PAUL BARAN on *MARXISM*

- Crisis of Marxism?

- On the Nature of Marxism

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CRISIS OF MARXISM?

BY PAUL A. BARAN

Just as ample rainfall seldom fails to yield a large crop of mushrooms, so a period of sustained prosperity and high employment under capitalism produces almost inevitably a strong wave of confusion and uncertainty about the validity of the socialist cause, about the rationale of a socialist movement. Indeed, at the present time this vogue has swept not only large numbers of more or less distant sympathizers of socialism; even many of those who have been identified with the socialist movement have turned their backs on Marxism, rejecting it outright in favor of some variant of "New Dealism" and bourgeois liberalism or proclaiming the necessity for major revisions of what they take to be the Marxian doctrine. This raises two complex and closely interconnected questions: *First,* has the development of capitalism (in general, and in particular countries) taken such a turn as to obliterate the need for and the desirability of a socialist transformation of society? *Second,* has the development of capitalism taken such a turn as to so weaken the forces of socialism that a socialist transformation of society becomes impossible or highly improbable—even if it be most urgent and most desirable? In what follows, an attempt will be made to deal with these questions in "desperate brevity," not in the hope of being able to supply definitive answers but rather in order to suggest what might represent useful points of departure for further reflection and further discussion.

I

The first question must be examined in the light of American experience, for it is with reference to American capitalism that the matter is usually considered. Indeed, in the United States—the principal citadel of capitalism today—the structure of the capitalist order differs in many important respects from what was described by Engels in *The Condition of the Working Class in England* or even in the much later writings of Marx. The most conspicuous and farth-

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est-reaching difference between American capitalism now and what may be regarded as the beginning of its modern era—the end of the third quarter of the nineteenth century—is the enormous advance made in the development of the forces of production. According to some estimates, productivity per man-hour in the American economy as a whole is now over five times as much as it was in 1880. Since these estimates are arrived at by taking into account the *entire* labor force employed in business, they obviously seriously understate the productivity increase per man-hour of *production* workers, i.e., of labor engaged in the process of production of goods and services, rather than in that of selling, advertising, etc. This underestimation is aggravated by the fact that even a goodly proportion of the production workers is actually engaged in *selling*: putting chrome and fins on automobiles, turning and twisting perfectly functional articles in order to create artificial obsolescence of earlier models, and the like. The importance of this productivity increase of production workers can hardly be exaggerated. In the first place, there is much evidence—if not yet systematically collated and analyzed—that the real wages of production workers have risen significantly less than their productivity. This means that the *economic surplus* produced by society has grown considerably larger, not only in absolute terms, but in the only relevant sense: as a share of aggregate output.

What is perhaps no less portentous: while this spectacular increase of output per man-hour was achieved to some extent by a marked improvement of health and efficiency of the working population, its mainspring was a vast expansion of the volume of productive equipment. The dimensions of this expansion can be at least partly assessed if it is considered that manufacturing establishments now use approximately 10 horsepower of energy per production worker employed as compared with 1.25 horsepower in 1879. This sweeping mechanization was propelled by massive capital accumulation, by extensive exploitation of "economies of scale," and by a consequent general transition to mass production methods. And this in turn has led to the emergence and growth of large-scale industrial enterprises, and to a concentration of the bulk of industrial output in the hands of a relatively small number of giant concerns.

These concerns controlling large (and growing) shares of their industries' output are, as regards what is the principal, or rather the sole purpose of capitalist enterprise, returns on invested capital, in a position that is much more powerful than that of either their small competitive ancestors, or their small competitive contemporar-

ies. Able to gauge the impact of their own business policies on the prices prevailing in their markets, they need not be content with the rates of profit that used to be earned in the competitive markets of old and that are still being earned in the competitive sectors of the present capitalist system. Far from being less single-minded in their pursuit of profits than capitalists used to be in the past—all assertions to the contrary on the part of the now so fashionable apologists of Big Business notwithstanding—the modern monopolistic and oligopolistic corporations find themselves in objective circumstances most favorable to highest returns, and in exploiting these circumstances to the hilt have developed what used to be the art of making a lot of money into what is rapidly becoming a science of long-run profit maximization.

