William Leon McBryde remarks that he finds the claim above "intuitively highly plausible when applied to the most advanced industrial societies of Marx's day, but by the same token far less plausible when applied to most advanced contemporary societies."¹² Here again we see the tendency to suppose that it is only the facts that show Marx to have been wrong. But I shall again insist that the fault is not in the facts. Marx's premises, had he looked at them all with due care, would not have led him to the conclusion that the relationship between the two classes he identifies would be one of hostility. Hostility implies conflict of interests. But are the "classes" in capitalist society in conflict? Are their interests as classes opposed? I shall argue that they are not; or, more precisely, that there is nothing in the basic features of capitalism that imply this. Marx, of course, must (and did) hold that this conflict was absolutely fundamental. Let us see.

To begin with, let us get a clearer idea of the notion of 'class interest'. We should expect a class interest to be something that unifies its members, something that gives them reason to identify with one another and perhaps even to make some sacrifices on its behalf. A feeling that we all stand or fall together arises. And this will, of course, tend to be conjoined with perceptions that the other class or classes are (if "lower") to be kept in their places, or (if "higher") resented and envied. What must be emphasized is that anything worthy of being called a "class interest" has to be more than just the separate interests of its members. Possession of some common quality is not enough to make a social class.

Second, the new kinds of classes Marx envisages do not behave in the same way as the old ones exemplified by the Ancient Regime. The old-style classes were fixed subsets of the populace; mobility from one to the other was extremely rare, if not unheard of. The members of those classes did not have to do anything to be members: all you had to do was have the right parents. Since the membership in such classes was fixed, there was no problem identifying one's fellow members; and moreover, once a member, always a member. No problem about people sneaking across the lines.

Finally, let us bear in mind that Marx's argument is supposed to be

purely economic. The idea is not that, by some kind of ill-understood chemistry, capitalists get together and so do proletarians. The interests of these classes are to arise directly from their “relationship to the means of production,” namely, in that the capitalists own (have the official, socially sanctioned control over) those means while the proletarians do not and have nothing to sell but the sweat of their bodies.

The issue before us, then, is whether the “relations of production” in question do in fact yield a class interest or interests of the kind in question. In particular, of course, it is whether they yield an interest on the part of the working classes in eliminating the other class. (This sounds, and in frightening actual cases has been, rather apocalyptic. But, in fact, you eliminate this class not by eliminating its members but, rather, by changing the production relations, that is, by abolishing the private ownership of the means of production.) I shall argue that it does not.

What makes someone a capitalist, a member of the “bourgeoisie,” is that he owns capital. And that is all. (Obviously the question “How much?” screams out for an answer, but we must neglect such important details here.) It has nothing, as such, to do with who your parents were—though there is a decent chance that, if they did well, then you would inherit some capital and hence find you have become a capitalist. Nor are there any laws saying that you, you, and you are forever barred from membership. Anyone can play, in one way or another; or, at any rate, anyone who is not literally earning at subsistence level (which Marx, of course, argued would be a lot of people; more about this below). In a purely market society, the laws protect people and their property: any kind of property, any person’s property, so long as it was legitimately acquired. And, in fact, the membership of the “capitalist” class is unstable. It is also, of course, vague. (If you have a life-insurance policy, as likely you do, would Marx consider you a capitalist? Or a retirement savings plan? If so, then almost all of us are capitalists!) Moreover, we have to bear in mind that, as things are, all sorts of noncapitalists make greater incomes than most capitalists. Nor, I hasten to add, were things all that different in Marx’s day. The real wages of workers were, of course, much lower than now, but the substantial spread from low to high, with income derived from earnings on capital, wages, or a mix of both, was already there. This would make it a bit difficult for the aspiring member in good standing of the bourgeoisie to know who his friends were, and likewise a bit difficult for the workers to know who the enemy was. (Engels himself, for instance, was probably on the bourgeois side of the line, if anything—luckily for Marx, who survived for many years on frequent doles from the faithful Engels.) The Marxian class antagonisms, alas, do not have clearly separate and identifiable antagonists.

But never mind. Let us press on to the more fundamental question of why these “classes,” supposing that we can identify them, are supposed to be at each other’s throats? When we delve into the Marxian literature with this question in mind, we come upon a somewhat surprising fact: there doesn’t seem to be any explicit argument for this. Evidently Marx, and Marxists following him, thought it required no argument. However, let us assume that what Marx thought was self-evident was not the proposition that classes in capitalism have

inextricably opposed interests but, rather, that once you follow the argument in, say, Capital, it will then go without saying that they are so opposed. And on this, I fear, far too many readers have been taken in. But let us not be.

Let us give Marx the proposition that the interests of owners and workers within any particular enterprise are opposed, at least in the short run. Marx's capitalists operate in an economy characterized by considerable competition—perhaps “perfect” competition, but this needn't worry us here. And Marx is clear that even if the individual owner happened to be a benevolent fellow and would have preferred to pay his employees more, the forces of the market will deprive him of this luxury. Competition provides the motivation also for technological progress, which increases the productivity of labor (while, it will appear, depriving the thus displaced laborers of their livelihood). And large capitalism, with the nineteenth-century version of high technology, is what Marx has in mind. These features of the situation make for a general pressure toward lower wages.

So far, so good. But how does this prove what is to be shown? It certainly shows that each capitalist has a contrary interest to some workers. But what we need is the thesis that the capitalist *class* has, *as a class*, an interest in grinding down the proletariat to near-starvation levels of subsistence; and having, after all, “the control” over the means of production, presumably capitalists are in a position to bring this unhappy result about. Right?

