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The Twilight of Marx

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NINETEEN YEARS ELAPSED between the publication of the "Communist Manifesto" and the appearance of the first edition of "Capital." What was Karl Marx doing during this long interval? Undoubtedly he was collecting the material for his work. No one can read the book without feeling that the painstaking industry revealed in the copious footnotes was most unusual. The author literally combed the sources at his disposal, and his work of research will stand as a tribute to his perseverance. The fact that he was familiar with so many languages and spoke four fluently was undoubtedly a great aid in his quest for evidence.

When the critics pounced upon the work, some of them remarked that Marx had chosen the sources that suited his case and had ignored others that would have refuted many of his conclusions. Few, however, challenged his findings as to the condition of labor in the four leading countries of Europe.

The severest critic of "Capital" was Eduard Bernstein who, in 1881, became the editor of the *Sozialdemokrat*. He was also associated with Karl Kautsky and sat in the Reichstag before the first World War. It is worth the while of any

student of Marx's work to turn to the article on him in "The Encyclopædia Britannica," which was written by Bernstein. There is to be found an excellent summary of the objections made by the Socialists themselves not only to the thesis of "Capital" but to the methods by which its author arrived at his conclusions. Bernstein says:

Almost from the first *Das Kapital* and the publications of Marx and Engels connected with it have been subjected to all kinds of criticisms. The originality of its leading ideas has been disputed, the ideas themselves have been declared to be false or only partially true, and consequently leading to wrong conclusions; and it has been said of many of Marx's statements that they are incorrect, and that many of the statistics upon which he bases his deductions do not prove what he wants them to prove. . . .

It must further be admitted that in several places the statistical evidence upon which Marx bases his deductions is insufficient or inconclusive. . . .¹

This is mild, however, in comparison with the thorough analysis of the whole Marxian theory presented by Bernstein in his "Evolutionary Socialism: a Criticism and Affirmation." This work is scarcely known to the Socialists of today.

Improvement in the Condition of Labor

STILL, IT MUST BE ADMITTED that an industrial change had taken place before the German edition of "Capital" was published. The work of reform, particularly in Great Britain, undermined some of the theories Marx formulated and nearly all the conclusions at which he had arrived. Therefore, it is necessary to consider the time lapse after he set to work to write his book. The improvement that took place in labor conditions between the time when the "Communist Manifesto" was issued in 1848 and the publication of "Capital" in 1867 made all the difference between the prophecies laid down in the former and the declarations he reached in the latter.

¹ "The Encyclopædia Britannica" (11th ed.), vol. XVII, p. 810.

Government statistics showed and the annals of Parliament revealed that while Marx was writing, the status of the working classes was gradually improving. Moreover, in some directions the proletarians were amassing capital of their own and starting businesses for themselves. This change that went on fairly steadily for the next two generations—in spite of three depressions—made the predictions ventured in the “Communist Manifesto” seem extravagant, if not absurd. Co-operative societies, building associations, penny banks, and numerous other institutions fostered by the workers themselves were springing up in every direction.

Parliamentary returns show that the income tax in Great Britain for the year 1854 was 1s 2d in the pound. Twenty years later it was 2d in the pound. In 1865 the national indebtedness amounted to over £800,000,000; thirty-five years later it had been reduced by £160,000,000.

Viscount Goschen, who was Chancellor of the Exchequer in 1886, delivered an address which, in his essays, is entitled “The Increase of Moderate Incomes.”² And to this he appends many of the statistics of government departments, which indicate the advance made in the condition of the working classes. It is an illuminating study to go through them, particularly if one keeps in mind the statements that were made in the “Communist Manifesto.” The increase in the number of working men’s houses and of shops is given for periods in the last quarter of the nineteenth century. In ten years from 1875, the increase in dwelling houses of less than £20 (\$100) rental a year nearly doubled. The number of building societies making reports in the ten years 1876–1886 increased from 489 to 2,079. The insurance companies of the poor made a return showing that the annual premiums in five years were nearly doubled.

² “Essays and Addresses on Economic Questions (1865–1893),” London, Edward Arnold, 1905, pp. 217–81.

I could give many other instances of the gain that was made when taxation was reduced by Gladstone's budgets and the worker enjoyed a breakfast free of duties. Small wonder, then that the British working man in those days did not accept the declarations and prophecies laid down in the "Communist Manifesto."

After the Franco-German War, which lasted about ten months, something like a miracle took place in Great Britain, France and Germany, which made the predictions of a proletarian revolution overthrowing capital utterly unsound. By this it is not to be inferred that the working man had entered into a paradise and that he was secure from poverty. But he had shown by his own efforts, without the cataclysm imagined by the authors of the "Manifesto," that he could, if he desired, make things better for himself.