Thus the increase of the productivity of labor (and the mechanism by which it is attained), combined with the mode of apportionment of its fruits as between wages of production workers and profits of capitalists, which is an inherent characteristic of the capitalist system, has a double-pronged effect: the economic surplus generated by the economy tends to become an ever-increasing proportion of aggregate output, and this economic surplus tends to be continually redistributed in favor of a steadily decreasing number of giant capitalist enterprises. If this were the end of the story, the capitalist system would be choking in the flood of economic surplus, for neither capitalists' consumption nor investment in capitalist enterprise would be able singly or jointly to absorb the rising tide. The former is not only physically limited—particularly since the bulk of the surplus accrues to a small number of giant corporations and big stockholders—but runs also counter to the capitalists' basic urge to accumulate. The latter is circumscribed by the profit maximization requirements of monopolistic and oligopolistic business and tends under normal conditions to fall considerably short of the volume of the desired capital accumulation.* Under such circumstances chronic depression would be capitalism's permanent condition and increasing unemployment its permanent accompaniment.

Yet as most diseases of organic entities call forth some remedial forces so are economic tendencies usually counteracted—at least to some extent—by opposing developments. Both the plethora of surplus and the ascent of monopolistic and oligopolistic enterprise have

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* This is more fully explained in Chapter III of this writer's *The Political Economy of Growth* (New York, 1957).

drastically changed the nature and strategy of modern business. Price-cutting which during the earlier, competitive phase of capitalism was the principal method by which individual firms sought to maintain and expand their sales, now ranks very low among the strategies of the competitive struggle. Its place has been taken over by tremendously expanded (and expensive) sales organizations, advertising campaigns, public relations programs, lobbying schemes, and by a continuous, relentless effort at product differentiation, model variation, and the invention and promotion of fancier, more elaborate, more sumptuous, and more expensive consumer goods.

But not even the resulting multiplication of waste and the rampant growth of the system's unproductive sector are able to provide sufficient drainage for the overflowing economic surplus. For a large part of the expenses of selling, advertising, model-changing, etc., become necessary costs of doing business under monopoly capitalism and are shifted on to the consumer thus reducing his real income rather than absorbing economic surplus. At the same time an important share of the sizable income accruing to corporate executives, salesmen, admen, public relations experts, market researchers, and fashion designers is saved rather than spent by its recipients and gives rise to what might be called secondary accumulation of capital—another bracket in which the economic surplus makes its statistical appearance.

Nor are other, more or less automatically functioning mechanisms of surplus absorption—capital exports, corporate outlays on research and development, and the like—powerful enough to solve the problem. A conscious effort at utilization of the economic surplus is indispensable if its overflow is to be kept within tolerable limits, if depression and unemployment are not to be allowed to endanger the stability of the capitalist system. Such a conscious effort can only be undertaken by the government. The government in capitalist society is incapable, however, of purposeful employment of the economic surplus for the advancement of human welfare. The powerful capitalist interests by which it is controlled, as well as its social and ideological make-up, render such a policy impossible. Unable to invest in productive enterprise—this would be manifestly in conflict with the dominant interests of monopolistic and oligopolistic business—and barred by the "values" and *mores* of a capitalist society from large-scale spending on welfare objectives (at home and abroad), even a so-called liberal government under monopoly capitalism sees in military spending about the only avenue to salvation, and thus

adds deliberately-organized waste in the government sector to automatically expanding waste in the business sector.

Waste, however, cannot expand smoothly and rapidly. For although the very survival of monopoly capitalism becomes increasingly dependent on squandering of resources and on accelerated preparation for war, *to the individual capitalist enterprise* waste represents a deplorable deduction from surplus to be resisted as strongly as possible. Thus no one firm, not even the largest, can squander more resources than is indicated by the prevailing business practices, so that increases in waste can only develop slowly and gradually, only as all the important firms enlarge their unproductive expenditures and thus set new standards for the economy as a whole. Similarly, the snowballing of governmentally organized waste and skyrocketing military budgets, indispensable as they are to monopoly capitalism, spell to individual Congressmen and Senators nothing but higher taxes or a heavier national debt burden and are permitted only reluctantly and only in an atmosphere of external danger (real or contrived).

