

# MARXISM AS PSEUDO-SCIENCE

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**F**ew people have influenced humanity as much as Karl Marx. His doctrines now dominate an increasingly powerful portion of the world, with which we must come to terms. Yet they are seldom studied in this country.

In this article I will try to sketch the ideas of this German who died in London in 1883. I shall conclude that most of Marx' theories which are not mistaken are meaningless. Marx remained influential, however: his influence never was based on the scientific truth-content of his theories but on their psychological appeal.

## I

Following French and German writers, Marx thought that society must move from lower to higher stages of development, and that it can be objectively determined which is which, and which stage therefore, follows which. Marx was sure that this necessary historical progress is propelled by scientifically determinable "economic laws of motion." He thus predicted that socialism and communism are historically inevitable. Since he thought that the inevitable and the good are the same—socialism became inevitable because good, and good because inevitable. But unfortunately the good is not inevitable—as shown by the existence of communism itself. And the inevitable—which is simply what which has not been avoided—often is not good as shown once more by communism.

Though he was proud of his scientific method, most of Marx' predictions are like Jewish prophecies and Christian revelations, inspiring, sometimes self-fulfilling, certainly true for the faithful, but not testable by scientific means. Yet, unlike religious texts Marxist theory pretends to a scientific status. However, Marxists are unable to tell under what conditions they would concede Marx to be or to have been wrong. But a theory can remain right regardless of what happens, only if it does not include testable predictions. This is the case of

Marx. Marx discovered, however unconsciously, that to be inspiring to our age, one must *appear* scientific. It took years for Madison Avenue to catch up.

## II

Marx thought of his doctrine as an indivisible whole culminating and based on his analysis of the historical process. Consider first his sociological and economic doctrines.

According to Marx, "political ... religious ... artistic ... etc. development is determined by economic development" which, under capitalism, opposes those who own capital to the proletarians who own only themselves. This "class struggle" is the decisive element determining people's behavior and the course of history. Apply this theory of "historical materialism" to capitalism, Marx found its past merits to be immense but, writing in 1848, he felt that capitalism inevitably was becoming a "fetter on production" ripe for being overthrown. The class struggle between capitalists and proletarians unavoidably would become more intensive as capitalism develops: wealth is concentrated, the "misery", i.e., poverty, of the proletariat grows, and crises and wars arise from the various "contradictions" of capitalism; ultimately the workers who have "nothing to lose but their chains," overthrow the system and replace it with socialism which abolishes private ownership of the means of production—capital—and thus classes and class struggles. All the evils of this world would then wither away, for they are due to the capitalist system. Hence no more crime, war, government, etc. The average man will rise to the stature of Aristotle.<sup>1</sup> Homosexuality, anti-semitism and crime will disappear. (Marx, like Rousseau before him, believed that men are good and made bad only by bad social systems. Unlike Rousseau, he believed that these systems arise from historical necessity. It occurred neither to Marx nor to Rousseau—as it did to Madison—that bad men corrupt good systems just as often as vice versa.)

Marx believed that social class is the decisive group to which people belong, that *intra*class conflicts are trivial, *inter*class conflicts decisive; that *intra*class economic bonds are naturally stronger than *inter*class bonds, such as nationality, sex, age, or religion. Yet people belong to, and are influenced by, many groups—religious, national, sex, age, occupational, geographical, etc. and there is no evidence that "class solidarity" is stronger than other group bonds.

"Proletarians are ... by nature without national prejudice ... essentially humanitarian." National and religious wars, or the voting patterns of a democracy, as well as everyday observation, all indicate that Marx' doctrine is wrong—unless it be so qualified as to become meaningless. One way out is to say that "objectively" people have common class interests and should act according to the class struggle pattern—but that they are not always "class conscious."<sup>2</sup> They suffer from

“false consciousness.” But this is (a) not true; nor would it (b) help much if it were.

a) There often are conflicts among objective economic interests within a Marxian class—e.g., among workers. Conflicts occur over migration, international trade, religion or race. And workers often have objective interests in common with capitalists and in conflict with the interests of other groups of workers. Class membership is no more, and possibly less, decisive than, say, race membership in determining one’s political views. If you insist on the importance of race, you may persuade people to act according to their “racial interests” for awhile—as the Nazis did. If you convince people that they should act according to what you tell them are their class interests, they might. The prophecy becomes self-fulfilling. But the action comes from race or class *propaganda*—not from race or class as objective facts.

b) Further, if we assume that classes are as important as Marx thought but that people do not act accordingly because, not having read Marx, they are not class conscious—if “class consciousness” becomes independent of class membership—and if class membership is neither sufficient nor necessary to bring the expected class behavior, then social classes become one of many groups that influence man’s action on some occasions. This would be a correct theory. But the distinctive point of Marxian theory is that class membership is *decisive* in determining most and particularly political actions. This is patently wrong.

