

## THE MARXIST-LENINIST RESEARCH BUREAU

NEW SERIES: No. 9

# MARX AND THE THEORY OF THE ABSOLUTE IMPOVERISHMENT OF THE WORKING CLASS UNDER CAPITALISM

### INTRODUCTION

'Impoverishment' is defined as the

" . . . process of . . . making poor",  
('Oxford English Dictionary', Volume 9: Oxford: 1989; p. 736).

while 'poor' is usually defined as

" . . . having few, or no, material possessions . . . ; so  
destitute as to be dependent upon gifts or allowances for subsistence".  
('Oxford English Dictionary', Volume 12; Oxford; p. 108).

'Absolute impoverishment' is defined in the 'Great Soviet Encyclopedia' as

" . . . a tendency of lowering in the living standard of the  
proletariat".  
('Great Soviet Encyclopedia', Volume 1; New York; 1973; p. 33).

while 'relative impoverishment' is defined in the 'Great Soviet Encyclopedia' as

" . . . a tendency toward decreasing the working class's share in  
the national income".  
('Great Soviet Encyclopedia', Volume 1; New York; 1973; p. 33).

There is no doubt that Marx accepted the theory of the  
relative impoverishment of the working class under capitalism,  
for he says:

"Real wages . . . never rise proportionally to the productive power  
of labour".  
(Karl Marx: 'Capital: A Critical Analysis of Capitalist Production',  
Volume 1; Moscow; 1974; p. 566).;

Sometimes, however, the theory of the absolute  
impoverishment of the working class, i.e., the theory that the  
real wages of the working class consistently decline with the  
development of capitalism, is also attributed to Marx. For  
example, the Austrian-born philosopher KARL POPPER (1902-95)  
states

"Marx's . . . law that misery must increase together with  
accumulation (of capital -- Ed.) does not hold. Means of production  
have accumulated and the productivity of labour has increased since his  
day to an extent which even he would hardly have thought possible.  
But child labour, working hours, the agony of toil and the

precariousness of the worker's existence have not increased; they are on the decline. . . .

Experience shows that Marx's prophecies were false".

(Karl R. Popper: 'The Open Society and Its Enemies', Volume 2: 'The High Tide of Prophecy: Hegel, Marx and the Aftermath'; London; 1945; p. 174-75).

Similarly, the English-born American historian HENRY PARKES (1904-72) states that for what he alleges to be a 'cardinal conclusion of Marxist economic theory', namely

" . . . that the misery of the working class will increase -- there is no evidence at all. Throughout the history of capitalism . . . the working class, . . . have steadily gained higher standards of living and a shorter working day. Low wages. long hours and child labour have been characteristics of capitalism not, as Marx predicted, in its old age. but in its infancy".

(Henry B. Parkes: 'Marxism: A Post-Mortem'; London; 1940; p. 101-02).

As a leading philosopher of the Communist Party of Great Britain, MAURICE CORNFORTH (1908-80), expresses the views of Popper and Parkes:

"Whereas Marx said that things would get worse and worse, they have, on the contrary, got better and better. Marxist theory, prophesying 'absolute impoverishment', bears no relation to what has actually happened".

(Maurice Cornforth: 'The Open Philosophy and the Open Society: A Reply to Dr. Karl Popper's Refutations of Marxism'; London; 1968; p. 205).

This paper is an attempt to investigate whether or not Marx did, in fact, adhere to the theory of the absolute impoverishment of the working class under capitalism.

#### MARX'S FIRST THEORY OF WAGES

The Marxist theory of wages was, of course, not magically revealed to Marx as he sat in the shade of a banyan tree in the grounds of the British Museum. It developed gradually, and was modified in the light of experience -- in accordance with the English proverb which Engels, in particular, was fond of quoting: 'The proof of the pudding is in the eating', that is, the test of the validity of a hypothesis is whether it works out in practice.

Marx's first theory of wages was based on the 'subsistence theory' put forward in the writings of the English 'classical' economists DAVID RICARDO (1772-1823) and THOMAS MALTHUS (1766-1834).

The subsistence theory of wages,

" . . . advanced by David Ricardo and other classical economists, was based on the population theory of Malthus. It held that the market price of labour would always tend toward the minimum required for subsistence. If the supply of labour increased, wages would fall, eventually causing a decrease in the labour supply. If the wage rose

above the subsistence level, population would increase until the larger labour force would again force wages down".  
(*'New Encyclopaedia Britannica'*, Volume 12: Chicago: 1994; p. 447).

In Ricardo's words:

"The natural price of labour is that price which is necessary to enable the labourers, one with another, to subsist and to perpetuate their race, without either increase or diminution".  
(David Ricardo: *'On the Principles of Political Economy and Taxation'*, in: Piero Sraffa (Ed.): *'The Works and Correspondence of David Ricardo'*, Volume 1; Cambridge; 1981; p. 93).

"Ricardo's theory of wages was largely inspired by Malthus. . . . An increase in wages causes . . . a decline in infant mortality -- which results in an increase in the supply of hands, and so a fall in wages. On the other hand, a fall in wages . . . increases the rate of infant mortality -- and so decreases the supply of hands. . . . These two movements of the pendulum tend to even out the level of wages, but at the lowest level, just sufficient to keep a worker with an 'average' family alive".  
(Ernest Mandel: *'The Formation of the Economic Thought of Karl Marx: 1843 to "Capital"'* (hereafter listed as *'Ernest Mandel (1971)'*); London; 1971; p. 140).