Except during wars and their aftermaths, the interaction of all these forces creates a vast potential overflow of the economic surplus which means underproduction, underconsumption, and underinvestment, or—what is the same—underemployment of men, underutilization of productive capacity, and depression. The only remedy for this persistent malaise that is available to monopoly capitalism is further multiplication of waste in both the private and the public sectors of the economic system. The utter irrationality of this "cure" is just as obvious as it is clear that the only *rational* solution is social planning of production and distribution of goods and services. Such social planning is impossible, however, without social ownership of the means of production, without a socialist transformation of society. The *need* for this transformation was never more firmly established than it is now, for never was the gap between society's potentiality and society's performance so immense as it is in monopoly capitalism's present stage. Witnesses to this need are the squalid slums, the poverty and the illiteracy that are the lot of millions of families in the wealthiest country of the world; the moral, cultural, and intellectual decay gripping the entire advanced capitalist world; and—last but not least—the misery of hundreds of millions of people in the underdeveloped countries whose fate could be drastically changed if only a fraction of the resources continually wasted in

the United States were to be used to help overcome their backwardness.

Nor can there be any doubt about the *urgency* of the replacement of monopoly capitalism by socialism. Indeed, every year lost means premature death and immeasurable suffering for millions of people in the entire world. Every year lost increases the mortal danger that capitalism may plunge into the last act of its dialectical drama and seek salvation in a thermonuclear holocaust.

II

But is not the case for the necessity and urgency of a socialist transformation of the world of monopoly capital nothing but an exercise in rationalism—of no historical relevance in view of the absence of a socialist movement in the United States and its weakness in most other advanced capitalist countries? For it must be clearly realized that the irrationality of a social order leads to a crisis and eventually to a breakdown of that social order only if and when the suffering which it imposes on the masses of the people who have to bear the burden of that irrationality provokes their resistance, arouses their wrath, and results in their determination to replace it by a new, by a better society. It is undoubtedly one of the most important insights of Marxism—an insight that probably more than any other sets Marxism apart from both utopian socialism and bourgeois rationalism—that the comprehension of the existence and nature of the irrationality of a social order, which may be attained by some isolated thinkers at an early stage of the historical process, is merely one, if by no means a negligible, aspect of the crisis of that social order. Comprehension does not become a historical force until and unless the masses' life under the irrational social order becomes intolerable and compels them to add their criticism through practical action to the intellectuals' theoretical criticism—thus raising both to the level of a revolutionary movement.

So we must ask: what if even the most pronounced irrationality of a social order does *not* result in unsupportable suffering of the underlying population, or if the class ruling in society manages successfully to destroy people's awareness of their distress and/or to prevent the understanding of its causes, thus diverting the masses from opposing the existing social order? Marx and Engels—occasional remarks to the contrary notwithstanding—tended on the whole to discount both possibilities. Since it is the very essence of irrationality of a social organization that it inflicts, unnecessarily, pain and priva-

tion upon an underprivileged and exploited population (under capitalism, primarily the urban and rural proletariat), it was considered virtually certain that the life of the working masses would grow increasingly unbearable not necessarily only in the "knife and fork" sense of decreasing real income, but in the more general sense of worsening social existence. At the same time it was seen to be the historical peculiarity of the capitalist system that technological progress and the capitalists' need for literate and disciplined manpower would automatically create conditions for the emergence and development of a labor movement based on the workers' grasping both the causes of their misery and the necessity for the establishment of a more rational social order.

History did not proceed according to these expectations, which reflected the ardent faith in progress of the great century of enlightenment and rationalism. In countries of advanced capitalism such as the United States, Great Britain, Germany, and others, the two "hitches" just referred to have actually materialized. In these countries the general standard of living has risen considerably and the working population is now in a markedly better condition than it was, say, at the outset of capitalism's current, monopolistic phase. Not that the American, British, or German workers are actually well off. Far from it! Their wages are at best barely sufficient to provide a half-way decent livelihood for themselves and their families; their cultural standards are base and sordid; and their leisure hours are empty and frustrating. Persistent, sometimes receding and sometimes rising, waves of unemployment reduce significantly their skimpy average earnings and produce a perpetual state of indebtedness and job-insecurity. Recurring wars impose heavy blood tolls primarily on the working population.

And yet there has been a significant improvement of the workers' living and working conditions in the course of capitalist development. Since people are generally ignorant of the *potentialities* hidden in any given situation but are vividly aware of the much worse conditions of the past, it is the comparison with what used to be rather than with what could be that determines their attitude toward the present. Nor should it be overlooked that much of the suffering of the working class in a capitalist society affects different individuals with varying intensity. Unemployment, particularly noxious toil, loss of life and limb in wars—all confront people as *personal* disasters, as manifestations of *individual* misfortune rather than as the fate of a class exploited in a pernicious, irrational social order.

