

Assess Marx's Account of the Origins of Capitalism

Capitalism, many would argue, has been around since the first human societies. However, for Marx capitalism exists in a particular form and truly appears at a particular point in time. For Marx himself, capitalism is a "mode of production" (CJ Arthur) in which the capitalist holds the power and the wealth and exploits the worker who produces it. Marx's theory was based on having two classes in capitalist societies which were owners, as he defined the 'bourgeoisie' oppressing the working class 'proletariat' (Roberts, 2001). This type of society can only arise once specific economic and political criteria are met.

Capitalism as outlined above did not simply appear rather it evolved out of a coming together of events and ideas. Capitalism has its origins in the medieval period in Western Europe and started to truly blossom in the 18th century with the Industrial Revolution. For Marx the classic example used to illustrate all of this is through the development of agriculture and the social changes associated with it that took place over time.

In order to put these ideas on the origins of capitalism into context, the starting point can be taken as the Middle Ages and the dominant social structure of the time - Feudalism. Feudalism was considered by Marx to be the social structure directly before capitalism. Here a feudal lord/monarch with a few others (the aristocracy) is at the apex in the hierarchy while the vast majority are peasants/serfs. The former have the vast majority of the power/wealth/property and land while the latter have little or next to nothing of these. Coming back to the specific example of agriculture is the particular concept of agricultural feudalism. Here agricultural produce was created by the majority (the peasants/serfs) but owned by a very small minority (the Monarch/Lord and the Aristocracy). The vast majority of the produce of the land goes back to the lord (to be either used or sold through trade) while the peasant who produced it only just gets enough to get by on (this is subsistence agriculture). The peasant was only rarely able to sell his produce to others (since in fact he usually would consume all he was allowed to keep). The peasant would further need to learn certain handicrafts (weaving etc) to fully benefit from what he was allowed to keep. Anything beyond that, like tools, cooking utensils would be obtained through say keeping a little extra back with the Lord's permission, barter or by selling some of their produce. In this social structure the vast majority could not acquire luxuries – these were for the Lord and those closest to him only.

As time passed by, agricultural feudalism gradually developed into Capitalist Agriculture. In this social set-up, the peasant is no longer able to work the land in the manner explained under Agricultural Feudalism and is effectively made landless. In order to support themselves the peasant has no other option but to "sell his labour" as this is all he has left to sell. While the peasant is in some sense "free" to choose who he works for, his "wage" is now fixed both in amount and the time in which he can earn it. The age-old connection to the land has been broken as the "togetherness" of the family through their work on "their" land. Each member of the family unit now needs to find work as an "individual" in order to provide for the family. This is a development of the "division of Labour" from the role it had held previously.

The role of the market now becomes central to daily life – everything must be bought and sold "in the marketplace". At this point, all things from food to labour become commodities.

The means of exchange now has to change to enable the market place to work. This marks the advent of the common use of “money” in everyday situations across the whole of society.

The appearance of this social set-up, whenever and however caused, is the pre-cursor to industrialisation and ultimately the Industrial Revolution – which in turn is a pre-requisite for the Capitalist Economy as described by Marx.

The points outlined above together form the historical background that influenced Marx’s ideas and theories about capitalism.

On a more economic and philosophical tack other factors now need to be considered.

Marx’s work “*The German Ideology*” (Arthur, 1977) marks amongst his earliest attempts to quantify his thoughts on what he called ‘Historical Materialism’. This framework helped him to put the origins of capitalism into some kind of context.

Marx’s thoughts as outlined above did not appear in a vacuum. Hegel was one of Marx’s biggest influences. Hegel had already formulated ideas about the role of private property for the individual and the society as outlined from his work “The second stage of historical development is the feudal stage, in which private property exists, but is placed in the hands of the aristocracy. They are dependent upon, and oppress, the subordinate serf class. This feudal era likewise offers no freedom or opportunity for self-fulfillment. the development of means of production is accomplished through the direct exploitation of the majority” (Altman, 2010). This as an example of how Marx was influenced when emphasising the role of private property in an emerging capitalist society.