The subsistence theory of wages

" . . . stated simply that the price of labour depended on the subsistence of the labourer. Wages equalled the amount of commodities necessary to feed and clothe a worker and his family, which represented the cost to society of 'enabling the labourers to subsist and perpetuate their race' (Ricardo)".  
(Maurice Dobb: *'Wages'*; London; 1938; p. 95).

In his lectures of 1880-81, the English historian ARNOLD TOYNBEE (1889-1975) states that Marx and Engels

" . . . adopted Ricardo's law of wages. . . . They have argued that, . . . by this law, wages, under our present social institutions, can never be more than sufficient for the bare subsistence of the labourer".  
(Arnold Toynbee: *'Lectures on the Industrial Revolution in England'*; London; 1884; p. 130).

The Ricardian/Malthusian 'law' of wages

" . . . did undoubtedly influence them (Marx and Engels -- Ed.) in formulating their first, faulty theory of wages, which implies, like the Ricardo/Malthus theory, a tendency for wages to decline towards the physiological minimum living wage and stay there".  
(Ernest Mandel (1971): *op. cit.*; p. 142).

For example:

*'Outlines of a Critique of Political Economy'*, written by

Engels in October/November 1843, states:

"Only the very barest necessities, the mere means of subsistence, fall to the lot of labour".

(Friedrich Engels: 'Outline of a Critique of Political Economy', in: Karl Marx: 'Economic and Philosophic Manuscripts of 1844'; London; 1970; p. 223).

'Economic and Philosophic Manuscripts of 1844', written by Marx between April and August 1844, states:,

"The lowest and the only necessary wage-rate is that providing for the subsistence of the worker for the duration of his work and as much more as is necessary for him to support a family and for the race of labourers not to die out. The ordinary wage rate . . . is the lowest compatible with . . . a cattle-like existence".

(Karl Marx: 'Wages of Labour', in: 'Economic and Philosophic Manuscripts of 1844'; London; 1970; p. 65).

Here it must be noted that in a note, written in 1885, to the German edition of 'The Poverty of Philosophy', Engels said:

"The thesis that the 'natural', i.e., normal, price of labour power coincides with the wage minimum, i.e., with the equivalent in value of the means of subsistence absolutely indispensable for the life and reproduction of the worker, was first put forward by me in 'Outlines of a Critique of Political Economy' (1844) and in 'The Condition of the Working Class in England'. . . . As seen here, Marx at that time accepted the thesis. Lassalle took it over from both of us. . . . The above thesis is nevertheless incorrect".

(Friedrich Engels: Note to the German Edition of 'The Poverty of Philosophy'; London; 1936; p. 45).

'The Poverty of Philosophy', written by Marx in the winter of 1846-47, states:

"Labour, being itself a commodity, is measured as such by the labour time needed to produce the labour-commodity. And what is needed to produce this labour-commodity? Just enough labour time to produce the objects indispensable to the constant maintenance of labour, that is, to keep the worker alive and in a condition to propagate his kind. The natural price of labour is no other than the wage minimum"

(Karl Marx: 'The Poverty of Philosophy': London; 1936; p. 45-46).

'Principles of Communism', the first draft of what was to be 'The Communist Manifesto', written by Engels in October 1847, states:

"In a regime of . . . free competition, . . . the price of labour is . . . equal to the cost of production of labour. But the costs of production of labour consist of precisely the quantity of means of subsistence necessary to enable the worker to continue working and to prevent the working class from dying out. The worker will therefore get no more for his labour than is necessary for this purpose; the price of labour or the wage will, in other words, be the lowest, the minimum, required for the maintenance of life. . . . This economic law of wages

operates the more strictly the greater the degree to which big industry has taken possession of all branches of production".

(Friedrich Engels: 'Principles of Communism'; London; 1971; p. 6-7).

'Address on the Question of Free Trade', delivered by Marx in January 1848, states:

"The minimum of wages is the natural price of labour. And what is the minimum of wages? Just so much as is required for the production of the articles indispensable for the maintenance of the worker, for putting him in a position to sustain himself, however badly, and of propagating his race, however slightly".

(Karl Marx: 'Address on the Question of Free Trade', in: 'The Poverty of Philosophy'; London; 1936; p. 205).

'Wage Labour and Capital', written by Marx in December 1847, states:

"The price of labour will be determined by . . . the labour time necessary to produce this commodity -- labour power.

What then is the cost of production of labour power?

It is the cost required for maintaining the worker as a worker and of developing him into a worker. . . .

The price of his labour will, therefore, be determined by the price of the necessary means of subsistence.

The cost of production of simple labour power, therefore, amounts to the cost of the existence and reproduction of the worker. The price of this cost of existence and reproduction constitutes wages. Wages so determined are called the wage minimum. . . . The wages of the whole working class level themselves out within their variations to this minimum".

(Karl Marx: 'Wage Labour and Capital'; in: 'Selected Works', Volume 1; London; 1943; p. 262,263).