But what accounts decisively for the acceptance of the existing social and economic system by the underlying population is a process which is closely related to the developments just mentioned but has nevertheless a dynamic and a significance of its own. It is that the mentality of the dominant class has become undisputedly the dominant mentality, and that the systematically cultivated attitude of taking capitalism for granted, of considering it to be the obvious, the natural order of things, has become not merely the attitude of the bourgeoisie but the attitude of broad popular masses as well. Not that this permeation of society by the ideas, the ethics, and the social and political values of the ruling class represents something new or unexpected. On the contrary, the likelihood or even necessity of this were repeatedly stressed by Marx and Engels as early as the middle of the last century. Yet it would seem that their and other Marxists' view of the role of bourgeois ideology in the historical process needs to be broadened to take account of what has been happening in societies of monopoly capitalism.

In its classical concept, bourgeois ideology appears essentially as a comprehensive world outlook which, reflecting the class interests of the bourgeoisie, prevents society as a whole, but in particular its exploited classes, from understanding the irrationality of the capitalist system, and which, by *justifying* the existing social relations, protects these relations against the aspirations of the masses for whose basic human needs they fail to provide. As can be readily seen, this notion of bourgeois ideology is closely linked to the proposition that the irrationality of the capitalist system cannot but cause persistent (and increasing) suffering and privation to the underlying population. More specifically: while the frustration of basic human needs by the capitalist system was seen as the mainspring of a powerful and potentially overwhelming anti-capitalist movement, religious ideas and those of the sanctity of private property, of law and order, of equality and national interest, were visualized as shields of the capitalist order, as mighty taboos barring the underprivileged and exploited masses from seeking to abolish the exploitation of man by man and to establish a social organization more conducive to the satisfaction of human needs.

What prevents this essentially correct theory from fully coping with the problems presented by monopoly capitalism is that the role of bourgeois ideology has considerably expanded in the course of the last hundred years. In fact, bourgeois ideology was able not only to fulfill the functions discovered and analyzed by Marx and Engels

but also to move on to new, even more ambitious tasks. It no longer serves merely as a brake on people's striving for a better society, it no longer represents merely a barbed wire entanglement keeping people from satisfying their basic needs and potentialities—it has now reached what may be called its ultimate target: it has crippled that striving itself, it has driven a powerful wedge between human *needs* and human *wants*. This "advance" has led to a far-reaching qualitative change of bourgeois thought. As long as the bourgeoisie was a progressive class, its ideology correctly reflected its class interests which, at least partly, were also the interests of society as a whole. This ideology had thus the character of a half-truth. It partook of truth without expressing all of it, it encompassed one aspect of the historical process—the rise of the bourgeoisie—without taking account of the other—the historical limitation and transitory character of the capitalist order. But as the bourgeoisie transformed itself into the ruling class under monopoly capitalism, as its interests have ceased to have anything in common with those of people at home and abroad, bourgeois ideology has "graduated" from being a half-truth to being a total lie. It now expresses merely the interests of the reactionary oligarchy and of its retainers, and even those interests it no longer expresses adequately. Not even the direct beneficiaries of the existing social order feel secure, satisfied, and comfortable under its reign. This can be studied with all the necessary concreteness in the breakdown of the bourgeois family and bourgeois education, in the collapse even of bourgeois moral standards, in the universally recognized vacuity of such principles as free competition, free trade, and equality of opportunity.

While it was thought earlier that people would be incensed by injustice, inequality, and exploitation but would be prevented temporarily from rising against them by fear of divine or civil opprobrium and punishment, under monopoly capitalism they actually do not understand and feel injustice, inequality, and exploitation *as such,* do not *want* to struggle against them but treat them as aspects of the natural order of things. While it used to be thought that bourgeois ideology would guard the existing social order from man's efforts to satisfy basic human needs—decent livelihood, knowledge, solidarity and cooperation with fellowmen, gratification in work and freedom from toil—the actual *wants* of men in the societies of advanced capitalism are determined by aggressive drives, are directed towards the attainment of individual privileges and the exploitation of others, towards frivolous consumption and bar-

ren entertainment. With bourgeois taboos and moral injunctions *internalized,* people steeped in the culture of monopoly capitalism do not want what they need and do not need what they want.

