Marx’s name for the power of human labor to create value is **variable capital**. His name for machinery, buildings, and raw materials is **constant capital**. According to Marx, cutthroat competition between the bourgeoisie will convince them that their businesses will prosper if they replace workers with labor-saving devices. What initially appears as good business sense will eventually backfire because, as he maintains, only human labor can produce value. In Marxian terms, any increase in the proportion of constant to variable capital will result in less profit, not more. He further predicts that as competition continues to grow, more firms will fail, more monopolies will arise, and more former owners will become part of the proletariat.

As the number of workers increases, but the number of jobs decreases (because they have been replaced by machines), Marx maintains, wages will follow the law of supply and demand and continue to fall. People no longer are making enough money even to subsist. Under these truly miserable conditions, the proletariat will have no choice but to organize and rebel. Victory will be insured by the force of their numbers and the level of their desperation. And because capitalist monopolies previously had centralized ownership of the means of production, Marx argues, the proletariat will find it relatively easy to transfer economic ownership, and the political power that always accompanies it, from private to public hands.

**MARXISM AFTER 1883**

**MARXISM–LENINISM**

In the late 19th century Marxism spread to Russia, where bourgeois intellectuals used its theories to defend the peasants against their feudal overlords. Marx had argued that the dialectic proceeds according to a historically sequential pattern that requires capitalism to exist, a proletarian revolution to overthrow it, and a dictatorship of the proletariat to intervene before advanced communism could come into existence. Russian Marxists faced a problem: Their country had not yet progressed past feudalism to a full-blown capitalist economy. It remained for V.I. Lenin (1870–1924) to offer a solution to this apparent paradox—a solution that later would serve as the theoretical foundation for the successful Russian Revolution of 1917. Influenced by his comrade in arms Leon Trotsky (1877–1940), Lenin taught that it was possible for certain societies to skip the capitalist stage on their march toward advanced communism. These societies, he believed, could experience capitalism “vicariously.”

But what about the proletariat? Lenin maintained that the peasantry could substitute for the proletariat under certain circumstances. Their discontent, he claimed, also could be utilized to make advanced communism possible.

Another significant revision that Lenin contributed to orthodox Marxist doctrine was his theory of the Communist (formerly Bolshevik) Party as the **vanguard of the proletariat**. Marx had postulated that a transition period, known as the dictatorship of the proletariat, would be necessary between the fall of capitalism and the achievement of communism.
As soon as this process of transformation has sufficiently decomposed the old society from top to bottom, as soon as the laborers are turned into proletarians, their means of labor into capital, as soon as the capitalist mode of production stands on its own feet, then the further socialization of labor and further transformation of the land and other means of production into socially exploited and, therefore, common means of production, as well as the further expropriation of private proprietors, takes a new form. That which is now to be expropriated is no longer the laborer working for himself, but the capitalist exploiting many laborers. This expropriation is accomplished by the action of the immanent laws of capitalist production itself, by the centralization of capital. One capitalist always kills many, and in hand with this centralization also the expropriation of many capitalists by a few, develop on an ever-extending scale, the cooperative form of the labor process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labor into instruments only usable in common, the economizing of all means of production by their use as the means of production of combined, socialized labor, the entanglement of all peoples in the net of the world market, and with this, the international character of the capitalistic regime. Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working class, a class always increasing in numbers, and disciplined, organized by the very mechanism of the process of capitalist production. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated. (437–438)

of advanced communism, during which power would be wrested violently from the hands of the bourgeoisie. On the specifics of just what this transition period would entail, however, Marx was vague. Lenin added the detail that it would involve a dictatorship of the Communist Party over the activities of the peasants and the proletariat in addition to the bourgeoisie. Without the stern intervention of the party’s professional revolutionaries, he warned, the peasants and proletariat would impede dialectical progress by adopting a “trade union mentality”—that is, by accepting hastily only moderate reforms to their lifestyles instead of waiting patiently for the full equality that history had in store for them.

Lenin thus envisioned the Communist Party as having to forcefully impose a revolutionary consciousness on the Russian people. To execute this role, he argued, it would be necessary for the party to assume the form of a totalitarian government that would be intolerant of dissent and unafraid to utilize methods of terror and

QUESTIONS FOR REFLECTION

Do you agree with Marx that only human labor, and not machines, can produce economic value?
propaganda to enforce its decisions. “We are not Utopians, we do not indulge in ‘dreams’ of how best to do away immediately with all administration, with all subordination,” Lenin wrote in his *State and Revolution*, published in 1917; “these Anarchist dreams, based upon a lack of understanding of the task of proletarian dictatorship, are basically foreign to Marxism, and, as a matter of fact, they serve to put off the Socialist revolution until human nature is different. No, we want the Socialist revolution with human nature as it is now, with human nature that cannot do without subordination, control, and ‘managers’” (Lenin 1943, 42–43).