This, perhaps, is the real reason why Marx was conscious before he died in 1883 that the revolution he looked for was postponed until the Greek calends. Undoubtedly Engels, who put together the notes that formed the second and third volumes, knew before his death that the work had lost its significance, for in a letter, dated London, June 25, 1890, he deals principally with the trifling matter of whether a speech delivered by Gladstone was correctly reported by Marx. In this letter we find no such prophecies as those that were set down in the "Manifesto."

Seventy-five years have passed since Marx wrote his preface to the second German edition of "Capital," in which he said:

The contradictions inherent in the movement of capitalist society impress themselves upon the practical bourgeois most strikingly in the changes of the periodic cycle, through which modern industry runs, and whose crowning point is the universal crisis. That crisis is once again approaching, although as yet but in its preliminary stage; and by the uni-

versality of its theatre and the intensity of its action it will drum dialectics even into the heads of the mushroom-upstarts of the new, holy Prusso-German empire.³

There have been grave crises enough to satisfy the most belligerent revolutionary, but the proletarians have not brought them about. All these have been staged by the bourgeois politicians, to the utter discomfiture of millions of capitalists. The cost of the wars has done more to reduce the fortresses of capitalism in Europe than all the propaganda of the authors of the "Manifesto" and "Capital" has done. Marx and Engels never dreamed that politicians would serve their ends by disrupting the trade of Europe and Asia and placing on the workers burdens more terrible than their revolutionaries could have inflicted.

Alas, the workers, instead of overthrowing the enemy Marx and Engels invented for them, have found that it has been the other way about. They have been ground to powder by their governments.

English Fabians and Socialists

BEFORE THE FIRST WORLD WAR, the Fabians of England had formed themselves into a polite debating society, which from time to time issued tracts, many of which might have been written by the Christian Socialists of that period. These tracts were undoubtedly critical but were read by only a small number of the intelligentsia. The Socialists, however, had entered the political arena, but the first time one appeared as a candidate in a constituency was in 1906, when Victor Grayson won an election by a small margin in a three-cornered contest. This was not a very serious matter—not so serious indeed as the desertion of young men in certain trade unions from the Liberal cause.

³ "Capital" (3 vols.), trans. from the third German ed., by Samuel Moore and Edward Aveling, and edited by Frederick Engels; revised and amplified according to the fourth German ed. by Ernest Untermann, Chicago, Charles H. Kerr & Company, 1932, vol. I, p. 26.

The Social Democrats were so few that they made no impression at all, but served the purpose of organizing debates with opponents, and these were usually sparsely attended. Little was heard of the Communists, and many of the leaders in the several Socialist movements angrily repudiated the charge that there was scarcely any difference between Socialism and Communism.

Such was the situation, according to my recollection, from the period of the close of the Boer War until 1908. In France and in Germany there were strong political Socialist movements, and these had been in existence for many years—almost two generations. To what extent “Capital” was studied by the members of these organizations, no one knew. And when I asked George von Vollmar, who sat in the Reichstag for a Bavarian constituency, about the education of the proletarians, he told me that most of the information was imparted to them from the platform or by leaflet. Such was the case in France, and many of the Socialist leaders lamented the fact that Marx’s work was read so little. In England I never came across a Socialist who knew anything about it, and today when we hear so much about the menace of Communism, I doubt that one in a million has read the work.

Now why is this? The question should be put because the terms “Marxist” and “Communist” appear in articles in the public prints and seem to have a currency much like that of the terms “Catholic” and “Protestant.” Yet, I know only two living men who have impressed me with the fact that they have studied “Capital.” Surely it is to be inferred that this book is known now only by its title, and I think it is safe to say that never was one talked about so much and read so little.

State Socialists who shunned the political arena have frequently remarked that since the theories of surplus value and

labor time were abandoned, the political Socialists, who know of the repudiation, avoid the theories with which Marx begins his book and now concentrate upon Stalinism, which is a very different order of things than Marx and Engels imagined could exist.

