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The Enduring Legacy of Karl Marx

Most Potent Weapon for Human Liberation

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Today, marks the beginning of Karl Marx's birth bi-centenary year. This is, indeed, a remarkable period. 2017-18 also marks the centenary of the October Revolution and the 150th anniversary of the publication of *Das Kapital*. These, put together, have irreversibly changed the contours of human civilisational progress. More important is the fact that they continue to do so in today's conditions. Many a popular people's struggle, the world over, against exploitation, growing misery and trampling of human dignity are inspired by the Marxist philosophy and its revolutionary emancipatory potential. The sale of *Das Kapital* and Marxist literature has sharply increased in the background of the current global crisis of capitalism that began with the financial meltdown in 2008. This crisis continues today imposing a ferocious intensification of exploitation of the vast majority of the working people in the world. Popular protests are increasingly coming to the conclusion that this crisis is not due to faults within the capitalist system but due to the faulty system itself. Capitalism can never be either exploitation-free, or, crisis-free. Liberation from this exploitation can only come by a political alternative to capitalism – socialism. The weapon to achieve this, in the hands of the people, is Marxism. The current world conjuncture reaffirms, once again, what Lenin said about Marxism:

“The irresistible attraction of this theory, which draws to itself the socialists of all countries lies precisely in the fact that it combines the quality of being strictly and supremely scientific (being the last word in social sciences) with that of being

revolutionary. It does not combine them accidentally and not only because the founder of the doctrine combined in his own person the qualities of a scientist and a revolutionary, but does so intrinsically and inseparably”.

As Marx himself had once said, “Philosophers have only interpreted the world in various ways: The point is to change it.” Marxism remains the most potent weapon to change and create a better world.

“Greatest Living Thinker”

Frederick Engels, in his graveside speech, on Marx’s burial says, “The greatest living thinker ceased to think” – why does he say this? Not only because they were dear friends and lifelong comrade-in-arms. But because

“Marx discovered the law of development of human history: the simple fact, hitherto concealed by an overgrowth of ideology, that mankind must first of all eat, drink, have shelter and clothing, before it can pursue politics, science, art, religion, etc.; that therefore the production of the immediate material means of subsistence and consequently the degree of economic development attained by a given people or during a given epoch form the foundation upon which the state institutions, the legal conceptions, art, and even the ideas on religion, of the people concerned have been evolved, and in the light of which they must, therefore, be explained, instead of *vice versa*, as had hitherto been the case.

But that is not all. Marx also discovered the special law of motion governing the present-day capitalist mode of production and the bourgeois society that this mode of production has created. The discovery of surplus value suddenly threw light on the problem, in trying to solve which all previous investigations, of both bourgeois economists and socialist critics, had been groping in the dark.

Two such discoveries would be enough for one lifetime. Happy the man to whom it is granted to make even one such I discovery. But in every single field which Marx investigated -- and he investigated very many fields, none of them superficially -- in every field, even in that of mathematics, he made independent discoveries.

Such was the man of science.”

Dialectical Materialism

Dialectics remains the foundation of modern philosophy. “The concrete analysis of concrete conditions is the living essence of dialectics”, Lenin had once said. German philosophy developed modern dialectics, Hegel being its tallest proponent. Karl Marx always claimed, of course with his self-effacing modesty, that all he did was to make Hegel stand on his feet instead of him remaining on his head!

Marx, in his youth in Germany, disagreed with Feuerbach and a small band of youth that the latter had led in philosophical discussions on how complete and comprehensive human emancipation could be achieved. The ‘Young Hegelians’, as this group was known, were arguing that human liberation was possible only when you liberate human consciousness or the mind, particularly from the influence of religion. Disagreeing with this, since he felt that such an understanding is incomplete, hence incapable of realising the complete emancipation of the human being (which remained his life long quest), Marx writes in *A Contribution to the Critique of Political Economy*: “The first work which I undertook to dispel the doubts assailing me was a critical re-examination of the Hegelian philosophy of law; the introduction to this work being published in the *Deutsch-Französische Jahrbucher* issued in Paris in 1844. My inquiry led me to the conclusion that neither legal relations nor political forms could be comprehended whether by themselves or on the basis of a so-called general development of the human mind (which was the Hegelian conclusion), but that on the contrary they originate in the material conditions of life, the totality of which Hegel, following the example of English and French thinkers of the eighteenth century, embraces within the term “civil society”; that the anatomy of this civil society, however, has to be sought in political economy..... (This led him to the study of ‘modern society’ – capitalism – resulting in his *magnum opus Das Kapital*.) The general conclusion at which I arrived and which, once reached, became the guiding principle of my studies can be summarized as follows: In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and

intellectual life. It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness.”