The classical understanding of the function of bourgeois ideology fails to encompass these profound changes for two reasons. In the first place, even Marx and Engels, much as they were aware of the plasticity and moldability of human nature, seriously underestimated the extent to which man's wants can be influenced and shaped by the social order within which he is enclosed. And, collaterally, giving capitalism only a relatively short life, they could not possibly anticipate the scope and the depth of *habit* formation resulting from centuries of capitalist development.

If the above considerations are valid, the societies of the advanced capitalist countries are ill. Just as protracted addiction to alcohol or to narcotics leads sooner or later to disaster, so a prolonged divergence between the *needs* of men and their *wants* cannot but result in catastrophe. The failure of an irrationally organized society to generate internal forces pressing towards and resulting in its abolition and replacement by more rational, more human social relations results necessarily in economic stagnation, cultural decay, and a widespread sense of despondency. Such a society—even if once the most advanced in the world—loses its position of leadership, slides into the backwaters of historical development, and turns into a breeding ground of reaction, inhumanity, and obscurantism.

It would be parochial and myopic, however, to judge the prospects of socialism in the world solely on the basis of the conditions prevailing in the countries of monopoly capitalism. Throughout world history those nations have led in progress in which the irrationality of the social order gave rise to powerful counteracting movements. It was Lenin's genius to have recognized that in the age of monopoly capitalism and imperialism this function of leadership would be taken over by the nations inhabiting the colonial, dependent, and underdeveloped countries. Bearing the brunt of the irrationality of the capitalist system, not having been exposed to the same extent as the advanced capitalist countries to the debilitating and demoralizing impact of capitalist "culture" and bourgeois ideology, some of these nations have already revolted and others are revolting against the irrationality of the capitalist order and now march at the head of history's forward movement. Within an historically short time it will be in these countries that the tone of the world's further development will be set, while the countries of monopoly capital will

first lag behind and then eventually be swayed by the force of example and by the slow but irresistible process of osmosis.

Although it cannot be denied that many aspects of this development, as here sketched, do not correspond to what is usually considered to be Marxian doctrine, nothing would be more fallacious than to conclude from it that they have rendered Marxism an obsolete or a misleading body of thought. Quite on the contrary, it is only with the help of Marxism that the momentous events of our time can be adequately studied and comprehended. What this calls for, however, is not thoughtless regurgitation of particular statements of Marx and Engels—torn out of time and context—but the consistent application of Marx' powerful analytical *method*. But this is a large and important issue which cannot be discussed here. I shall return to it in next month's issue of MONTHLY REVIEW.

ON THE NATURE OF MARXISM

BY PAUL A. BARAN

In the last issue of *Monthly Review* I discussed some aspects of capitalist development which are at variance with the expectations that could be derived from what is usually considered to be Marxian doctrine. I suggested at the same time that this conflict is only apparent and is due to a serious misconception of the nature of Marxism. It is the purpose of this article to pursue this theme somewhat further and to try to place the present condition of Marxism in what would seem to me a more proper perspective—leaving aside for the time being the most important task of exploring the complex historical process which gave rise to the dominant interpretation of Marxian thought.

I

Contrary to widespread opinion, Marxism is not and never was intended to be a "positive science," an assortment of statements about past and present facts, or a set of predictions about the shape or timing of future events. It was always an intellectual attitude, a way of thought, a philosophical position the fundamental principle of which is continuous, systematic, and comprehensive *confrontation of reality with reason*. Not that this principle originated with Marx and Engels. Socrates' famous dictum "the unexamined life is not worth living" inspired progressive thought from its earliest beginnings and oriented a great philosophical tradition which centered on the critique of reality in the light of reason and whose aim and purpose was to seek out and to establish the prerequisites and the conditions for the growth and development of man. Yet it was left for Marx and Engels to take a decisive step forward in this centuries-old effort at confronting reality with reason. They translated the notions of both reality and reason from the metaphysical abstractions and idealistic assertions—the forms in which they appear in most pre-Marxian thought—into living, concrete, categories of real, continually moving, continually changing, human existence. Thus, while uncompromisingly

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committed to the principle of confronting reality with reason, while convinced that this confrontation represents the indispensable basis of all humanist thought and the only valid guidepost for meaningful human activity, Marxism by no means implies a dogmatic finding as to what defines reason or what constitutes reality at any given time.

