

Some Mistakes of Marx

"The evil that men do lives after them." This maxim applies with singular force to the work of Karl Marx. The life of this apostle of socialism, communism, and class war was spent, for the most part, in obscure and sometimes squalid poverty. Marx was unable to make even a humble living as a writer and journalist; he had no other trade or profession. He would probably have had to go on poor relief, in his time less generous in England than it is now, if it had not been for handouts from his disciple and collaborator, Friedrich Engels, who enjoyed the advantage of having a successful capitalist father.

Marx's record of political achievement at the time of his death seemed quite sterile. Because, in a moment of bravado, he renounced Prussian citizenship, he was unable to go to Germany or take any intimate part in the German socialist movement. He played no role in English politics.

To put it mildly, Marx was not a

mellow or lovable character. His habits of excommunicating from the socialist movement everyone who disagreed with him kept his circle of friends very limited.

There is an abundance of historical evidence for Max Eastman's caustic profile of Marx in *Reflections on the Failure of Socialism*:

If he ever performed a generous act, it is not to be found in the record. He was a totally undisciplined, vain, slovenly, and egotistical spoiled child. He was ready at the drop of a hat with spiteful hate. He could be devious, disloyal, snobbish, anti-Semitic, anti-Negro. He was by habit a sponge, an intriguer, a tyrannical bigot who would rather wreck his party than see it succeed under another leader.

But if there were few mourners, literally or figuratively, at the grave of Marx the man, the idea of Marxism, the vision of a world in which the proletariat, oppressed by capitalism, was to become the architect of new millennial order, marched from success to success.

Before World War I Marx was re-

vered as the founding father of the socialist parties which had sprung up in most European countries. Because a Russian genius of revolutionary action, Vladimir Ilyitch Lenin, swallowed Marx's ideas whole without conscious reservation, Marxism became the creed of the new communist regime in Russia.

William Henry Chamberlin (1897–1969) was a frequent contributor to *The Freeman*. Author of the *Russian Revolution* and numerous other books and articles on world affairs, he was uniquely qualified to discuss Marxian errors by having lived and traveled where such mistakes are obvious.

It is especially timely to review what Chamberlin reported more than twenty-five years ago to be some of the mistakes of Marx. This article is reprinted from the May 1956 *Freeman*.

This regime, which has never wavered in its belief that someday its power will encompass the entire world, represents a revolt against all the values of Western civilization, against religion and the moral law, against civil and personal liberties, against the right to own property, which is one of the first and most indispensable of human liberties. After World War II communism, the offspring of Marxist teaching, extended its dominion over

China, over the countries of Eastern Europe, so that today [1956] it has been imposed as a dogmatic faith on more than one third of the population of the world.

And the influence of Marx is by no means restricted to nations under communist rule. The appeal of Marxian ideas to European socialists, to the half-baked intellectuals of newly emancipated countries in Asia has been considerable. And, although the number of persons who can honestly claim to have read through with comprehension the dry and abstruse *Capital* must be small, the simplified version of Marxist theory presented in *The Communist Manifesto* and elsewhere possesses strong psychological appeal.

Marx Sets the Proletariat Against the Bourgeoisie

Marx professed to know all the answers, to offer a complete explanation of human activity on the basis of historic materialism. In the Marxian scheme there is a hero, the proletariat, a villain, the bourgeoisie; and the hero is represented as a certain ultimate winner. There is a vision of revolutionary victory that will transform the conditions of human existence and usher in a millennium, of the nature of which, to be sure, Marx offers few and vague hints. To trusting minds which accept Marx's premises and assumptions without question there comes

an intoxicating sense of being in step with history, of professing a creed that is based on infallible science.

But it is just this myth of infallibility that is the Achilles' Heel of Marx as a thinker, of Marxism as a system. An examination of the works of Marx and his collaborator Engels reveals ten big mistakes, of which some are so fundamental that they completely discredit, as a preview of the future, the whole superstructure of faith in capitalist misery and doom, and socialist prosperity and triumph, which Marx laboriously reared on a foundation of Hegelian metaphysics and minute research in government reports on the seamy sides of early British capitalism. These mistakes are as follows:

(1) *The doom of capitalism is assured because under its operation the rich will become richer and fewer; the poor will become poorer and more numerous.* To quote one of the more striking rhetorical passages in *Capital*:

While there is a progressive diminution in the number of the capitalist magnates, there occurs a corresponding increase in the mass of poverty, oppression, enslavement, degeneration and exploitation. But at the same time there is a steady intensification of the wrath of the working class—a class which grows ever more numerous and is disciplined, unified and organized by the very mechanism of the capitalist method of produc-

tion. Capitalist monopoly becomes a fetter upon the method of production which has flourished with it and under it. The centralization of the means of production and the socialization of labor reach a point where they prove incompatible with their capitalist husk. This bursts asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

These are resounding words, but utterly empty words, in view of the fact that social and economic development in capitalist countries has proceeded along a precisely opposite direction from the one predicted by Marx. What was in Marx's time a social pyramid has become more like a cube. The capitalist system has brought to the working class not increasing "oppression, enslavement, degeneration and exploitation," but an increasing share of new inventions and comforts that did not even exist for the wealthy a hundred years ago: automobiles, radios, television sets, washing machines, as well as money in the bank, stocks, and bonds.