Wrong! For we might try bearing in mind how our hypothetical capitalist makes his money, a point that Marx tends to sweep under the carpet. He makes it, *ex hypothesi*, by *selling*. Moreover, in the important cases he makes it by developing machinery of mass production. And who are the “masses” who will buy all this stuff? Well, given the Marxian scenario, we know what the answer would have to be. For, on his scheme, the bourgeoisie is a vanishing species. Polarization proceeds apace, with ever fewer richer capitalists at the top, and even more ever poorer proletarians at the bottom. Now, if this could happen at all, there would be a mystery indeed! For in a market society, the only way you can make a buck is to sell something and you can only sell if someone buys. The conclusion stares us in the face: on Marx's premises, it must be the case, contrary to what Marx thunderously insists, that the proletariat is more or less steadily increasing in its purchasing power, rather than the reverse. It is *logically impossible* for the other tendencies to be realized if it does not. But more to the present point is the fact that capitalists have an interest in this being the case. The idea that they have, instead, an interest in the poverty of the working classes, and have it just by virtue of being members of the capitalist class, is sheer economic nonsense. And it is economics that is supposed to supply the premises for Marx's argument here.

It may be objected that, while the capitalists may, in some sense of ‘interest’, have the interest cited above, they are nevertheless powerless to do anything about it for reasons of the kind already mentioned. But this too rests on a fallacy. If capitalist A is able to reduce his costs by reducing wages, soon to be followed by B, C, and so on, the effect of all this in a competitive economy is that prices will go down. And this, so far as it goes, increases the real income of all who buy those goods, a fact that seems to escape Marx's

myopic glare. Understandably: for the upshot of all this is that when capitalists flourish, so in general does the “proletariat,” with any luck at all. And one would have thought that that is not the way for inextricable, to-the-death, basic class conflicts to proceed.

There is a further small point concerning the class “solidarity” of the capitalists; viz., that insofar as they are capitalists, the people with whom they are most evidently in conflict are, in fact, the *other members of the class*. Far from expecting the members of this group to cleave together and support each other, we expect what we in fact find: that they are always on the lookout for ways to obtain a competitive advantage. This too is a very unsatisfactory basis for “class” interest. Why would members of a class so constituted want to make sacrifices for one another’s welfare? Would they have any reason to do this that would not be an even better reason for supporting the welfare of noncapitalists—say, contributing to unemployment insurance and welfare funds?

All of this compresses a good deal of territory into a few pages, and it is only to be expected that any self-respecting Marxist will find epicycles to make the pronouncements of the Master square with his own basis of theory. Nor do I purport to have solutions to the pressing economic problems of advanced industrial societies today—a request for such being thought to be naturally forthcoming from the would-be Marxist. But my intention is not to shore up unlimited laissez-faire capitalism, nor to decry any need for social legislation; those are issues for another time. What I insist on here is simply that Marx does have fundamental theses, that these theses are highly influential, and that Marxian reasoning falls hopelessly short of supporting them. To any reasonably candid observer, history has, of course, shown Marx to be wrong in his main claims. For example, during the very decades that he labored away to “prove” that the proletariat must, under capitalism, sink deeper and deeper into misery, the real income of the English working class rose steadily. The point of this brief review is that this is what we should expect given the premises he was reasoning from rather than what he actually claims. The error is not happenstance. It is in the central logic of the theory. Marx may have made some contributions to economics. But his foundational ideas, the ones that form the main basis of his call for revolution, can only by fallacy lead in that direction. The core of Marxism turns out to be like the core of the onion rather than of the avocado: instead of the rich juicy pit of solid theory, the last peel leaves us with nothing.

Notes

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1. G. H. R. Parkinson, ed., *Marx and Marxisms*, Royal Institute of Philosophy Lecture Series No. 14 (Cambridge: Cambridge University Press, 1982), 2.
2. This was written in 1981-83.
3. Marx, “Critique of the Gotha Program,” in D. McLellan: *Karl Marx: Selected Writings* (Oxford: Oxford University Press, 1977), 564.
4. Engels, “Speech at the Graveside of Marx,” in Robert C. Tucker, ed., *The*

Marx-Engels Reader (New York; Norton, 1978), 681.

5. The major recent work on this is the brilliant study *Karl Marx's Theory of History*, by G. A. Cohen (in the United States, Princeton University Press, 1978). In the course of his analysis, he sets forth the problems of interpretation in this major area of Marx studies very nicely.

6. To see this, consider this excerpt from the *Preface to The Critique of Political Economy* by Marx, which is the classic source for the theory of Historical Materialism: "No social order is ever destroyed before all the productive forces for which it is sufficient have been developed, and new, superior relations of production never replace older ones before the material conditions for their existence have matured within the framework of the old society" (International Publishers, 1970; 21). Clearly one could, at least as a logical possibility, accept the doctrine but claim that "all the productive forces for which it is sufficient" have *not* been developed.

7. Marx, *Capital, Vol. I*, in Robert C. Tucker, ed., *The Marx-Engels Reader* (New York; Norton, 1978), 310.

8. Marx, *Capital, Vol. I*, in Robert C. Tucker, ed., *The Marx-Engels Reader* (New York; Norton, 1978), 306.

9. Engels, "Speech at the Graveside of Marx," in Robert C. Tucker, ed., *The Marx-Engels Reader* (New York; Norton, 1978), 681.

10. Marx, *Capital, Vol. I*, in Robert C. Tucker, ed., *The Marx-Engels Reader* (New York; Norton, 1978), 438.

11. *Communist Manifesto*, in Robert C. Tucker, ed., *The Marx-Engels Reader* (New York; Norton, 1978), 474.

12. William Leon McBryde, *The Philosophy of Marx* (London: Hutchinson, 1978), 98.