Max Hirsch's Refutation of Socialism

BEFORE MAX HIRSCH, in "Democracy versus Socialism,"⁴ submitted "Capital" to carefully reasoned criticism, Böhm-Bawerk in his profound exposition in "A Positive Theory of Capital" had dealt a smashing blow at the Marxian thesis. There were, moreover, many Socialists who agreed with Hirsch that Marx's theory of value is shown "to be a hypothesis ill-considered and untenable." Even the English Fabians repudiated it, and Sidney Webb said:

English socialists are no means blind worshippers of Karl Marx. Whilst recognising his valuable services to economic history, and as a stirrer of men's minds, a large number of English socialist economists reject his special contributions to pure economics. His theory of value meets with little support in English economic circles, where that of Jevons is becoming increasingly dominant.⁵

It is a great pity that Max Hirsch's work is not found in every library of this country, and particularly in those of the universities. It is not a difficult book to read, and Hirsch's clear and penetrating style reveals the thought of Marx so simply that it can be studied easily. It was published in London and in New York by Macmillan and Company, in 1901. Some years ago I received permission from the publishers to issue a new edition of it, and perhaps the time is ripe for another one.

The changes, however, that have taken place concerning the value of Marx's work have been so considerable since the

⁴ London and N. Y., The Macmillan Co., 1901.

⁵ S. Webb, "Socialism in England," pp. 84-5.

Russian revolution that it is a wonder to me someone has not gathered the main threads of the great controversies which arose about "Capital," and recorded them in an explanatory volume that would be of great use to students. If there be a dread of the Communist menace, it seems to me the best way to meet it is to inform the people, if they wish to be informed. The Socialists themselves in recent years have produced works that reveal the great differences of opinion which rage among them, and surely it must be reckoned as a very strange matter that few of the leaders in this country agree as to what Socialism is and what Communism is. Most of them admit that Stalinism differs entirely from the old doctrines.

The Abolition of Private Property

FOURTEEN YEARS AGO a work was published by the American League for Democratic Socialism which was called "Socialism, Fascism, Communism."⁶ The foreword of the editors gives one an idea of the fog that exists in anti-capitalist circles:

The purpose of this book is to present a point of view on burning questions of international Socialism and labor which has not had adequate representation in America. It is the point of view of Social Democracy as distinct from the Communist, quasi-Communist and "liberal" points of view from which these questions are discussed in radical circles in this country. Even in circles more inclined to the Social Democratic approach to these problems, there has been a great deal of uncritical thought and confusion due largely to lack of information and to misinformation which have beclouded social thought.⁷

Then in the introduction by Abraham Cahan we learn:

. . . The abolition of private property in the means of production and transportation is the great goal of Socialists and Communists alike. When it comes, however, to ways of reaching it they are separated by a chasm as wide and deep as the one yawning between Wage-Slavery and the Co-

⁶ Edited by Joseph Shaplen and David Shub, New York, 1934.

⁷ *Op. cit.*, p. 5.

operative Commonwealth. To Socialists a democracy which ensures representative government, personal liberty, free speech and an untrammelled press, is as essential as the economic part of their program. The one, in fact, is a necessary condition in the struggle for the other.⁸

No Socialist of my acquaintance before World War I would have agreed that representative government was a necessary condition under which the abolition of private property could be brought about.

There is a representative government in London now, and its leaders and many of its adherents imagine it is a Socialist one. But so far it has done little or nothing in the direction of carrying out the Socialist program of abolishing private property. All it has done is to nationalize four or five of the services. But nationalization is not Socialism, as we were reminded over and over again in the debates that took place before 1906. In the eighties and in the early nineties in this country I frequently attended lectures and debates and heard the Socialists rebuke at question time anyone who confused nationalization of a service with the purpose of Socialism.

Suppose, however, the Socialists were to attempt to carry out the abolition of private property. They would not succeed in doing it if they compensated the owners of the mines, railways, and factories by giving them bonds bearing 3 per cent interest. The very fact that interest is paid defeats the purpose of Socialism. Perhaps it would be better for Socialists to agree upon a precise definition of the term "property" and relegate all the absurd notions of Marx and Engels to the dust bin of fallacious theories.

The Differences Between Socialism and Communism

ABRAHAM CAHAN is very sure that Communism is not Socialism, for he says:

Dictatorship, on the other hand, is inevitably coupled with savage

⁸ *Ibid.*, p. 9.

despotism and ruthless terrorism. It is a "hold up" on a country, with its people paralyzed by fear and tortured by the unspeakable outrages of concentration camps.⁹

The above is an indication of how far Socialists and Communists have departed from the ideas held by the authors of the "Manifesto" and "Capital." But we see this cleavage and departure everywhere, and it is the greatest mistake to think that Communism is practiced in Russia. The proletariat does not rule there, and as for justice and freedom for all men and women, these ends are as far to seek under Stalin as the origin of life itself.