(2) *Socialism can only come about when capitalism has exhausted its possibilities of development.* Or, as Marx puts it in his *Critique of Political Economy*:

No form of society declines before it has developed all the forces of production in accordance with its own stage of development.

But, of the three countries which,

according to Marx, were ripest for the transition to socialism, as most industrially developed, the United States is still, by and large, the freest economically.

The larger free part of Germany, after the terrific shock of the war, has achieved a remarkable recovery by shedding Nazi and Allied controls and resorting to old-fashioned individualistic incentives. Great Britain has settled for a kind of socialistic New Deal, without violence or outright expropriation and well short of Marx's "dictatorship of the proletariat."

On the other hand, the countries where violent revolutions were carried out in the name of Marx, the Soviet Union and China, were, on Marx's own theory, completely unripe for socialism. Capitalism was in a fairly early stage of development in Russia. Much of China lived in precapitalist conditions. Experience has shown that, in precise contradiction of Marxist dogma, capitalism is harder to overthrow as it strikes deeper roots and shows what it can accomplish. A plausible case can be made out for the proposition that, although political and economic change would have come to Russia, there would have been no communist revolution if World War I had been avoided and Stolypin's policy of breaking up the old peasant communes and giving the peasant more sense of individual prop-

erty had developed long enough to yield results.

(3) *The "dictatorship of the proletariat" is a just and feasible form of government.* This is based on two false assumptions: that the "proletariat," or industrial working class, has some kind of divine right to rule and that governing power can be directly exercised by this group of the population. Both are wrong. Marx never clearly explained why the proletariat, for which he foresaw increasing poverty and degradation, would be qualified to rule. And Soviet experience and Red Chinese experience offer the clearest proofs that dictatorships of the proletariat, in theory, become ruthless dictatorship over the proletariat, in practice. Absolute power in communist states is exercised not by workers in factories, but by bureaucrats, of whom some have never done any manual work; others have long ceased to do any.

(4) *Under socialism the state will "wither away."* This grows out of Marx's belief that the state is an instrument for the suppression of one class by another. In the classless society of socialism, therefore, there will be no need for the state.

Events have played havoc with this theory. Nowhere is the state more powerful, more arbitrary, more of a universal policeman, snooper,

and interventionist than in the Soviet Union. Yet it is here that the new regime has abolished private property in means of production, thereby, according to Marx, inaugurating a classless society. One is left to choose between two alternative conclusions. Either the Marxist theory of the state as an instrument of class rule is a humbug or the kind of class rule that prevails in the Soviet Union must be uncommonly crude and ruthless.

(5) *Capitalism (in the nineteenth century) has exhausted its productive possibilities.* This flat statement is made by Marx's *alter ego*, Engels, in his *Anti-Dühring*, written before the internal-combustion engine, X-rays, aviation, synthetic chemistry, and a host of other enormously important additions to the productive process, brought into existence by the stimulus of capitalism.

(6) *All ideas, all forms of intellectual and artistic expression are a mere reflection of the material interests of the class in power.* This conception is expressed repeatedly in Marx's writings, notably in *German Ideology*, where he writes: "The class which has the dominant material power in society is at the same time the dominant spiritual power. . . . The dominant ideas are nothing but the ideal expression of material conditions." One of the few wisecracks as-

sociated with the name of Marx is that the Church of England would rather give up all its Thirty-Nine Articles of Faith than one thirty-ninth of its possessions.

The historical record shows that this interpretation of human conduct is crudely one-sided and inaccurate. Men die far more often for ideas than for material interests. The communist victory in Russia was not due to the fact that material conditions for the masses became better after the Bolshevik Revolution. This was emphatically not the case. What did happen was that the organized, disciplined, communist minority acquired an iron grip on the masses by its double weapon of propaganda and terror, kept passions of class hatred and class envy at the boiling point, whipped laggards into line by ruthless regimentation, and thereby preserved their regime through years of civil war and famine. Sometimes the materialistic interpretation of history becomes sheer absurdity, as in the case of a Moscow musical announcer, whom I once heard offer the following bit:

We will now hear Glinka's overture, "Ruslan and Ludmilla." This is a cheerful, buoyant piece of work, because when it was written Russian trade capitalism was expanding and conquering markets in the Near East.

It would seem that, in order to carry any semblance of plausibility,

this should have been accompanied by proof that Glinka owned stock in the expanding companies—a highly improbable contingency, if one considers the economic status of Russian musicians.

(7) *Production depends on class antagonism.* To quote Marx, in *The Poverty of Philosophy*:

From the very moment in which civilization begins, production begins to be based on the antagonism of orders, of states, of classes, and finally on the antagonism between capital and labor. No antagonism, no progress. This is the law which civilization has followed down to our own day.