'The Communist Manifesto', written jointly by Marx and Engels between December 1847 and January 1848, states:

"The average price of wage labour is the minimum wage, i.e., that quantum of the means of subsistence which is absolutely requisite to keep the labourer in bare existence as a labourer. What, therefore, the wage labourer appropriates by means of his labour merely suffices to prolong and reproduce a bare existence".

(Karl Marx & Friedrich Engels: 'Manifesto of the Communist Party', in: Karl Marx: 'Selected Works', Volume 1; London; 1943; p. 220-21

SINCE MARX AND ENGELS HELD AND PUT FOWARD AT LEAST UNTIL THE LATE 1850s THE RICARDIAN THEORY OF WAGES, WHICH MAINTAINED THAT WAGES WERE LIMITED TO THE LEVEL OF SUBSISTENCE, THEY COULD NOT HAVE, IN THIS PERIOD, UPHELD A THEORY OF THE INCREASNG IMPOVERISHMENT OF THE WORKING CLASS UNDER CAPITALISM. SINCE THEY AT THIS TIME HELD THE VIEW THAT WAGES WERE ALREADY AT THE PHYSIOLOGICAL MINIMUM ABLE TO SUSTAIN AND REPRODUCE LIFE, SO THAT

" . . . an 'absolute deterioration' from a level that represented a physiological minimum could not be imagined".

(Karl Kühne, 'Economics and Marxism', Volume 1; London; 1979; p. 231).

MARX'S AMENDED THEORY OF WAGES

By the early 1960s, Marx and Engels had become convinced that their acceptance of the Ricardian theory of wages had been mistaken.

One factor in this change of position was that the German Social Democrat FERDINAND LASSALLE (1840-1913) had -- not illogically -- developed the Ricardian theory of wages into the form of 'the iron law of wages':

"The iron economic law that determines wages under present-day conditions . . . is this: that the average wage always remains reduced to the necessary basis for existence and propagation".

(Ferdinand Lassalle: 'Offnes Antwortschreiben an das Central-Comité zur Berufung eines Allgemeinen Deutschen Arbeitercongresses zu Leipzig' (An Open Answer to the Central Committee of the General Congress of German Workers at Leipzig); Zürich; 1863; p. 13).

Lassalle 's 'iron law of wages'

" . . . led a large section of the German Labour movement on a policy which had the impossibility of improving working class standards of life under capitalism as its principal tenet".

(John Strachey: 'Contemporary Capitalism'; London; 1956; p. 105).

In a letter written some years later to the leading German Social Democrat AUGUST BEBEL (1840-1913), Engels now describes the Ricardian wage theory on which it was based as 'quite antiquated':

"The Lassallean 'iron law of wages' . . . is based on a quite antiquated economic view, namely, that the worker only receives on the average the minimum of the labour wage".

(Friedrich Engels: Letter to August Bebel (March 1875), in: Karl Marx & Friedrich Engels: Correspondence: 1846-1895: A Selection with Commentary and Notes'; London; 1936; p. 235).

In June 1865, Marx presented his amended theory of wages in an address to the General Council of the First International. The amended theory was still based on the subsistence theory:

"The value of labouring power is determined by the value of the necessaries required to produce, develop, maintain and perpetuate the labouring power".

(Karl Marx: 'Value, Price and Profit', in: 'Selected Works', Volume 1; London; 1943; p. 315).

But the theory was now modified by the inclusion of some 'peculiar features' which distinguish labour power from all other commodities:

"There are some peculiar features which distinguish the value of the labouring power . . . from the values of all other commodities".

(Karl Marx: *ibid.*, Volume 1; p. 332).

According to Marx's amended theory, the 'peculiar features' which distinguish labour power from all other commodities relate to the presence of a 'historical or social element' in the former:

"The value of the labouring power is formed by two elements -- the one merely physical, the other historical or social. Its ultimate limit is determined by the physical element, that is to say, to maintain and reproduce itself, to perpetuate its physical existence, the working class must receive the necessaries absolutely indispensable for living and multiplying. The value of those indispensable necessaries forms, therefore, the ultimate limit of the value of labour".  
(Karl Marx: *ibid.*, Volume 1; p. 332).

As a result of the historical or social element in the value of labour power, this value

" . . . is in every country determined by a traditional standard of life. It is not mere physical life, but it is the satisfaction of certain wants springing from the social conditions in which people are placed and reared up. . . .

The historical or social element entering into the value of labour may be expanded or contracted, or altogether extinguished, so that nothing remains but the physical limit".  
(Karl Marx: *ibid.*, Volume 1; p. 332-33).

In the first volume of Marx's 'Capital', published in September 1867, Marx repeated the basis of his amended law of wages:

"The value of labour-power is determined, as in the case of every other commodity, by the labour-time necessary for the production, and consequently also the reproduction, of this special article. . . . In other words, the value of labour-power is the value of the means of subsistence necessary for the maintenance of the labourer"  
(Karl Marx: 'Capital: A Critical Analysis of Capitalist Production', Volume 1; Moscow; 1974; p. 167).