A man who has been in the thick of it wrote an article for a recent edition of *The New York Times Magazine*. It is called "A Vital Fact in the Battle of Ideologies." The author, Francis Williams, at one time edited the *London Daily Herald*, and until recently he was public relations adviser to Clement Attlee. Here is what he has to say about the difference between Socialism and Communism:

British Socialism has a special and individual character because it has grown and developed from peculiarly British roots and has been influenced hardly at all by the Marxist philosophy. Unlike British Socialism, Continental Socialism springs from the same roots as Communism although it has sharply diverged from it theoretically and practically during its development. This divergence, which has steadily increased with the years, is due partly to the shape taken by the Communist ideology under the influence of Lenin and Stalin and partly to the effect of historical differences in the political development of western and eastern Europe.

Both had their roots in the dialectical materialism of Marx and Engels. . . .¹⁰

There is one article in the book, "Socialism, Fascism, Communism," which deserves deep study, for it is a forthright critique of the position in which the protagonists of both these "isms" find themselves today. However, it was penned

⁹ *Ibid.*

¹⁰ *Loc. cit.*, Jan. 25, 1948, p. 7.

before the beginning of World War II. This review of the situation was written by S. Portugeis, who is described as a “distinguished Socialist journalist and publicist residing in Paris.” He has provided us with as sound a review of the present condition as I have seen. He says: “The position of Socialism thus becomes tragic: the line of struggle for the least of inevitable ills becomes fatally the line of the greatest available compromise.”¹¹

Further on he tells us:

. . . An examination of the purely economic side of modern capitalist society will reveal a picture of gigantic growth-exceeding even the boldest predictions of its apologists. What appeared to be mad phantasies decades ago are now historical anachronisms. During this period the capitalist system has been shaken by a great many economic crises, each of which led its opponents to believe in the advance of an imminent twilight of its hegemony. Yet each time capitalism rose again with new force, like Phoenix from its ashes.¹²

Here Mr. Portugeis has in mind the depression which followed the crash in 1929. What he would write now after a review of the present situation in Europe would be deeply interesting. Certainly he would not fail to recognize that the opposing forces in the war had abolished private property in a form no Socialist or Communist would have thought possible. But the amazing thing about it all is that the people who ordered the destruction are sitting on the necks of the proletarians that have survived and are hindering them in every possible way from restoring the necessary capital for providing the means of subsistence. Capitalism in Europe now will take a long time to rise Phoenix-like from its ashes.

Necessity for Definitions

THESE TERMS that are bandied about so lightly—“Democracy,” “Socialism,” “Communism,” and “Fascism”—must

¹¹ *Op. cit.*, p. 31.

¹² *Ibid.*, p. 32.

have definite meanings. Each one must stand for a single purpose. But what do we find? There is scarcely any agreement among the parties as to what they mean. Yet, if one desires to be clear about the terms, it is only necessary to go back to the controversies that were waged upon these issues fifty years ago. Men at that time examined them thoroughly and submitted them to philosophical questioning and analysis. With the help of the thoroughgoing State Socialists, their individualistic opponents, the British Radicals, were able to agree upon the following proposals and conceptions:

- (1) The State shall control all the means of production, distribution and exchange
- (2) *for the equal benefit of all*;
- (3) the State shall have power over persons, their faculties and their possessions.

This formula was submitted to the severest critical examination, and it was found to be a logical statement of the aims of Socialism and Communism. But those who were afraid of State Capitalism would have none of it. Truth to tell, they saw in the distributive proposal "*for the equal benefit of all*" an utterly impossible provision. Moreover, the Socialists and Communists in Great Britain and other European countries took fright at the necessary third proposal because they realized that it meant the loss of liberty. No one knew quite what was meant by the term "liberty" but somehow they had an idea that the little they enjoyed was worth keeping.

Today there is not much left of the work of Marx and Engels but what is called "dialectical materialism." That all history reveals a struggle for economic salvation on the part of the masses against capitalistic institutions is only another way of putting the age-old problem of the fight for economic freedom. Neither Marx nor Engels was the first to deal with

this matter. It can be read in the myths and histories of Egypt, the Hebrews, the Greeks, and the Romans. It differed only in degree when it was treated by the author of "Capital."

The Expropriation of the People from the Soil

AND NOW I WISH to touch upon one of the strangest things that is to be found in the literature of this struggle, and that concerns the reason for the subjugation of the peasantry in every State of which we have record and the crowding into the towns of landless men to compete with one another for few jobs.