Along with Engels, Marx further develops this reasoning, later, in *German ideology*: “In direct contrast to German philosophy which descends from heaven to earth, here it is a matter of ascending from earth to heaven. That is to say, not of setting out from what men say, imagine, conceive, nor from men as narrated, thought of, imagined, conceived, in order to arrive at men in the flesh; but of setting out from real, active men, and on the basis of their real life-process demonstrating the development of the ideological reflexes and echoes of this life-process. The phantoms formed in the brains of men are also, necessarily, sublimates of their material life-process, which is empirically verifiable and bound to material premises. Morality, religion, metaphysics, and all the rest of ideology as well as the forms of consciousness corresponding to these, thus no longer retain the semblance of independence. They have no history, no development; but men, developing their material production and their material intercourse, alter, along with this their actual world, also their thinking and the products of their thinking. It is not consciousness that determines life, but life that determines consciousness. For the first manner of approach the starting-point is consciousness taken as the living individual; for the second manner of approach, which conforms to real life, it is the real living individuals themselves, and consciousness is considered solely as *their* consciousness”.

Marx, thus, not only turned Hegel whose philosophy, according to him, was standing on its head, to stand on its feet but also similarly turned around the influential French philosopher, Decartes, who famously stated: “I think, therefore, I am”. Marx showed that reality is the other way around: “I am, therefore, I think.”

It is the pursuit of what constitutes the basis for the complete emancipation and liberation of the human being that led Marx to move to Paris in 1843 to study the “anatomy of civil society”. The period 1843-45 is, in fact, a watershed in the evolution of the Marxist world outlook. Marx makes a transition at various levels in formulating and articulating the Marxist world outlook. In doing so, Marx moves from revolutionary democracy to proletariat revolution, from Hegelian influence to historical materialism and from philosophy to political economy.

Marx’s study here results in the famous economic and philosophical manuscripts of 1844 where he anticipates what he has to say in the contribution to the critique of political economy which he develops much later, of course, in the *Capital*. By

1848, Marx together with Engels, gives a concrete expression of the revolutionary philosophy in the Communist Manifesto. All of his subsequent work, the work of later Marxists, goes to substantiate and enrich the formulations made in the Manifesto.

The quest for establishing the basis for comprehensive human emancipation and liberation, by the very nature of its objective, led to the Marxist worldview embracing all facets of human existence, to encompass in a sense the totality of life – the human essence. As Marx says in *Economic and Philosophic Manuscripts*: “If man’s *feelings*, passions, etc., are not merely anthropological phenomena in the [narrower or limited] sense, but truly *ontological* affirmations of essential being (of nature), and if they are only really affirmed because their *object* exists for them as an object of *sense*, then it is clear:

“That they have by no means merely one mode of affirmation, but rather that the distinctive character of their existence, of their life, is constituted by the distinctive mode of their affirmation. In what manner the object exists for them, is the characteristic mode of their *gratification*.”

Multiple modes of such gratification find expression in sensuous affirmation, feelings, behaviour, enjoyment etc. The totality of such affirmations, i.e., the totality of human gratification finds expression in all form of artistic and creative activity, the totality of which, in turn, constitute what we can call as ‘culture’.