How could Marx make such a foolish mistake? Actually, when he wrote, class membership, much more decisively than today, influenced one’s life chances, and mobility—changes from one class to other—was minimal. Education, for instance, was practically unavailable for the sons of workers. Marx thought this a characteristic of capitalism. Actually, it was a remnant of feudalism. Wherever capitalism has developed, it has promoted mobility and loosened class bonds. Further, contrary to Marx’ prediction, the “misery of the workers” has not increased. On the contrary, their living standards have risen more, and more rapidly than those of the middle and upper classes. For this reason, the revolution that Marx predicted as a result of the *presence* of capitalism has occurred, or is threatening, only where capitalism is *absent*—in the undeveloped countries. Far from becoming a fetter on production, capitalism has accelerated the rate of economic progress since Marx wrote.

### III

History, according to Marx, is pushed forward by economic forces. Again this is either so qualified as to be correct but unhelpful, or, just wrong. Marx never made clear whether he meant that historical change 1) can occur *only* if economic change precedes it; 2) does occur *always* when economic change occurs. If we define “historical

change” and “economic change” independently from each other it becomes obvious that historical change is not caused necessarily by economic change which is neither necessary nor sufficient to bring about historical change. The way out is, of course, to make Marx assert only that there is a strong and, sometimes, decisive relation between economic and other historical factors. This would be true but it would be a truism. Perhaps in Marx’ time it was not as much a truism as it is today. Marx surely has the merit of having called attention to economic factors which had often been neglected.

This brings us to the economic heart of Marx’ doctrine.

#### IV

As did Adam Smith and David Ricardo before him, Marx asked: what causes value and what causes the value of one thing to differ from that of another? Marx found that value equals “the quantity of labor,” with skilled labor reduced to “average social labor,” while raw materials and machinery “give up to the product the value alone which they themselves lose.” Unlike the classical economists, Marx did not admit that anything but labor could create value.

The value of labor itself is equal to the quantity of labor needed to produce and sustain the laborer. Employers pay to workers the value of their labor, but, nevertheless, “exploit” them. For labor does create value in excess of its own. This excess—the surplus value—is appropriated by employers—hence exploitation. It may take ten potatoes to support a worker for an hour. This is the value of that hour. But he produces twenty potatoes in that hour. The ten surplus potatoes are appropriated by the employer who has paid the worker the value of his labor.

How sound is this theory? The value of the output of all factors of production—labor, land, capital—must exceed the value of the input—else production is not worthwhile. But why attribute this excess to labor? Why not to capital? Or to land, as the physiocrats did in the 18th century? We have here a *petitio principii*: What Marx asserts and wishes to prove—that labor gets less than it should—is merely reasserted in the conclusion, not proved. Labor is defined as the source of value—yet the excess value of the product over cost depends no less on the other factors of production. A definition is taken for a proof. And the definition is quite arbitrary.

Generally speaking, the idea that economic value depends on any or all factors of production is mistaken. If it were true, then a producer could never lose. Actually, the value of the product and the value of what went into it are each independently determined by relative scarcity. If the value of the product is less than cost, the producer loses and stops producing it.

Things obviously do not sell on the market in proportion to the labor embodied in them. For instance, look at the frequent changes in the price of oil, wheat, cotton or diamonds. Can they be correlated to

changes in the quantity of labor needed to produce them? Obviously not. Marx tried to solve this problem by insisting that only “socially necessary labor” confers value on the product. But what determines whether the labor used was “socially necessary”? Marx did not find an independent standard—in fact, whether labor was or was not “socially necessary” will be found out only after one knows whether what it produced is or is not valuable. Hence, the theory is circular: value depends on the quantity of labor used in the product, but it turns out that it is not the quantity of labor *actually* used which confers value; only “socially necessary” labor does; and only that labor is “socially necessary” which confers value. Hence, instead of deriving value from labor, we really derive “socially necessary labor” from value. Marx attempts to save his theory in the face of reality, but made it meaningless.