However, Marx adds, a worker's

" . . . natural wants, such as food, clothing, fuel and housing vary according to the climatic and other physical conditions of his country. On the other hand, the number and extent of his so-called necessary wants, as also the modes of satisfying them, are themselves the product of historical development, and depend therefore to a great extent on the degree of civilisation of a country, more particularly on the conditions under which, and consequently on the habits and degree of comfort in which, the class of free labourers has been formed. In contradistinction therefore to the case of other commodities, there enters into the determination of the value of labour-power a historical and moral element".

(Karl Marx: *ibid.*, Volume 1; p. 168).

But the historical development of these 'necessary wants' continues, so that along with them the value of labour power also increases. New inventions arise -- such as the refrigerator, the

car, television -- and develop from luxuries for the rich into items which workers come to regard as necessities.

Marx himself speaks of a rise in the price of labour as a consequence of the accumulation of capital:

"A rise in the price of labour as a consequence of accumulation of capital only means, in fact, that the length and weight of the golden chain the wage-worker has already forged for himself allow of a relaxation in the tension of it".

(Karl Marx: *ibid.*, Volume 1; p. 579-80).

and of

" . . . the worker's participation in the higher even cultural satisfactions, . . . newspaper subscriptions, attending lectures, educating his children, developing his taste, etc."

(Karl Marx: 'Grundrisse' (Foundations); Harmondsworth; 1973; p. 287).

Marx indeed points out that one of the contradictions of capitalist society is that the capitalist has an interest in keeping low the income of his own employees in order to maximise his profits, but not in keeping low the income of the employees of other capitalists since these are (to him) merely consumers, part of his market. That is, he is interested in

" . . . fobbing the worker off with 'pious wishes' . . . but only his own, because they stand towards him as workers; but by no means the remaining world of workers, for these stand towards him as consumers. In spite of all 'pious' speeches he therefore searches for means to spur them on to consumption, to give his wares new charms, to inspire them with new needs by constant chatter, etc."

(Karl Marx: *ibid.*; p. 287).

In periods of relatively full employment, in fact,

" . . . the workers . . . themselves act as consumers on a significant scale".

(Karl Marx: 'Theories of Surplus Value', Part 3; Moscow; 1975; p. 223).

As Maurice Cornforth correctly points out:

"The very great advances in technology which accompany the accumulation of capital have the result that all kinds of amenities become available on a mass scale, and consequently the consumption of these becomes a part of the material requirements and expectations of the worker. In other words, with an advanced technology the worker comes to require for his maintenance various goods and services his forefathers did without".

(Maurice Cornforth: *op. cit.*; p. 206-07).

Indeed, reputable economists agree that

" . . . Marx actually took for granted an increase in real wages in the course of capitalist development".

(Karl Kühne: *op. cit.*, Volume 1; p. 227).



and that

" . . . Marx never denies that real wages may rise under capitalism".  
(Mark Blaug: 'Economic Theory in Retrospect': Homewood (USA); 1962; p. 243).

In addition, trade unionism -- the application of the principle of monopoly power to the sale of labour power -- enables organised workers to sell their labour power at a higher rate than they could under conditions of free competition between workers. As Engels wrote in May 1881:

"The law of wages . . . is not one which draws a hard and fast line. It is not inexorable within certain limits. There is at every time (great depression excepted) for every trade a certain latitude within which the rate of wages may be modified by the results of the struggle between the two contending parties".

(Friedrich Engels: 'The Wages System', in: Karl Marx & Friedrich Engels: 'Collected Works', Volume 24; London; 1989; p. 380).

#### THE THEORY OF THE ABSOLUTE IMPOVERISHMENT OF THE WORKING CLASS

THUS, NEITHER IN ITS ORIGINAL NOR ITS AMENDED FORM, DID MARX'S WAGES THEORY CONFORM WITH THE THEORY OF THE ABSOLUTE IMPOVERISHMENT OF THE WORKING CLASS UNDER CAPITALISM.

Indeed, it is generally recognised by reputable writers who have studied Marx's writings that these never mention the absolute impoverishment of the working class:

"The word 'Verelendung (progressive deterioration, growing poverty) never occurs in Marx's works, nor does it occur in the classic history of doctrines published by Gide and Rist. (i.e., Charles Gide & Charles Rist: 'A History of Economic Doctrines, from the Time of the Physiocrats to the Present Day'; London; 1915; -- Ed.) . . .

The so-called 'theory of growing poverty' has been a red herring in the interpretation of Marx's work. A large number of analysts . . . have (often bona fide) taken this theory for granted. This suggests that they have read Marx rather carelessly. . . .

Marx himself never spoke of 'Verelendung' -- progressive deterioration, or growing poverty. . . .

Marx never held a theory of growing poverty".  
(Karl Kühne: op. cit.; p. 197, 226, 227, 231).

"The theory of absolute impoverishment is not to be found in the works of Marx. . . .

The idea that the real wages of the workers tend to decline more and more is totally alien to Marx's writings".

(Ernest Mandel: 'Marxist Economic Theory' (hereafter listed as 'Ernest Mandel (1968)'), Volume 1; London; 1968; p. 150, 151).

"Marx never denies that real wages may rise under capitalism. . . . The notion that he propounds a theory of the growing poverty of the working class is just folklore Marxism".

(Mark Blaug: op. cit.; p. 243).