But such culture, at any point of time as we have seen, is based on the material conditions of existence. “Production not only provides the material to satisfy a need, but it also provides the need for the material. When consumption emerges from its original primitive crudeness and immediacy – and its remaining in that state would be due to the fact that production was still primitively crude – then it is itself as a desire brought about by the object. The need felt for the object is induced by the perception of the object. An *objet d’art* creates a public that has artistic taste and is able to enjoy beauty – and the same can be said of any other product. Production accordingly produces not only an object for the subject, but also a subject for the object”. [Karl Marx, “Introduction” to *Economic Manuscripts* of 1857-58]

Historical materialism, without which Political Economy cannot be understood, shows that the development of human civilisation is based on the constant

interaction between humans and nature; the appropriation of nature by humans, i.e., the human-nature dialectic. In other words, it is the production by humans of their material life. As Marx and Engels say in *German ideology*, “As individuals express their life, so they are. What they are coincides with their production. Both with what they produce and how they produce. Hence what individuals are depends upon material conditions of production”. Marx further proceeds to show that production is always social production. In the process of appropriation of nature, man interposes between him and nature, tools, which are the means of production; technology. This process however, is always taking place in a specific social context defining the social relations amongst human beings and releasing a specific expression of creativity and imagination shaping the culture of that time.

In this process of human-nature dialectic, while transforming and learning the laws of nature, human beings themselves undergo changes. Developing greater mastery over nature, humans continuously interpose more tools, higher techniques. This leads to the constant development of the social productive forces. The social productive forces and the relations of production together constitute the mode of production. This is the base upon which the superstructures of a specific social formation arises.

With the constant development of the productive forces, situations arise in modes of production where the social relations of production tend to constrain the future developments of productive forces. A situation of collusion, the intensification of the class struggle – a revolutionary situation – eventually leading to the destruction of the existing social relations and the creation of a new society as Marx says in his introduction to a critique of political economy. However, at all such times of collusion and crisis, a revolution does not necessarily follow. As we shall discuss later, capitalism overcomes crisis by periodically destroying a certain part of the productive forces. The decisive factor under such situations, which determines whether the moment of collusion can be converted into a revolution is the intensity of the class struggle, the conscious organised preparedness of that class – proletariat in capitalism – which is capable of overthrowing the existing social order and on its basis creating a new and higher social order. It is necessary to keep this in mind to avoid falling prey to a mechanical and deterministic interpretation of historical materialism.

An important conclusion emerging out of this is the fact that men enter into relations independent of their free will and consciousness. Unlike Rousseau and

his “social contract” where he argues that men consciously enter into contracts with each other, Marx demonstrates through historical materialism the contrary. Once these relationships are shown to be independent of human consciousness, then they become objects of analysis, there are some laws governing them. These laws can be intrinsically studied. In the hands of Marx and Marxists, the study of these objective laws – i.e., history – becomes a science.

However, lest Marx and he be misunderstood and their philosophy is interpreted in a narrow economic deterministic sense, Engels says: “According to the materialist conception of history, the *ultimately* determining factor in history is the production and reproduction of real life. Neither Marx nor I have ever asserted more than this. Hence if somebody twists this into saying that the economic factor is the *only* determining one, he transforms that proposition into a meaningless, abstract, absurd phrase. The economic situation is the basis, but the various elements of the superstructure – political forms of the class struggle and its results, such as Constitutions established by the victorious class after a successful battle, etc., juridical forms, and especially the reflections of all these real struggles in the brains of the participants, political, legal, philosophical theories, religious views and their further development into systems of dogmas – also exercise their influence upon the course of the historical struggles and in many cases determine their *form* in particular. There is an interaction of all these elements in which, amid all the endless host of accidents (that is, of things and events whose inner interconnection is so remote or so impossible of proof that we can regard it as non-existent and neglect it), the economic movement is finally bound to assert itself.” [Engels to Joseph Bloch, September 21-22, 1890]

Political Economy: The Anatomy of Civil Society

It would be impossible to deal with the entire wealth of Marx’s analysis. Let us consider some essential features.

Political economy is a historical science. It is the study of laws governing the production and distribution in different historical epochs. There is therefore, the political economy of slavery, feudalism etc etc.

Engels defines political economy in *Anti-Duhring* in the following manner: “Political Economy is the science of the laws governing the production and exchange of material means of subsistence in human society. The conditions under

which men produce and exchange vary from country to country and within one country from generation to generation. Political economy therefore cannot be the same for all countries or for all historical epochs..... Political economy, therefore, is essentially a historical science. It deals with material which is historical, that is constantly changingAt the same time, it goes without saying that the laws that are valid for a definite mode of production and forms of exchange hold good for all historical periods in which these modes of production and forms of exchange prevail.”

