

PREFACE

THE publication of the third volume of *Capital* has made hardly any impression upon bourgeois economic science. We have seen nothing of the "jubilant hue and cry" anticipated by Sombart.¹ No struggle of intellects has taken place; there was no contest *in majorem scientiae gloriam*. For in the *theoretical* field bourgeois economics no longer engages in blithe and joyous fights. As spokesman for the bourgeoisie, it enters the lists only where the bourgeoisie has practical interests to defend. In the economico-political struggles of the day it faithfully reflects the conflict of interests of the dominant cliques, but it shuns the attempt to consider the totality of social relationships, for it rightly feels that any such consideration would be incompatible with its continued existence as *bourgeois* economics. Even where the bourgeois economists, compiling their "systems" or writing their "sketches," must perforce speak of the relationships of the whole, the only whole they succeed in presenting is laboriously pieced together out of its separate parts. They have ceased to deal with principles; they have ceased to be systematic; they have become eclectics and syncretists. Dietzel, author of *Theoretische So-*

¹ Werner Sombart, "Zur Kritik des ökonomischen Systems von Karl Marx," *Archiv für Soziale Gesetzgebung und Statistik*, Vol. VII (1894), pp. 555-594.

zialökonomie, is perfectly logical when, making the best of a bad business, he raises eclecticism to the rank of a principle.

The only exception is the psychological school of political economy. The adherents of this school resemble the classical economists and the Marxists in that they endeavor to apprehend economic phenomena from a unitary outlook. Opposing Marxism with a circumscribed theory, their criticism is systematic in character, and their critical attitude is forced upon them because they have started from totally different premises. As early as 1884, in his *Capital and Interest*, Böhm-Bawerk joined issue with the first volume of *Capital*, and soon after the publication of the third volume of that work he issued a detailed criticism¹ the substance of which was reproduced in the second edition of his *Capital and Interest* [German edition 1900].² He believes he has proved the untenability of economic Marxism, and confidently announces that "the beginning of the end of the labor theory of value" has been inaugurated by the publication of the third volume of *Capital*.

Since his criticism deals with principles, since he does not attack isolated and arbitrarily selected points or conclusions, but questions and reflects as untenable the very foundation of the Marxist system, possibility is afforded for a fruitful discussion. But since the Marxist system has to be dealt with in its entirety, this discussion must be more detailed than that which is requisite to meet the objections of the eclectics, objections based upon misunderstanding and concerned only with individual details.

¹ Reprinted above. All page references to *Karl Marx and the Close of His System* refer to the present volume.—Ed.

² All Hilferding's subsequent references to this book are from the second German edition (1900), and it is therefore impossible for us to refer the reader to Smart's English translation, made from the first German edition (1884). A third German edition was published in 1914.—E. & C. P.