To Marxism the meaning of reason and the nature of reality are closely interwoven, inseparable aspects of historical development. In terms of the *long run,* of the entire historical process, the content and the injunctions of reason are relative. They change with the changing forces of production, they transform themselves with the transformation of society, they enrich themselves with the expansion of our knowledge. William Blake grasped the essence of the matter with an artist's intuition: "Reason," he wrote nearly two hundred years ago, "or the ratio of all we have already known, is not the same that it shall be when we know more." This may be illustrated by an historical example referred to by Engels. Speaking of the origins of slavery, he remarked: "We are compelled to say—however contradictory and heretical it may sound—that the introduction of slavery under the conditions of that time was a great step forward. . . . It was an advance even for the slaves; the prisoners of war from whom the mass of the slaves was recruited, now at least kept their lives, instead of being killed as they had been before, or even roasted at a still earlier period." In other words, viewed against the background of cannibalism the institution of slavery was a *reasonable* arrangement, a step ahead in the evolution of reason.

Yet it is crucially important to realize that this relativity of the content of reason holds only in the longest run. In the *short run,* in any given historical period, what constitutes reason is *approximately* ascertainable. The determining factors are the level of social development, society's achieved fund of scientific insight, the accumulated wealth of practical human experience. To be sure, the qualification "approximately" can hardly be overstressed. For the intimate relation between reason and the continuously changing nature of reality makes it inevitable that what constitutes reason during any given historical period cannot be read off from a simple formula or encompassed by a neat definition.

This absence of a pat answer to the question as to what constitutes at any particular time the specific content of reason is invoked by contemporary bourgeois thought as an excuse for its own relativism and agnosticism. This excuse, however, is no more admissible than would be the contention that all efforts to cure disease ought to

wait until medicine has reached its ultimate state of perfection. What the unavailability (and ineluctable impossibility) of *absolutely* valid statements about the meaning of reason actually points to is rather the perennial and all-important obligation of philosophical thought: the unremitting integration and re-integration, interpretation and re-interpretation of human knowledge and experience within a dynamic framework of reason. The fault of bourgeois thought today in *not* that it rejects the notion of eternal truth or denies the possibility of eternally valid definitions of reason. The fault, amounting to tragic failure, consists in "throwing out the baby with the bath," in using the inaccessibility of eternally applicable definitions of reason as an apology for abandoning the search for whatever meaning and content may be attributable to reason in any *concrete* historical situation. This leads not only to the complete abdication of philosophy in favor of opportunism and pragmatism, but also to obscurantism and the betrayal of reason itself.

What applies to reason applies also with some modifications but with no less force to our notions of reality. In the long run, the content of reality is also subject to perpetual change, partly because of continuous transformations in the real world itself, partly because of steady advances in our practical activity, in our empirical research, and in our theoretical understanding. Whether in the realm of social relations where historical development incessantly changes the structure of society or in regard to nature where scientific discoveries and human activity progressively modify what confronts us as "nature"—there is no eternal "reality." In the short run, on the other hand, in a concrete historical constellation, reality is subject to reseach and analysis; its structure can be comprehended with a degree of approximation sufficiently high to admit of purposeful and rational practice.

II

The confrontation of reality with reason is by no means merely an abstract, intellectual undertaking. In every society that is split into classes, i.e. based on the exploitation of man by man, the exploiting class is vitally interested in the preservation of the existing pattern of social relations; and in administering the affairs of society it will seek to admit of only such change as will not endanger this pattern. The point is therefore unavoidably reached when the progress of reason and the expansion of our knowledge of reality are impeded, when existing and maturing possibilities for society's

further advancement, for further growth and development of all its members, are sacrificed in favor of the interest of the dominant class in the continuation of the established social order—when, in other words, the particular interests of the ruling class come into conflict with the interests of society as a whole. At such historical junctures the confrontation of reality with reason reveals the irrationality of the existing social order, turns—in the words of Marx—into "ruthless criticism of everything that exists, ruthless in the sense that the criticism will not shrink either from its own conclusions or from conflict with the powers that be," and becomes the intellectual expression of the practical, existential needs of the entire society, and in particular of its overwhelming majority, the oppressed and exploited classes. It is precisely then that the confrontation of reality with reason is proscribed by the ruling class, is persecuted as subversive by its police, is condemned as sacrilegious by its priests, and is decried as metaphysical and unscientific by its ideologists. And it is precisely at such historical junctures that the criticism of reality in the light of reason, the unmasking of so-called "common sense" and "practical intelligence"—those caricatures of reason which the dominant ideology substitutes for reason itself—becomes at once one of the most responsible activities of the time and one of the most powerful engines of humanism and progress.