Engels is here warning against common deviations of the empiricist variety. First, the argument advanced by many bourgeois economists that every period has its own political economy. Every mode of production has laws that are valid for the entire historical period where this mode of production and forces of exchange are valid. This does not mean that different periods within a mode of production have their own political economy, e.g., There is no different political economy of the Nehru period, Indira Gandhi period, the Janata or the present Modi period. The different economic policies or strategies pursued in each period are responses to building a capitalist path of development in the background of the intensifying crisis of international capitalism. But the laws governing production and exchange remain the same throughout.

On the other hand, there has also been a tendency to fit every country at any one point of time into one or the other known modes of production. This is done without conducting a proper study of the concrete conditions obtaining at a specific point of time. “Political economy is a historical science”. There are countries where capitalism is super-imposed on feudal formations. Take our country for example, the attempt of the Indian bourgeoisie to build capitalism without eliminating vestiges of feudalism – compromising with feudal elements and sharing state power with the landlords. The laws governing production and distribution in such a situation have to be understood on the basis of a concrete study. Political economy is not a mechanical characterisation of countries into different modes of production. Political economy, in fact Marxism, is a science, which as Lenin said must be based on a “concrete analysis of concrete conditions”.

To study any country we have to apply Marx, his discovery of the laws governing capitalist mode of production. Engels while defining political economy in Anti-Duhring gives us the example of metallic coins. The introduction of metallic currency set into motion certain laws that remain valid so long as metallic currency

remains the medium of exchange. Take another example – commodity production. Marx’s analysis shows that commodity production leads to a differentiation amongst commodity producers. This holds true everywhere and at every point of time when commodity production existed. This holds true today in India, today in Britain. This held true in 19th century Indian agriculture. This is a law. Therefore, the laws derived by Marx have to be applied to a concrete situation and concretely studied.

To summarise so far: Marxist political economy is an integral part of the Marxist world outlook and revolutionary philosophy. Political economy can be properly understood only in the context of historical materialism. Political economy is a historical science that changes from “country to country and from generation to generation”, but, the laws that are valid for a mode of production continue to remain valid so long as this mode of production and forms of exchange prevail. The specific conditions obtaining in any country at any point of time can be understood only by applying these laws through a “concrete analysis of concrete conditions”.

Capitalism

A lot of work still remains to be done on the political economy of other modes of production like slavery, feudalism etc. Marx’s analysis was confined to discovery of what he said as, “laws of motion of modern society”. By “modern society” he meant capitalism.

Marx set out to study the intriguing character of the commodity. Capitalist production is, of course, commodity production. A commodity has both a use value and an exchange value. Use value – product – was produced at all times. But a commodity has an exchange value also, in the sense that it can be bought and sold in the market. Different commodities then become commensurable in the sense that they can be bought and sold against each other. That which makes them commensurable is the amount of labour that has gone into its production.

Under capitalism, Marx’s analysis shows that, there is a pervasive duality in all aspects. A commodity has both a use value and exchange value. Concrete labour that goes into the production of a commodity and at the same time there is the abstract labour. Abstract in the sense that since commodities are commensurable, the labour that has gone into its production is also commensurable. There is

surplus product which is there in all economic formations but under capitalism there is surplus value. Labour process that is there in all production earlier but under capitalism there is the value creating labour process. In other words, there is a nature of production that is common to all previous economic formations and there is another that is specific to capitalism. But then, why this specificity? Marx concludes that the relations of production obtaining under capitalism gives the nature of production a specific form. Production is not for immediate use but for sale in the market. Underlying this are the social relations. Marx sets out to study these underlying social relations. Relations that are hidden behind the commodity when it enters the market.

Bourgeois economists continuously maintain that capital is nothing else but the means of production. Marx says no. Why? “In themselves money and commodity are no more capital than the means of production and subsistence. They want transforming into capital. But this transformation itself can take place only under circumstances that centre on this; this that two very different kinds of commodity possessors must come face to face and into contact. On the one hand the owners of money, means of production etc who like to increase their value by buying labour power and on the other the sellers of this labour power.”

Capital in its physical sense, in its chemical sense, is means of production. But means of production in all historical epochs is not capital. It becomes capital only under specific social relations. Social relations where labour power itself becomes a commodity to be bought and sold in the market.