Indeed, as we have seen, Marx accepted that the development of capitalism would be accompanied by an increase in real wages:

"The relevant passages show quite clearly that Marx actually took for granted an increase in real wages in the course of capitalist development".

(Karl Kühne: op. cit.; p. 227).

and recognised ,

" . . . that the situation of the working class has improved as a result of wage increases resulting from trade-union action or 'factory laws'".

(André Piettre: 'Marx et Marxisme' (Marx and Marxism); Paris; 1957; p. 62).

### 'PAUPERISM'

Sometimes Marx's references to 'pauperism' are taken as references to 'impoverishment'.

However, a 'pauper' is

" . . . a person destitute of . . . means of livelihood; one . . . who is dependent on the charity of others; . . . a beggar".

('Oxford English Dictionary', Volume 11; Oxford; 1989; p. 364).

while 'pauperism' is defined as

" . . . the existence of a pauper class; . . . paupers collectively".

('Oxford English Dictionary', Volume 11; Oxford; 1889; p. 364).

Marx himself defined 'pauperism' as

" . . . that part of the working-class which has forfeited its condition of existence (the sale of labour-power) and vegetates upon public alms",

(Karl Marx: 'Capital', Volume 1; Moscow; 1974; p. 611).

as the unemployed and those unable to work by reason of age or incapacity:

"The lowest sediment of the relative surplus-population finally dwells in the sphere of pauperism. Exclusive of vagabonds, criminals, prostitutes, in a word, the 'dangerous' classes', this layer consists of three categories. First, those able to work. One need only glance superficially at the statistics of English pauperism to find that the quantity of paupers increases with every crisis, and diminishes with every revival of trade. Second, orphans and pauper children. These are candidates for the industrial reserve army. . . . Third, the demoralised and ragged, and those unable to work. . . people who have passed the normal age of the labourer; the victims of industry, whose number increases with the increase of dangerous machinery, of mines, chemical works, &c. the mutilated, the sickly, the widows, &c. . . .

The greater the social wealth, . . . the greater is the industrial

reserve army. . . . The more extensive, finally, the lazarus-layers of the working-class and the industrial reserve army, the greater is official pauperism. This is the absolute general law of capitalist accumulation".

(Karl Marx: *ibid.*, Volume 1; p.602-03).

Thus, when Marx speaks of an increase of pauperism with the development of capitalism, he does not mean that the working class as a whole suffers absolute impoverishment:

"The word 'pauperism' must never be equated with 'growing poverty', and it is even more erroneous to apply the latter term to the working class in its entirety. . . . This is one of the gravest misinterpretations of Marx. . . .

The word 'pauperisation', which means that a class of underprivileged appears, has been confounded with the idea of a deterioration of the living standards of the working class as whole".

(Karl Kühne: *op. cit.*, Volume 1; p. 229).

"Pauperisation' relates to the 'reserve army', not to the working class as a whole, and it is an ascertainable fact that, where the market economy has remained 'free', it has invariably produced an immense bottom layer of paupers".

(George Lichtheim: 'Marxism in Modern France'; New York; 1970; p. 146).

In other words,

" . . . what one finds in Marx is an idea of the absolute impoverishment not of the workers, the wage-earners, but of that section of the proletariat which the capitalist system throws out of the production process: unemployed, old people, disabled persons, cripples, the sick, etc. . . . This analysis retains its full value, even under the 'welfare capitalism' of today".

(Ernest Mandel (1968): *op. cit.*, Volume 1; London; 1968; p. 152).

#### SPIRITUAL IMPOVERISHMENT

In addition, genuine misunderstanding sometimes arises from Marx's assertion that the development of capitalism is accompanied by the spiritual impoverishment or alienation of working people.

The 'Great Soviet Encyclopedia' defines 'alienation' as

" . . . an objective social process, inherent in antagonistic class society and characterised by the transformation of human work and its results into an independent force that dominates and is hostile to the individual".

('Great Soviet Encyclopedia', Volume 19; New York; 1978; p. 2).

In the 'Economic and Philosophic Manuscripts of 1844, Marx writes that, with the development of capitalism,

" . . . the worker becomes all the poorer, the more wealth he produces. . . . With the increasing value of the world of things

proceeds in direct proportion the devaluation of the world of men. . .

The object which labour produces -- labour's product -- confronts it as something alien, as a power independent of the producer".

(Karl Marx: 'Economic and Philosophic Manuscripts of 1844'; London; 1970; p. 107, 108).

According to Marx, instead of being a source of creative pleasure, as it may well be with the peasant and the artisan, work becomes a tyranny:

"In handicrafts and manufacture (i.e., work by hand -- Ed.), the workman makes use of a tool; in the factory, the machine makes use of him. There the movements of the instrument of labour proceed from him, here it is the movements of the machine that he must follow. In manufacture the workmen are parts of a living mechanism. In the factory we have a lifeless mechanism independent of the workman, who becomes its mere living appendage. . . . At the same time that factory work exhausts the nervous system to the uttermost, it does away with the many-sided play of the muscles, and confiscates every atom of freedom, both in bodily and intellectual activity. The lightening of the labour, even, becomes a sort of torture, since the machine does not free the labourer from work, but deprives the work of all interest".

(Karl Marx: 'Capital', Volume 1; Moscow; 1974; p. 398).