It was Marx's unprecedented and unsurpassed accomplishment to discover this law of historical development and to lay bare the part played in its operation by fruitful intellectual endeavor: to define and continuously redefine the meaning of reason, to assess and continuously reassess the structure of reality—confronting systematically the one with the other, pointing out the shortcomings of the concrete, specific reality in terms of equally concrete, equally specific standards of reason. Remaining realistic, because it derives its frame of reference from the study and observation of the attained stage of historical development, and retaining the courage to be utopian because it sets its sights on the not yet realized but already visible potentialities of the future, such intellectual effort performs an overridingly important function: it serves as a guidepost to the next steps in mankind's forward movement.

Marx did not stop, however, at the formulation of this general theory. He applied it to the contemporaneously all-important case of capitalism. To accomplish this he had to undertake a comprehensive analysis of the nature and laws of motion of capitalist society, evolving

concomitantly a concrete and historically relevant notion of a more rational social order. This called for detailed empirical research into the historical roots, the institutions and working principles of capitalism—in a word, for a comprehensive study of economics, the anatomy of the capitalist order. To this undertaking Marx devoted the better part of his working life, and the resulting contributions to knowledge were truly prodigious. Indeed, so great were those achievements, so vast the energy which went into their attainment as to give rise to the view that Marx's chief concern was the advancement of *economics,* the creation of a new *economic theory* which would be superior to its antecedents by providing better explanations or more accurate forecasts in the realm of economic affairs.

That this view was given wide circulation by bourgeois writers is by no means fortuitous. For looking upon Marx as a "positive scientist," as a scholar engaged in the description and analysis of the economic process, made it possible to pick and choose among his individual statements, to accept or to reject them depending on the extent to which they happened to suit the commentators' own predilections, to treat him as "an economist among economists," designating him indeed—in the words of one of the most eminent American theorists—as "a minor post-Ricardian." And Marxists in the West, seeking consciously or unconsciously to retain a common ground of debate with their academic opponents, in effect lent their support to this interpretation of Marx; while the Soviet attitude of insisting dogmatically on the truth of every word in Marx's writings—although stemming from entirely different causes—had, paradoxically enough, the same result.

Yet this conception of Marx is in violent contradiction perhaps not always with the letter but always with the spirit of his entire work. For large as were his *positive* contributions to our understanding of capitalism, his paramount preoccupation was the *critical* appraisal of the capitalist order in the light of reason, that is to say in terms of its ability (or inability) to satisfy human needs, to provide for the growth and development of man. This involved in addition to a thorough study of the mode of functioning of the capitalist system, a *critical* scrutiny of dominant thought on capitalism with the purpose of establishing the extent to which it elucidates or obscures the prevailing divergencies between reality and reason. It is not accidental that the first (unpublished) version of Marx's principal work was titled "An Outline of a Critique of Political Economy," that

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his first major economic publication was called "A Contribution to the Critique of Political Economy," and that finally *Capital* carries a sub-title "Critique of Political Economy." In fact, all of Marx's and Engels' voluminous writing—after the broad statement of principle in *The Communist Manifesto*—was essentially a vast *critical* effort, a many-sided confrontation of reality with reason, an indefatigable onslaught on all ideological activity which attempted, consciously or unconsciously, to hide and to minimize the difference between the existing and a more rational society.

The critical effort yielded far-reaching results. In the midst of the first great capitalist celebration, at a time when hosanna cries to the victorious bourgeoisie set the tone of "public opinion" and of political economy, Marx demonstrated the contradictory, conflict-laden nature of the capitalist system. He showed that although the transition from feudalism to capitalism represented a tremendous advance toward a more rational condition of mankind, further progress would be warped, hamstrung, and ultimately blocked by the irrationality of the capitalist order. He proved furthermore that this irrationality is not a transitory or fortuitous characteristic of capitalism but is inherent in it, represents the inevitable outgrowth of its very foundation: the institution of private property in the means of production. And he was able to give specific content to the notion of rationality in the present stage of historical development: a socialist planned society employing the socially owned means of production for the welfare of all of its members.