Bulk of Marx’s analysis centers around unearthing these social relations, hidden behind the veil of the commodity. An important discovery he makes is that discovery of surplus value.

Surplus Value

In the market, when commodities are exchanged, a paradoxical situation arises. Superficially commodities exchange on the basis of their equality. There is an apparent equality and democracy. Then how does surplus value emerge?

Bourgeois and petty-bourgeois economists argue that surplus value arises because workers are cheated on the market. Commodities are exchanged not at their values – the amount of labour gone into its production – directly and indirectly – but there

is an unequal exchange and the capitalist exploits the worker at the market place. Marx says no. Surplus value arises not because of cheating. It arises not because of unequal exchange. It arises because there exists one commodity – labour power – which has a peculiar characteristic. That its use itself creates a value that is larger than what it commands on the market, i.e., the labour required for the reproduction of this commodity labour power is less than the value this commodity creates in producing another commodity. Exploitation therefore takes place not in the market but in the production process itself. Surplus value is generated not in the market because the workers are cheated. But in the production process. Exploitation under capitalism is not there because of cheating or unequal exchange, it is not a moral question. Exploitation under capitalism is inherent in its dynamics. Therefore, the overthrow of this system and its exploitation is not to be based on moral grounds alone. If exploitation has to be ended, then the system which exploits the worker in the production process – this production process itself needs to be overthrown.

Capitalism, therefore, is not only a system of commodity production, but a system where labour power itself has become a commodity.

As capitalism is commodity production, the law of differentiation we spoke of earlier holds good for capitalism also. All commodities sell at their value, i.e., the amount of labour directly or indirectly – that has gone into its production under average conditions of production. Those capitalists who operate under conditions better than the average, can do better in the market and those operating in conditions below the average eventually drop out of production. Under conditions of competition between capitalists there is a constant scramble for improving the conditions of production, the techniques of production. But then this requires capital. This leads to the process of accumulation. Differentiation and competition leads to the scramble to constantly improve the techniques which in turn leads to accumulation. A capitalist accumulates not because he likes it. He is not a miser. Under capitalism if he has to survive, he has no other choice than to accumulate. Accumulation is a compulsive and a pervasive characteristic of capitalism. Marx, in fact, recognises a sort of a Darwinian struggle for existence amongst capitalists.

Capitalism, therefore, in an anarchic mode of production. Decisions are taken individually, by individual capitalists, anarchically. No capitalist can afford not to accumulate. He is under a coercion. This is the dynamics of the system that is not amenable to control.

Take for example the great depression of the 1930s. It was what is known as the overproduction crisis. People had less money – purchasing power – with them than the amount of goods in the market. Commodities could not be sold. Capitalists therefore started cutting down the scale of production. This resulted in retrenchment and more unemployment. Which meant that the purchasing power further reduced. This intensified the crisis. If all capitalists could come together, sit across a table and decide that instead of cutting down the scale of production they should increase the purchasing power of the people then they could have solved the problem. But then this is impossible in capitalism. Each capitalist operating individually reacts to the situation and takes decisions, because capitalism is an anarchic mode of production.

Capitalism, therefore, is not only a system of commodity production where labour power itself becomes a commodity, but it is also an anarchic mode of production.

Profit: Capitalism's raison d'être

Capital, says Marx poetically, is dead labour, which vampire like, lives only by sucking living labour. He says in Volume I of *Das Kapital* that “capital comes dripping from head to foot, from every pore with blood and dirt”. Marx, buttresses this with a footnote quoting a working class leader, T. J. Dunning:

“With adequate profit, capital is very bold. A certain 10 per cent will ensure its employment anywhere; 20 per cent will produce eagerness; 50 per cent, positive audacity; 100 per cent will make it ready to trample on all human laws; 300 per cent and there is not a crime at which it will scruple, nor a risk it will run, even to the chance of its owner being hanged. If turbulence and strife will bring a profit, it will freely encourage both.”

It is this pathological drive to maximise profits at any cost, the inherent character of the capitalist system and not the individual greed of some people or weakness of regulatory mechanisms that is the root cause for its inherent crisis.