"Within the capitalist system all methods for raising the social productiveness of labour are brought about at the cost of the individual labourer; all means for the development of production transform themselves into means of domination over, . . . the producers; they mutilate the labourer into a fragment of a man, degrade him to the level of an appendage of a machine, destroy every remnant of charm in his work and turn it into a hated toil; they estrange from him the intellectual potentialities of the labour process in the same proportion as science is incorporated in it as an independent power; they distort the conditions under which he works, subject him during the labour-process to a despotism the more hateful for its meanness". . .

(Karl Marx: 'Capital', Volume 1; Moscow; 1974; p. 604).

Clearly, what Marx intends to convey here

" . . . is the inner psychological impoverishment of the man who is dominated by machinery, instead of being its master, and thus becomes 'an appendage to the machine'".

(Karl Kühne: op. cit., Volume 1; op. cit.; p. 228).

Marx makes it doubly clear that he is referring to spiritual impoverishment of the worker, and not to his material impoverishment, when he says:

"In proportion as capital accumulates, the lot of the labourer, be his payment high or low, (my emphasis - Ed.) must grow worse".

(Karl Marx: 'Capital', Volume 1; Moscow; 1974; p. 604).

It is true that in his later work Marx used such terms as 'alienation' and 'estrangement' less frequently than in his earlier work, but this was not because he had repudiated the

concepts expressed in these terms (as we see from the excerpts from 'Capital' given above);

"Marx gave up using such terms as 'estrangement', 'alienation', 'return of man to himself', as soon as he noticed that they had turned into ideological prattle in the mouths of petty-bourgeois authors, instead of a lever for the empirical study of the world and its transformation. . . .

(Alfred Schmidt: 'The Concept of Nature in Marx'; London; 1971; p. 129).

In a note to this passage, Schmidt adds:

"The concept of 'alienation' is still found frequently in 'Capital' and in 'Theories of Surplus Value', and indeed Marx's general abandonment of such terms does not mean that he did not continue to follow theoretically the material conditions designated by them".

(Note to: Alfred Schmidt: *ibid.*; p. 228).

### 'INCREASING MISERY'

Finally, misunderstanding sometimes arises from Marx's statement that the development of capitalism is accompanied by the 'increasing misery' of the working class. For example, a famous passage in 'Capital' reads:

"Accumulation of wealth at one pole is, therefore, accumulation of misery, . . . at the opposite pole".

(Karl Marx: 'Capital', Volume 1; Moscow; 1974; p. 604).

But 'misery' is defined as

". . . great sorrow or distress of mind; . . . extreme unhappiness".

(Oxford English Dictionary', Volume 9; Oxford; 1989; p. 865).

Furthermore, in the most famous of the passages concerned Marx is clearly referring to the 'misery' of the 'pauperised' strata of the working class, not to that of the working class as a whole:

"Two famous passages in 'Capital', Volume 1, have been consistently misinterpreted. In both these passages Marx does speak about 'increasing misery' . . . and about 'accumulation of misery'. But the context clearly indicates that what he was referring to is the . . . misery of the 'surplus population', of the 'Lazarus-layer of the working class', that is, of the unemployed or semi-employed poor. . . .

The point to be made is simply that this chapter . . . is not concerned with movements of real wages at all. . . . This is clearly indicated in the very passage in question by Marx's statement that as capital accumulates the situation of workers becomes worse irrespective of whether their wages are high or low".

(Ernest Mandel: Introduction to: Karl Marx: 'Capital: A Critical Analysis of Political Economy', Volume 1; Harmondsworth; 1976; p. 71).

In other words, so far as the working class as a whole is concerned, we are dealing again here not with material impoverishment, but with spiritual impoverishment, with alienation.

In this respect, one must recall Engels' criticism of the use of the word 'misery' in the 1891 Erfurt draft programme of the German Social Democratic Party, in the clause reading:

"The number and the misery of the proletariat increases continuously".

(Draft Programme of German Social-Democratic Party, in: Friedrich Engels: 'A Critique of the Draft Social-Democratic Programme of 1891', in: Karl Marx & Friedrich Engels: 'Collected Works', Volume 27; Moscow; 1990; p. 223).

On which Engels commented:

"This is incorrect when put in such a categorical way. . . . However, what certainly does increase is the insecurity of existence. I should insert this"..

(Friedrich Engels: *ibid.*; p. 223).

#### A REVISIONIST PLOT?

THERE CAN BE NO DOUBT THAT, WITH THE DEVELOPMENT OF CAPITALISM, THE WORKING CLASS DOES NOT UNDERGO A CONTINUING DECLINE IN ITS REAL WAGES AND THAT MARX DID NOT PUT FORWARD ANY THESIS TO THE EFFECT THAT IT DID.

THE QUESTION THEREFORE ARISES, HOW DID THE IDEA COME ABOUT THAT MARX PUT FORWARD THE FALSE CONCEPT OF THE IMPOVERISHMENT OF THE WORKING CLASS WITH THE DEVELOPMENT OF CAPITALISM?