## V

Unlike some modern admirers of Marx, I believe that the labor theory of value is essential to the architecture of Marx’ theory. Without it, exploitation, revolution and socialism are no longer unavoidable. Yet, the effects are odd. Marx intended with this theory to demonstrate scientifically that the existing distribution of income—the result of private ownership of means of production—was wrong. Yet, inequalities in the distribution of income, of power, and of prestige are greater in the Soviet Union than in most capitalist countries; all the “surplus value” goes to the government, and all means of production are publicly owned. Hence, there is no exploitation and no class struggle as Marx defined these terms. Thus, what began as an indictment of inequality lends itself to its defense. Marx, in his zeal to indict capitalism “scientifically,” overlooked the obvious fact that income can be distributed with excessive inequality whenever there is an unequal distribution of power. Marx did not realize that power can determine income. Nor did it occur to Marx, and to many socialists, that the profit motive is not abolished by public ownership. Even if we were all government employees, we would still strive to be rewarded maximally—and the rewards would still be income, prestige, and power, just as now, and just as in the Soviet Union. Only we would depend on bureaucrats to determine our merits, rather than being rewarded or punished by the market.

## VI

Marx did not spend much time telling us what socialism would be like. He was more interested in studying the conditions under which it would occur. Nonetheless (in the “Critique of the Gotha program”) he described socialism as a state in which everybody would be rewarded according to his contribution; communism as a state in which

everybody would be rewarded according to his need. In both cases everybody contributes according to his ability.

Now what does it mean to be rewarded according to one's contribution? Am I so rewarded today? The value placed on my contribution—I mean the economic value—has been the result of the estimate of buyer and seller of what it would take to get me to do this article. How would that be changed under socialism? In what way would it be improved? Who would determine what my services are worth? Marx left these questions unanswered.

Under communism, one is rewarded according to need. Who would determine my needs? Welfare workers—God forbid! I? They are infinite as far as I am concerned and no economy could produce enough to satisfy them. The economic problem is to allocate things when fewer are available than are desired. This problem is now solved by the market. It surely cannot be solved by defining it away and simply assuming that people's desires are *not* practically infinite, or, that resources—including people's willingness to work—are.

What about that willingness to work? If we are rewarded according to our need, not according to our work, how do you get people to work at all—they would get their income if they need it without work? Further, how would one get people to work where they are needed, rather than where they want to if their income is independent of their work and of the demand for it and depends only on their need? Compulsion would have to replace the inducements of the market which now attract people to the occupations in which they are needed and to the employers who can use them. Only slave labor can be rewarded according to need—as seen by the slave holder, of course. And slave labor is not efficient. Therefore the Soviet Union has now returned to an incentive system which differs from ours only by being much steeper and leading to greater inequalities.

If a demonstration was needed, the recent events in Poland certainly furnish it. In that socialist country the workers went on strike against the management of the socialized industries. What more is needed to make it clear that the classless society Marx imagined in which everyone would share the same interest is a dream that cannot be realized, contrary to what he thought, by socializing the means of production? Indeed, the Polish workers feel exploited by the bureaucrats who run the factories and everything else. The bureaucrats did not even allow the workers to bargain or form their own organizations. That was not necessary, according to Marx, since the workers' interests would not differ from those of the management. The Polish workers have rather forcefully shown that they do not think so. Workers in all the communist states would do the same if they could overcome, as they did in Poland, the power of the secret police and of the whole oppressive apparatus of communism.

The gulf between the income and power of the government bureaucrats—who have replaced the private owners of the means of production—and the workers, is greater than it was when the means

of production were privately owned. Socialism has brought about not only inefficiency and general impoverishment but also a concentration of power and wealth—defined as the ability to dispose of goods and services—far greater than any in the capitalist world.

Unfortunately I cannot predict that Marxism will disappear simply because it has been demonstrated in fact and in theory, that it produces a new era of slavery, tyranny, cruelty and inefficiency. Theories quite often survive because of the promises inherent in them regardless of how often these promises are shown to be false. Scientology survives and astrology does. I suspect Marxism will too. People seldom learn from experience; but it seems to me that Eastern Europe is giving the world a lesson which is unlikely to be overlooked.

1. Leon Trotsky, *Literature and Revolution* (New York: Russell and Russell, 1957).
2. It may be charitable to assume that by "class" Marx meant "income group." He actually suggested that class is determined by employer (owner of means of production, bourgeois) and employee (seller of his labor, proletarian status). Taken literally that would mean that a highly paid executive must be classified as a proletarian. But one should give Marx the benefit of the doubt.