Crisis

Inherent in commodity production is the possibility of a crisis. Commodities that are produced must be sold. Commodity exchange, as Marx says, “develops a

whole network of social relations spontaneous in their growth and entirely beyond the control of the actors. It is only because the farmer has sold his wheat the weaver can sell his linen” and so on. If in this chain a break occurs and goods are not sold then goods are accumulated. There is a problem of realisation or the realisation crisis. The possibility of crises exists also because of lags in the payment for goods already produced – credit crisis.

This possibility of a crisis inherent in commodity production becomes an inevitability under capitalism. Why? Because, as we noted above, capitalism is an anarchic mode of production. The dynamics of capitalism always pushes the system towards over-production. But then, bourgeois economists would claim that production under capitalism is regulated by the equilibrium between demand and supply. This was not the case in the `30s great depression that we discussed above. This has never been the case. The motive force of capitalism is the drive of the capitalist to earn more and more profit. It is this drive, together with the process of accumulation and centralisation, that constantly expands the level of economic activity. As Marx says, “with the development of capitalist production, the scale of production becomes less and less dependent on the immediate demand for the product and falls more and more under the determining influence of the amount of capital available in the hands of the individual capitalist, of the instinct for the creation of more value inherent in capital, of the need for continuity and expansion of its processes of production”.

This tendency to develop “productive forces absolutely” drives capitalism towards the overproduction crisis like that of the `30s. But then, bourgeois economists argue that increases in the levels of production itself increases employment and therefore the purchasing power and the consumption capacity of the society. Some Marxists (so-called) also argue that Marx himself had once commented that capitalism “produces not only objects for the subject, but also creates subjects for the object”. Hence, increases in the level of production will correspondingly increase the levels of consumption.

There is an important fallacy in this argument which is the following: As we have seen above the drive towards accumulation and centralisation is accompanied by constant improvement in the techniques of production, technology. Growth of technology in other words, means the replacement of men by machinery or living labour by dead labour or variable capital by constant capital. The drive towards increasing the technological levels is inherent in capitalism, as we saw above.

Therefore, increases in the level of production takes place without corresponding increases in the work force and consequent consumption levels. Further, by maintaining a reserve army of labour, the wage rate is kept so low as the level of class struggle will permit, in order to extract the maximum surplus value. Both these factors put together push the system towards an overproduction crisis – which is inevitable. **This inevitability arises from the basic contradiction of capitalism: The social nature of its production and the individual nature of appropriation.**

In this process, another type of crisis appears – the disproportionality arises. To put it simply, under capitalism there are three sectors of production one that produces goods for consumption, another that produces the means of production machinery etc and the third that provides services. These are called the Primary, Secondary and the Tertiary sectors. The consumption goods sector produces goods that are consumed by the workers of that sector, the workers of the other sectors and capitalists of all sectors. With the process of accumulation and technology growth, capital flows more to the machinery sector. The surplus produced in the consumption goods sector must therefore proportionally increase. With the tendency for capital to flow into the machine goods sector and now-a-days, more into the services sectors, a disproportionality occurs.

With the expansion of banks and finance capital, an immense amount of capital even potential capital becomes available to an individual capitalist. This further increases the scales of operation and buttresses the tendency towards an overproduction crisis.

Whatever be the manifestation of the crisis, disproportionality, credit etc, crisis under capitalism is inherent. It is an expression of the collusion between the growth of the productive forces and the social relations under capitalism. A contradiction between production and consumption.

Crisis, in a way, are a forceful solution to the contradictions upon which capitalism is based and which determines its development. By dislocating the forces of production (through depreciation of capital, fall in prices, destruction of commodities and reduction of output) and by limiting production, the crisis, again brings capitalist production, for a brief space, into accord with the narrow foundation of its consumption on which it rests. Capitalism, therefore, emerges out of a crisis, by destroying a part of the productive forces.

To summarise so far: capitalism is a system of commodity production, where labour power itself has become a commodity. It is an anarchic mode of production. Exploitation under capitalism, the generation and appropriation of surplus value takes place in the sphere of production. The dynamics of capitalism leads to a process of accumulation and centralisation of capital. The basic contradiction of the system – social nature of its production and individual nature of appropriation – manifests itself in periodic crisis. These crisis are a manifestation of the collusion between the growth of the productive forces and the restrictions being imposed on it by capitalist social relations. Crises are resolved through the destruction of certain amount of productive forces.