When did Lenin think totalitarian oppression would come to an end? Not until the Russian people could “grow accustomed to observing the elementary conditions of social existence without force and without subjection,” he responded (68). How long would it take the people to make such radical adjustments in their behavior? To that crucial question of dictatorship, Lenin, like Marx before him, had no ready answer. As it turned out, their mutual reluctance or inability to provide specific details about this period proved much more ominous in the case of Lenin. Indeed, only after taking control of the Soviet Union in 1917, he began initiating the kind of dictatorial control that Marx may have hinted at but that Lenin's thought explicitly endorsed. Among the first institutions he established, indeed, was a secret police force, the infamous Cheka, which brutalized any Russian who dared challenge him.


With the realization of complete equality on earth at stake, these tyrants maintained, no price was too high for citizens to pay. No loss of careers, property, or lives was too great. Translating Marx’s theoretical dictatorship of the proletariat into a practical mechanism for radical change, they claimed the right to bring about the transition from capitalism to advanced communism by any means at their disposal—no matter how cruel and inhumane.

**HERBERT MARCUSE**

One of Marx’s most original late 20th-century interpreters was Herbert Marcuse (1898–1979), a German intellectual who immigrated to the United States to escape Nazi persecution. After working for the U.S. Office of Strategic Services (the forerunner of the CIA) during World War II, he taught political philosophy at a number of universities, including Columbia, Harvard, Brandeis, and the University of California–San Diego.

Marcuse tried to imagine what life would be like for human beings once they were liberated from the alienation that, according to Marx, keeps them from realizing their true potential. Among the benefits he envisions are that humans will participate in authentically creative labor, derive satisfaction from a dynamic culture prepared to defy convention, and enjoy sex without feeling guilty about it. The problem, from Marcuse’s perspective, is that workers have become addicted to the material rewards conferred upon them by contemporary industrial society. They have been bought out...
abolition of child labor. In fact Marx is wrong. He clearly underestimates the ability of noncommunist societies to reform themselves. During the administration of Woodrow Wilson, for example, the United States provided for a graduated income tax with the passage of the Sixteenth Amendment to its Constitution in 1913. Under the leadership of Alexander Hamilton, this country chartered its first national bank in 1791 and set into motion what today is known as the Federal Reserve System. In 1827 Massachusetts, influenced by the reformer Horace Mann, passed a law requiring every town in the state with over 500 families to set up a public high school. Other states soon followed the Massachusetts example. And in 1941, during the administration of Franklin Roosevelt, Congress outlawed child labor.

CASE STUDY 12.2 NEW ORLEANS

Marx speaks clearly and forcefully to the plight of the multitudes who have been dispossessed by capitalism through the ages. Especially when it is combined with a laissez-faire Social Darwinistic political philosophy, capitalism can be a heartless system in which intense competition sometimes leads to the law of the jungle. After Hurricane Katrina, tens of thousands of people were stranded without food, water, bathroom facilities, or police protection in the New Orleans Superdome and the New Orleans Convention Center. The local, state, and federal governments did not seem to care about these poor souls. This desperate situation in New Orleans is a testament to the fact that capitalism sometimes can combine with other cultural factors to create a society with a survival of the fittest mentality.

Because a majority of the people displaced by Katrina in New Orleans were African-Americans, the accusation has been made that race was the primary cause of the fiasco the media was so quick to blame. If one could help those left stranded in the Superdome and Convention Center, it has been said, because the United States is a racist country. For authorities to issue a mandatory evacuation order without considering that poor African-Americans lacked access to transportation out of the city, this argument goes, demonstrates an utter lack of concern for their welfare.

Marx would disagree. The primary cause of the misfortune suffered by those abandoned in New Orleans by every level of American government, he would maintain, is the capitalist system itself. As he explains, the bourgeoisie actually encourage workers to play the race card. This strategy allows them to divide the proletariat from within on the basis of color. In this process the power of the workers as a group is diluted, their attention is diverted from their true problems, and the identity of their real enemies is concealed.

Exorbitant no-bid contracts have been awarded to giant multinational corporations to hire foreign laborers at minimum wages to clean up New Orleans. Marx would offer this information as additional proof that government in capitalist societies exists to make it possible for monied interests to profit from the misery of the poor. The hollow looks captured by the news media on the faces of those encamped in the Superdome and Convention Center were simply not only of physical distress, Marx would observe, but of an undeniable feeling of powerlessness exacerbated by exploitative capitalist labor. And the suffering of the victims was the result of either the surplus value stolen from them by their employers or their jobs being taken over by machines.

This is how Marx would explain what happened in New Orleans after Hurricane Katrina. While others blame the misery experienced in Louisiana, Mississippi, and Alabama on racism, Marx would focus on the injustices done to the proletariat by the bourgeoisie. What others may see as a race problem, Marx would see as a matter of class. It was not their skin color that caused government to ignore the plight of African-Americans, but their economic status. Impoverished African-American residents of New Orleans were exploited by the capitalist system after Katrina in the same way that workers of every color are exploited everyday. But not for long, Marx would argue. As soon as capitalism is overthrown by the proletarian revolution, all forms of exploitation and inequality will disappear.