WAS THIS THE RESULT OF A MERE ACCIDENTAL MISINTERPRETATION OF MARX'S VIEWS ON THIS QUESTION? OR WAS IT THE RESULT OF SOMETHING MORE SINISTER -- A CONSCIOUS PERVERSION OF MARX'S VIEWS IN AN ATTEMPT TO DISCREDIT MARXISM BY ATTRIBUTING TO MARX VIEWS WHICH WORKERS -- AT LEAST IN THE DEVELOPED CAPITALIST WORLD -- WOULD KNOW TO BE FALSE FROM THEIR OWN EXPERIENCE.

IN THE FIRST PLACE, IT MUST BE ACCEPTED THAT THE DISTORTION OF MARXISM EMBODIED IN THE THEORY OF THE INCREASING IMPOVERISHMENT OF THE WORKING CLASS UNDER CAPITALISM AROSE FROM CERTAIN REVISIONISTS -- THAT IS, FROM THOSE ASSOCIATED WITH THE POLITICAL MOVEMENT TO DISTORT, TO REVISE MARXISM, FOR REACTIONARY POLITICAL MOTIVES.

"The so-called 'theory of growing poverty' . . . in fact was first ascribed to Marx by certain revisionists".

(Karl Kühne: *op. cit.*, Volume 1; p. 197).

"The 'theory of absolute impoverishment' is not to be found in the works of Marx. It was ascribed to him by political opponents, especially what was called the 'revisionist' trend in the German Social-Democratic Party'.

(Ernest Mandel (1968): *op. cit.*; p. 150).

and the more perceptive writers recognise its propagation as part of a revisionist plot to discredit Marxism:

"A whole school, claiming to be orthodox Marxist, has thought it necessary to adopt this 'theory of impoverishment' and defend it with persistence and bad faith, bringing discredit on Marxist theory".  
(Ernest Mandel (1968): op. cit., Volume 1; p. 150).

One of the first to present the 'law of absolute impoverishment' as the creation of Marx and to denounce it as false, was the German social-democrat EDUARD BERNSTEIN (1850-1942), known as

" . . . the father of revisionism".  
(New Encyclopaedia Britannica', Volume 2; Chicago; 1994; p. 154).

In 1899 Bernstein set forth his views in 'The Pre-Conditions of Socialism', in which he said:

"The proposition about the 'hopelessness' of the condition of the workers . . . runs through the entire radical-socialist literature. . .

If the condition of the workers were still hopeless today, then this proposition would naturally also still be correct. Mr. Plekhanov's reproach implies that it is. According to him, the hopelessness of the condition of the workers is an indisputable axiom of 'scientific socialism'. . . .

The fact that Marx and Engels once subscribed to an error does not justify continuing to maintain it; and a truth does not lose its force because it was first discovered or expounded by an anti-socialist or not completely socialist economist".

(Eduard Bernstein: 'The Pre-Conditions of Socialism'; Cambridge; 1993; p. 193, 194).

In short, Bernstein

" . . . demonstrated that . . . the lot of the proletariat had not worsened . . .".

('Encyclopedia Americana', Volume 3; New York; 1977; p. 613).

with the development of capitalism.

In the autumn of 1915, the 'law of the impoverishment of the working class' under capitalism was put forward in his book 'Imperialism and World Economy' by the Russian revisionist NIKOLAI BUKHARIN (1888-1930), who admitted to treason against the Soviet Union at his public trial in March 1938:

"There takes place, not a relative, but also an absolute worsening of the situation of the working class".

(Nikolai Bukharin: 'Imperialism and World Economy'; London; 1972; p. 159).

In other documents -- such as 'The Restoration of Capitalism in the Soviet Union' and 'The Historical Significance of Stalin's "Economic Problems of Socialism in the USSR"' -- the Communist League has described and documented the offensive of the Soviet revisionists against Marxism-Leninism in the years immediately following the Second World War. By 1953, this offensive had

attained important successes -- such as the termination of the publication of Stalin's works in 1949 and the removal of Stalin as General Secretary of the CPSU in October 1952.

The Hungarian-born Soviet economist JENÖ (EVGENY) VARGA (1879-1964) was himself a revisionist but a dissident towards the dominant Khrushchevite clique. In his book 'Politico-Economic Problems of Capitalism', he relates that just prior to the death of Stalin,

" . . . between between 1947 and 1953 the leading workers of the Economics Institute of the USSR Academy of Sciences . . . officially adopted the view that the absolute impoverishment of the working class was constant throughout the capitalist world. Some even spoke of a continuous progressive impoverishment, i.e., of a progressive decrease in real wages. At that time I wrote that even a very small progressive decrease in real wages would in a comparatively short historical period reduce wages to zero, . . . But my objections went unnoticed".

(Jenö Varga: 'Politico-Economic Problems of Capitalism'; Moscow; 1968; p. 114).

Varga says:

"We consider their view on the constant and inevitable absolute impoverishment of the working class not only wrong but even politically harmful".

(Jenö Varga: *ibid.*; p. 119).

The change in the line of the CPSU in the late 1940s to one of acceptance of the revisionist position on the question of the absolute impoverishment of the working class was reflected in the subject indexes of editions of 'Capital' published under the control of the Khrushchevite revisionists.

There are in the British national library, the 'British Library' in London, 16 different editions of Volume 1 of Marx's 'Capital' in English. Of these, seven have no subject index, while nine do have subject indexes.