Capitalist Accumulation

We have said earlier that every capitalist is under a coercion to accumulate. This accumulation leads an increase in the scale of production accompanied by technical progress. Over a period of time, those who fail to keep pace with this drop out of the system. Accumulation over time leads to centralisation where there are fewer but bigger capitalists. The small fish is consumed by the big. Accumulation leads to centralisation, a process where there is expropriation of capitalists by capitalists themselves.

Capitalism, which began its building by expropriating the small free producers, grows by appropriating greater and greater amounts of surplus value, grows further by consuming other capitalists. The expropriation of capitalists by capitalists, in sense, anticipates the future expropriation of the expropriator, a higher mode of production – socialism – where there will not be a few capitalists but none whatsoever.

Once capitalist mode of production stands on its feet and proceeds with further socialization of labour and the transformation of all other means of production, including land, for further expropriation of private properties, capitalism acquires a new form. This form, Marx explains in Volume I of Capital:

“That which is now to be expropriated is no longer the labourer working for himself, but the capitalist exploiting many labourers. This expropriation is accomplished by the action of the immanent laws of capitalistic production itself, by the centralisation of capital. One capitalist always kills many. Hand in hand

with this centralisation, or this expropriation of many capitalists by few, develop, on an ever-extending scale, the cooperative form of the labour process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labour into instruments of labour only usable in common, the economising of all means of production by their use as means of production of combined, socialised labour, 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 monopolise 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, united, organised by the very mechanism of the process of capitalist production itself. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralisation of the means of production and socialisation of labour 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.

“The capitalist mode of appropriation, the result of the capitalist mode of production, produces capitalist private property. This is the first negation of individual private property, as founded on the labour of the proprietor. But capitalist production begets, with the inexorability of a law of Nature, its own negation. It is the negation of negation. This does not re-establish private property for the producer, but gives him individual property based on the acquisition of the capitalist era: *i.e.*, on cooperation and the possession in common of the land and of the means of production.

“The transformation of scattered private property, arising from individual labour, into capitalist private property is, naturally, a process, incomparably more protracted, violent, and difficult, than the transformation of capitalistic private property, already practically resting on socialised production, into socialised property. In the former case, we had the expropriation of the mass of the people by a few usurpers; in the latter, we have the expropriation of a few usurpers by the mass of the people.”

The above passage from *Das Kapital* must be read in conjunction with the *Communist Manifesto* where Marx and Engels clearly say: “The essential

condition for the existence, and for the sway of the bourgeois class, is the formation and augmentation of capital; the condition for capital is wage labour. Wage labour rests exclusively on competition between the labourers. The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the labourers, due to competition, by their revolutionary combination, due to association. The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie, therefore, produces, above all, is its own gravediggers. Its fall and the victory of the proletariat are equally inevitable.”

As we have seen earlier, the expropriation of the expropriator does not happen automatically. Every crisis is a potentially revolutionary situation where capitalism can be overthrown by the exploited classes under the leadership of the working class. In the absence of this class assault on the Rule of Capital, capitalism emerges out of every crisis.

Current Imperialist Globalisation – Neo-Liberalism

Post-Second World War decades of peaceful development of global capitalism, through the period of the Cold War, led to gigantic levels of capital accumulation. This was further augmented in the last decade of the 20th century following the collapse of the Soviet Union and the return of the former USSR and East European socialist countries into the orbit of capitalism. This gigantic accumulation led to the emergence and consolidation of international finance capital propelling accumulation and centralization of capital to even higher levels.

The current phase of globalization, within the stage of imperialism, is leading to further higher levels of capital accumulation led by international finance capital. This international finance capital is, today, enmeshed with industrial and other forms of capital in its pursuit of profit maximisation. The international finance capital now leads the commonality of purpose to unleash fresh attacks to vastly increase the levels of capital accumulation and profit maximization even further.