Marx would then go on to develop this, placing “the capitalist stage of society as the third stage in historical development. The capitalist society offers private property, and the means of production see strong development. But again individual freedom is withheld from the proletariat working class, who remain alienated through submission to wage labour and adherence to artificially created material fetishes” (Altman, 2010).

Ultimately, Marx predicted that the ‘final stage of the development of society would be communism’ (Altman, 2010).

Further Marx and Hegel shared the view that history will always advance stage by stage. Whilst Hegel emphasised the superiority of the mind “The absolute is mind; this is the highest definition of the absolute” (Hegel, logic...), Marx saw mind as irrelevant “Hegel fell into the illusion of conceiving the real as the product of the thought concentrating itself, probing its own depths, and unfolding itself out of itself, by itself, whereas the method of ascending from the abstract to the concrete is only the way in which thought appropriates the concrete, reproduces it as the spiritually concrete. But this is by no means the process by which the concrete itself comes into being. (Altman, 2010)

This emphasis on the material, technology and property are Marx’s explanations for the prerequisites of capitalism, moving from the feudal into a capitalist society. Building on this, Marx was able to formulate further ideas for his theory on the origins of capitalism.

Armed with historical examples of modes and means of productions, Marx developed his theories on the “*Mode of Production*” (Arthur, 1977). “Productive capital, or the mode of production corresponding to capital, can be present in only two forms: manufacture and large-scale industry” (Musto, 2008). Here, he talks a great length about the interplay of the forces of production and the

relations of production which together form his theory of the mode and means of production. While these are mechanisms of capitalism, they did exist prior to the capitalist society in a diluted form and so can be counted as part of the origins of capitalism. A good example of this point is “At a certain stage of development, the material productive forces of society come into conflict with the existing relations of production or this merely expresses the same thing in legal terms—with the property relations within the framework of which they have operated hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an era of social revolution” (MacKenzie, 1984). This quote clearly encapsulates his thoughts on the modes of production as well as their historic evolutionary nature.

Many of Marx’s texts –whether *The German Ideology*, *The Communist Manifesto*, *Grundrisse* or *Das Kapital* clearly accept that capitalism existed in feudal Europe. However, in the first pair “the origin of capitalism is not so much explained as presupposed, as a new social form waiting to be released by the rising bourgeoisie when it finally throws off its feudal shackles. “ (Wood, 2002).

In *Grundrisse* and *Das Kapital*, Marx expands this into a distinctive approach of his own with his critique of political economy, where “although that approach was obviously much more developed in revolutionary analysis of contemporary capitalism, he did apply his critique to the historical question of the system’s origin in his dissections of “the so-called primitive accumulation” in Volume 1 of *Capital*. (Wood, 2002).

Assessing Marx’s account (as outlined in his writings) of the origins of capitalism is not very straight forward for today’s reader to understand instantly. The reader must have read many of Marx’s works and gain knowledge the context both historic to and contemporary with Marx.

Prior to 1845, Marx saw history as a series of changes leading to a particular (closed) outcome. However, after 1845, Marx was more interested in the process and that the outcomes were not predetermined. His theory of ‘Historical Materialism’ was his contribution to explaining the development of society to Marx’s time, “the origins of capitalism, for Marx, lay not in a change in technology, but in a change in social relations, the emergence of a class of propertyless wage labourers” (MacKenzie, 1984). Marx brought a new perspective on the origins of capitalism with his approach, but analysis from the perspective of today would seem to have been insufficient.

In conclusion, Marx’s works are implicitly about the origins of capitalism but then continue into his present and the future. Whilst Marx thought his analysis of capitalism’s origins and the events of his time would ultimately lead to a utopia (communism), history seems to have proved otherwise.

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