Like many of Marx's "laws," this is a mere unsupported assertion of a pedantic dogma. No proof is adduced. The greatest human constructive achievements, the cathedrals of the Middle Ages, the great dams and skyscrapers of modern times, are the fruit of cooperation, not of antagonism.

(8) *Nationalism is a negligible force.* Marx and Engels lived in an age of rising national consciousness. Conflicting nationalism was the strongest force that let loose World War I. Yet in all their writings the attitude toward nationalism is one of contemptuous deprecation. As Isaiah Berlin, a fairly sympathetic biographer, writes (*Karl Marx*, p. 188):

He consistently underestimated the force of rising nationalism; his hatred of all separatism, as of all institutions founded on some purely traditional or emotional basis, blinded him to their actual influence.

(9) *War is a product of capitalism.* This idea has found some acceptance outside the ranks of the Marxist faithful. The temptation to seek an oversimplified scapegoat for war is strong. But while, theoretically, such Marxian motives as struggle for trade, colonies and commercial spheres of influence, might lead to war, there is no serious historical evidence that any major conflict was ever touched off by such considerations. There were differences of economic interest between the industrializing North and the mainly agricultural South before the Civil War. But these could easily have been compromised. What made the fratricidal conflict "irrepressible," in Seward's phrase, were the two big political and moral issues: secession and slavery.

World War I was purely political in origin. There was the clash between Slav nationalism and Austro-Hungarian desire to hold together a multinational empire. A system of tight and almost automatic alliances turned what might have been an Austrian punitive expedition against Serbia into a general war.

World War II was the handiwork

not of any magnates of capitalism, but of a plebeian dictator, Adolf Hitler, pursuing aspirations of conquest and military glory that far antedate the modern capitalist system. The three countries that were best prepared for war were the communist dictatorship in the Soviet Union, the Nazi dictatorship in Germany, the authoritarian military regime in Japan. Capitalism makes for free trade, free markets, limited governmental power, and peace. And the principal war threat today comes from the expansionist urge of communist imperialism.


(10) *The worker is cheated because the employer, instead of paying him the full value of his work, holds out on him profit, interest, and rent.* Or, as Marx himself states his theory of “surplus value” (*Capital*, Modern Library edition, p. 585):

All surplus value, whatever particular form (profit, interest, or rent) it may subsequently crystalize into, is in substance the materialization of unpaid labor. The secret of the self-expansion of capital resolves itself into having the disposal of a definite quantity of other people’s unpaid labor.

It requires little reflection or research to realize that “surplus value,” like many other Marxian catch phrases, is a myth. How, under any economic system—capitalist, fascist, socialist, communist—could industry expand and provide more

goods and more jobs for more people if capital were not withheld from immediate payment to finance future construction? Perhaps the best refutation of Marx’s rabble-rousing myth that surplus value is a peculiar dirty trick of capitalists, practiced against workers, is that the extraction of what might be called surplus value is practiced on a gigantic scale in the Soviet Union through the medium of a sales or turnover tax that often exceeds 100 per cent.

A Classic Failure

It is amazing that, with such a demonstrable record of failure to understand either the world in which he was living or the direction in which that world was going, Marx should be hailed as an unerring prophet. The truth is that there is nothing remotely scientific about Marx’s socialism. He started with a set of dogmatic a priori assumptions and then scratched around in the British Museum for facts that would seem to bear out these assumptions. Like the Emperor in the fairy tale, Marxism, for all its ponderous appearances, really has no clothes on when examined in light of realities, in Marx’s time and in our own. His supposedly infallible system of interpreting history and life is riddled with mistakes, of which the foregoing ten are only the most obvious and the most glaring. 

Enterprise Zones

THE IDEA of establishing Enterprise Zones, small free trade enclaves with special tax concessions, in the slum areas of our decaying central cities, was brought to America by a British economist, Stuart M. Butler, who works for the Heritage Foundation in Washington, D.C. In a generous foreword to his book on the subject, *Enterprise Zones: Greenlining the Inner Cities* (Universe Books, 381 Park Ave. South, New York, NY 10016, 175 pp., \$12.95), Mr. Butler credits the concept to the collaborative thinking of Professor Peter Hall, a former President of the socialist Fabian Society, and Sir Geoffrey Howe, a Conservative Member of Parliament.

For a Fabian "planner" to take part in advocating the creation of miniature Hong Kongs and Singa-

pores in British cities that are more or less dominated by interventionist trade unions may seem passing strange. The British Trades Union Congress doesn't like Professor Hall's defection at all—it has predicted that "rogue employers" would capitalize on special tax concessions in Glasgow, Liverpool, Manchester and the Isle of Dogs docking area in London to reproduce Hong Kong's "horrors." But Hall is willing to take a calculated risk: "unorthodox ideas," he says, are sometimes called for. As for Sir Geoffrey Howe, the Conservative, he doesn't regard the Enterprise Zone idea as any risk at all.

Stuart Butler, while he remains fearful that the British will mess up a good idea, thinks the Enterprise Zone is just the thing for America. He has a thorough grasp of what has