Of the editions which carry subject indexes, the subject indexes of six -- the 1915 (Chicago), the 1928 (London), the 1933 (London), the 1938 (London), the 1952 Chicago) and the 1967 (Harmondsworth) -- make no mention of 'absolute impoverishment'. This subject is listed only in three editions, namely those of 1974 (Moscow), 1983 (Moscow) and 1983 (London), this last being an English version of the Moscow (1983) edition. In short, it appears only in editions published under the auspices of the Khrushchevite revisionists. In these, 12 references to 'absolute impoverishment' are listed.

The text of the three editions has not been altered, and the pages listed as carrying references to 'absolute impoverishment' actually contain no mention of this subject.

CLEARLY, WHAT HAS OCCURRED HERE IS A RE-INTERPRETATION -- OR MORE ACCURATELY, MISINTERPRETATION -- OF THE SAME TEXT TO SUIT THE



## PURPOSE OF THE SOVIET REVISIONISTS.

In this connection, a comment by Engels in a letter of May 1893, is relevant:

"Passages from Marx's writings and correspondence have been interpreted in the most contradictory ways, exactly as if they had been texts from the classics or from the New Testament"  
(Friedrich Engels: Letter to Isaac A. Hourwich , 27 May 1893, in: Karl Marx & Friedrich Engels: 'Letters to Americans: 1848-1895: A Selection'; New York; 1953; p. 254).

The misinterpretation of Marx on the question of the absolute impoverishment of the working class is illustrated in 'Political Economy', a textbook published in 1954 by the Institute of Economics of the Academy of Sciences of the USSR', published in 1954, which states:

"As capitalism develops, a process of . . . absolute impoverishment of the proletariat takes place. . . .

Facts . . . prove that under capitalism, the workers' standard of living continually declines. . . .

Absolute impoverishment of the proletariat is expressed in the fall in real wages. . . .

Absolute impoverishment of the proletariat is shown in the actual deterioration in the nutrition and housing conditions of the working people".

('Political Economy: A Textbook issued by the Institute of Economics of the Academy of Sciences of the USSR'; London; 1957; p. 169, 170).

In an effort to give a semblance of respectability to this passage, the authors of the above work add the following quotation from Lenin to the effect that in Germany in 1912 the worker is being

" . . . impoverished absolutely. i.e., he is actually becoming poorer than before, he is compelled to live worse, to eat worse, to suffer hunger more, and to live in basements and attics".

(Vladimir I. Lenin: 'Impoverishment in Capitalist Society', in: 'Collected Works', Volume 18; Moscow; 1963; p. 435).

But Lenin is speaking here of a particular place at a particular time, namely Germany in 1912 he is not laying down a principle for capitalist society in general.

The renegade former General Secretary of the CPUSA, EARL BROWDER (1891-1973) describes how the revisionist formulation of the absolute impoverishment of the working class was in the late 1940s turned by the Soviet revisionists into 'an instrument of intellectual terror':

"The 'law of absolute and relative impoverishment' remains undefined in Russian economic textbooks. . . .

This undefined and mysterious law has been erected into a decisive test of 'orthodoxy', so powerful that on charges of neglecting it, whole institutions are abolished, journals suppressed, and long-honoured names

dragged in the mud. . . .

The new dogma appears as one of the classical devices for thought control. . . . It claims the dignity of 'law', but avoids any precise definition. It calls the authority of Marx to its aid, but separates itself from Marx's text by a new name, to avoid being pinned down to any definite standard. . . .

The 'beauty' of such an undefined 'law' as an instrument of intellectual terror lies in the fact that since no one knows just what it is, no one can refute it. Thus, it is an ideal instrument of rule for an impersonal bureaucracy. It is the glorification of irrationality, it is the liquidation of all law".

(Earl Browder: 'Marx and America'; London; 1959; p. 84, 86-87).

The opposition of even revisionists like Varga to distortion of Marx's writings resulted in the rejection of that distortion in the Programme of the CPSU adopted at the 22nd Congress of the Party in October 1961. Soviet economist Viktor Cheprakov relates that by the 1960s

" . . . the problem of absolute impoverishment under capitalism was correctly reflected in Marxist writings. . . and former views have been revised in the light of Marxist-Leninist theory on this problem".

(Viktor Cheprakov: Introduction to: Jenö Varga: op. cit.; p. 7).

Thus, the wording of the reference to the absolute impoverishment of the working class adopted by the 22nd Congress of the CPSU in October 1961 followed Marxist-Leninist and not revisionist principles, maintaining that the development of capitalism leads

" . . . to a relative, and sometimes an absolute, deterioration of the condition of the working class".

('Programme of the Communist Party of the Soviet Union, adopted by the 22nd Congress of the CPSU, October 1961'; Moscow; 1961; p. 10).

### Conclusion

THE ABSOLUTE IMPOVERISHMENT OF THE WORKING CLASS IS NEITHER A THEORY OF MARX NOR A FEATURE OF CAPITALISM IN GENERAL.

THE PRESENTATION OF THE ABSOLUTE IMPOVERISHMENT OF THE WORKING CLASS AS A CREATION OF MARX FORMED PART OF A REVISIONIST PLOT TO DISCREDIT MARX AND MARXISM.

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