But what is most important, Marx went far beyond classical rationalism by recognizing clearly that it is the very essence of the irrationality of a social order to generate a social class which suffers from this irrationality, which bears the brunt of this social order's inadequacy, inhumanity, and injustice. In this class he saw the promise of progress, the social force which would do away with the irrational system and put in its place a better and more rational society. Marx identified this class as the proletariat, and he saw it exercising its historical power in the form of an expanding and maturing socialist movement. Not that he idealized the workers or believed in their heroism, unselfishness, or ardent dedication to human liberation. In his own words:

> If the socialist writers assign to the proletariat this world-historical function, it is not because they consider the proletarians to be *gods*. Rather the opposite. Because the destruction

of all humanity, even of the *appearance* of humanity is empirically completed in the case of the fully developed proletariat; because all the existential conditions of the present society are concentrated in their entire inhuman extremity in the living conditions of the proletariat; because the human being has lost itself in the proletarian at the same time having not only won the theoretic awareness of this loss, but having been forced by inescapable, unvarnishable, imperative misery—that practical expression of *necessity*—to revolt against this entire inhumanity—this is why the proletariat can and must liberate itself. But it cannot liberate itself without abolishing its very condition of existence. And it cannot abolish its own condition of existence without abolishing all the inhuman conditions of the present society which find their concentrated expression in the situation of the proletariat.*

III

None of Marx's conclusions have been vitiated, let alone refuted, by subsequent events. History never stands still, and capitalism has obviously undergone a number of important changes. But the more it changes, the more it remains the same—as the French saying has it—and while the basic irrationality of the system has altered some of its forms, that irrationality is now more pronounced than ever before. Nor has this irrationality proved to be a disease curable by assorted medications prescribed from time to time by social reformers of all kinds; it is today, as it was in the days of Marx, an integral component, a characteristic feature of the capitalist order itself. And that socialism represents the only rational exit from the impasse into which capitalism has driven mankind, that socialist planning is history's next and necessary step, has been demonstrated not only by theoretical reasoning but by vast historical experience.

Yet, as was pointed out in the previous article, the proletariat in the advanced capitalist countries has not developed in the way anticipated by Marx. Bad as its condition has been, it was able to rise above the "inescapable, unvarnishable, imperative misery" which was observed by Marx, and which he expected would be accentuated with the passage of time. Although its social and cultural existence is in essence as inhuman as it was in Marx's time, it has largely failed to "win the theoretical awareness of its loss" and has tended to succumb to bourgeois ideology and to adjust itself to its degradation. What Marx misjudged, in other words, is the intensity and speed

* Marx-Engels, *Gesamtausgabe*, Part I, Vol. 3 (Berlin, 1932) pp. 206 f. (Translated from the German by the writer; italics in the original.)

with which the irrationality of capitalism would give rise to a movement powerful enough to carry out a socialist transformation of society. Yet serious as this miscalculation undoubtedly is, it should not even be mentioned in the same breath with the fallacy committed by those who consider the weakness or even absence of socialist movements in some countries to be a proof of the rationality, an argument for the desirability, or a sign of the progressiveness of the capitalist order. That position is no more defensible than would be the view that an inability of a human body to resist tuberculosis, however caused, furnishes a proof of the harmlessness or even usefulness of that illness. Both errors reflect essentially the wish being the father to the thought. The former, however, stems from insufficient appreciation of the obstacles barring the road to socialism, and—even if causing sometimes grave political errors—does no irreparable harm to the cause of reason. The latter, on the other hand, results inevitably in surrender to bourgeois ideology, in apologetics for the capitalist system, and in the abandonment of the struggle for a better society.

As long as capitalism lasts, as long as men live under an irrational social order, Marxism can neither be discarded nor refuted. For Marxism is nothing if not a powerful magnifying glass under which the irrationality of the capitalist system protrudes in all of its monstrous forms. Marxism will have outlived itself only when it has reached the end of its historical journey: when the confrontation of reality with reason has become redundant because reality will be governed by reason. Until then it remains the task of Marxian thought to carry on this confrontation under the concrete historical conditions of our time. What this specifically implies is the necessity to comprehend as fully as possible the structure and the mode of functioning of monopoly capitalism—the present variant of the capitalist system. It calls, moreover, for an effort to identify and to analyze that part of society (nationally and internationally) which bears the brunt of the irrationality of monopoly capitalism and which sooner or later will provide the energies for its abolition. As mentioned earlier, it was given only to Lenin to assimilate fully the essence of the Marxian method. In analyzing imperialism and in grasping the crucial role played in it by the awakening of the peoples inhabiting the colonial, dependent, and underdeveloped countries, he brilliantly applied this method to the reality of the twentieth century. The crisis of Marxism will be overcome by further work in that tradition.