Such reordering of the world for profit maximisation, as analysed in the Ideological Resolution of the CPI(M)'s 20th Congress, under the dictates of international finance capital, defines neo-liberalism. It operates, firstly, through policies that remove restrictions on the movement of goods and capital across

borders. Trade liberalisation displaces domestic producers engendering domestic deindustrialization, particularly in developing countries. This also happens in the developed countries due to relocation of production and business operations outside their countries. So also liberalisation of capital flows allows multinational corporations to acquire domestic productive assets abroad (like our public sector), vastly enlarging capital accumulation.

Other ways of consolidating capital accumulation are through the imposition of deflationary policies like restrictions on government expenditures in the name of fiscal discipline (making available larger quantum of liquidity to international finance capital to multiply speculative profits) which leads to the lowering of the level of aggregate demand in the world economy; a shift in the terms of trade against the peasantry in the developing countries; a rolling back of the State sector in providing social services globally, more pronounced in the developing countries, which increasingly become privatised and the opening up of huge new areas of public utilities for profit maximisation. Intellectual property rights and other forms of monopoly control over knowledge generates massive profits through the control over the production and reproduction of knowledge. Thus, a new feature of contemporary imperialism is the coercive prising open of new and hitherto non-existent avenues for profit maximisation.

All through the history of capitalism, accumulation takes place in two ways: one is through the normal dynamics of capital expansion (appropriation) through the unfolding of its production process and the other is through coercion and outright loot (forcible expropriation), whose brutality Marx defines as the primitive accumulation of capital. Primitive accumulation is often erroneously interpreted as a historical category – primitive vs. modern. For Marx and therefore Marxists, primitive accumulation is an analytical category that historically continues to co-exist with the normal dynamics of capitalism. The process of primitive accumulation has taken various forms in the past, including direct colonisation. The aggressiveness of primitive accumulation, at any point of time, is directly dependent on the balance of international correlation of class forces which either permit or inhibit the manifestation of such capitalist brutality. In the current phase of contemporary imperialism, the intensification of such a process of a brutal primitive accumulation is assaulting a vast majority of the people of the world's population, both in the developing as well as the developed countries.

It is this predatory capitalist character for constant profit maximization that is sharply widening the economic inequalities globally and domestically in every country, while, at the same time, imposing greater miseries on the vast majority of global working people and the poor. Every effort to emerge from one phase of the current systemic crisis is, naturally, leading to a newer phase of a deeper crisis because of the very nature of the laws of capitalist development.

Capitalism, therefore, requires to be overthrown which decisively depends on the strengthening of that material force in society led by the working class which can mount, through popular struggles, the intensification of the class struggle to launch the political offensive against the Rule of Capital. The building of this material force and its strength is the ‘subjective factor’, the strengthening of which is the essential imperative. The objective factor – the concrete situation of the crisis – however conducive it may be for a revolutionary advance, cannot be transformed into a revolutionary assault against the Rule of Capital without the strengthening of this ‘subjective factor’.

Various intermediary slogans, measures and tactics will have to be employed by the working class, based on a concrete analysis of concrete conditions in each country, to sharpen class struggles and to meet the challenges of these real conditions in order to strengthen the ‘subjective factor’ and, thus, advance the process of revolutionary transformation in their respective countries.

A Remarkable Life

One cannot end any discussion on the legacy of Karl Marx without a reference to the passion with which he lived his remarkable life.

Leading a remarkable life of creating the Marxist world outlook and the comprehensive dissection of the capitalist system, Karl Marx was, at the same time, an intensely passionate human being. In fact, it is this passion for life and the yearning to achieve complete human emancipation and liberation for all of humanity that constantly propelled Marx to greater heights in discovering penetrating insights into the working of human society and the decisive role of individuals in realizing the human potential to the fullest. Marx had once famously remarked, “nothing human is alien to me”.

A rich reflection of his passion for life is found in his correspondences, particularly, with his wife and children. As an instance, just consider the following:

"Great passions, which, due to the closeness of their object, take the form of small habits, grow and once more reach their natural size through the magic effect of distance," wrote Karl Marx to his wife Jenny in 1856, as she journeyed from London to Trier. "My love of you, as soon as you are distant, appears as a giant ... the love, not of Feuerbach's human being, not of Moleschott's metabolism, not of the proletariat, but the love of the beloved, namely of you, makes the man once again into a man."

Recollecting the legacy of Karl Marx means the strengthening of our resolve to passionately advance and consolidate class struggles for human emancipation and liberation.