When Marx and Engels became conscious of this phenomenon it is difficult to say. But no one that I have read has explained why Marx put the cart before the horse in the first seven parts of his work. Not until the chapter on "The So-called Primitive Accumulation" does he give the reader the full story of the expropriation of the tillers of the soil and, consequently, the congestion of labor in the towns. How different his work would have been if he had dealt with the cause of the evil conditions before he touched the effect. It seemed as if he was suddenly struck—after writing more than 700 pages—by the fallacy of his own creation, for he says:

In the history of primitive accumulation, all revolutions are epoch-making that act as levers for the capitalist class in course of formation; but, above all, those moments when great masses of men are suddenly and forcibly torn from their means of subsistence, and hurled as free and "unattached" proletarians on the labour market. The expropriation of the agricultural producer, of the peasant, from the soil, is the basis of the whole process. The history of the expropriation, in different countries, assumes different aspects, and runs through its various phases in different orders of succession, and at different periods. In England alone, which we take as our example, has it the classic form.¹³

¹³ "Capital," vol. I, p. 787.

He then proceeds to recount, as an English Radical would, the consequences of this conspiracy of the landlords. Overlook the false application of economic terms and the indiscriminate way in which he uses them, and little exception can be taken to the historical review that he presents. As an instance of the confusion from which he suffered, the following may be quoted:

The spoliation of the church's property, the fraudulent alienation of the State domains, the robbery of the common lands, the usurpation of feudal and clan property, and its transformation into modern private property under circumstances of reckless terrorism, were just so many idyllic methods of primitive accumulation. They conquered the field for capitalistic agriculture, made the soil part and parcel of capital, and created for the town industries the necessary supply of a "free" and outlawed proletariat.¹⁴

It was not so much the church's property the spoliators desired; it was their land, which is not property; and they did not make the soil part and parcel of capital. Soil is created, and capital is produced. It is strange that Marx never saw this distinction which is so important to those who wish to understand the conditions which arose out of the theft of the source of man's subsistence.

But it is in the chapter on "The Modern Theory of Colonisation" that he fully realized that "the expropriation of the mass of the people from the soil forms the basis of the capitalist mode of production."¹⁵ And, yet, when he grasped this patent fact he had no suggestion to make of a method by which landless men could once again have an alternative to entering an overstocked labor market. A proletarian revolution for the abolition of private capital was no way out of the difficulty. The revolution had failed in 1848-49, and it was found when the proletarians were defeated that private property had suffered little.

¹⁴ *Ibid.*, vol. I, p. 805.

¹⁵ *Ibid.*, vol. I, p. 841.

Socialists and Communists at the beginning of the century laughed to scorn the Radical notion that the matter could be solved by making labor scarce. The suggestion that the first necessary step in this direction was to take the rent of land and exempt the production of wealth from taxation seemed to them to reduce the whole matter to an absurdity. Some said such a simple proceeding was scarcely worth consideration; others said if you made men scarce in the labor market there would be no revolution. Some leaders of labor organizations said if workers were scarce there would be no need for trade unions. The truth of the matter is that none of the followers of Marx and Engels with whom I came in contact realized the wage question was the land question and that Marx himself must have seen this economic fact when he wrote his chapter on "The Modern Theory of Colonisation."

The Significance of the Historical Evidence

THERE IS ONE OTHER curious matter that has never been cleared up, and that is the reference to Haxthausen in the "Communist Manifesto." It appears in a footnote,¹⁶ and Engels admits in his preface, dated 1888, that he was responsible for adding "a few notes explanatory of historical allusions." Now this one on Haxthausen goes rather deep, for it refers to the "common ownership of land in Russia" and states that Maurer

proved it to be the social foundation from which all Teutonic races started in history, and by and by village communities were found to be, or to have been, the primitive form of society everywhere from India to Ireland.¹⁷

Surely it is amazing that our authors did not see the significance of the historical evidence they turned up about primitive communities and man's association with the land down to the period when enclosure was made by parliamen-

¹⁶ Authorized English trans., Chicago, Charles H. Kerr & Co., p. 12.

¹⁷ *Ibid.*

tary statute at the beginning of the nineteenth century. It seems to me they learned the cause of the trouble too late and they had not the wit or courage to reconstruct the work upon a sound economic basis.

Shortly before Kautsky died, he lamented that "Capital" was read by so few, and yet he knew that the basic ideas of surplus value and labor time had long been abandoned. There is no public today for Marx's work, not even the shreds that are left of dialectical materialism. All this has been done far better, because the recorders of our time who have dealt with the subject have applied themselves solely to it and have not been hampered by such a notion as abolishing private property and awaiting a universal proletarian revolution.

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