

## Assess Marx's account of the origins of capitalism.

A German communist, philosopher and revolutionary Karl Marx (1818-83) initially described the term capitalism as an economic system that contains a rather “unregulated market, private property, investment in future projects” (B Jones, 2004, page 31), and it holds employees who are forced to work to ensure the benefit or a profit is made which is then distributed between all of the owners of the businesses or those who have invested in the companies. Wages are then paid to its workers employed by the businesses. It is controlled by the private owners, who are responsible to make the final decisions such as the cost, where it will be distributed, its supply/supplier and investments in the *free market*. It is indeed an *economic system* in which wealth is based or owned privately and it is usually organised and managed according to the economic market.

Giving the example of the conventional capitalist economy in Britain where according to Bill Jones was the home of the industrial revolution and the ostensible ‘workshop of the world’. Marx referred to the employees as the company’s ‘wage slave’ as the private ownership of capital took advantage of their workers, and due to this he predicted that overworked staff “would eventually rise up and overthrow the system that oppressed them” (B Jones, 2004, page 31).

Capitalism is a system which first began and was initially developed in Western Europe in the 16<sup>th</sup> century which was regarded by social theory and economic history as a *specific, modern phenomenon* which flourished through out the centuries. There are two forms or examples of agriculture where capitalism was regarded historically. One is being part of the *feudal mode of production* where a person who owns or rent a plot of ground to allow them work on where they can produce food or/and necessities. Those renting pay their landlords ‘rent’ which could either be in a kind of labour or money on the number of days they have worked on the land. Extra food, goods or product they have made can be sold on the market which “is an instance of trade in goods that are produced by a feudal mode” (class notes, 27/10/2010).

Although, the majority of the public tends to create their own necessities and therefore a trip to the market is not always necessary. However, in some situation where they are unable to produce or manufacture their needs or necessity such as fuel and metal tools that are subsistence economy they would have to trade or purchase these. It is clear that history has now proved and “has demonstrated that capitalism, rather than being destroyed, has prospered, albeit in a different form” (B Jones, 2004, page 31). It has gradually spread throughout Western Europe in the 19<sup>th</sup> and 20<sup>th</sup> centuries and provided the main and most important resources of industrialisation. The ongoing success of capitalism is now a system known and used internationally and has been adopted by a number of previously communist states. It is now “the world’s most dominant form of economic model” ([www.macmillandictionary.com](http://www.macmillandictionary.com), access 24/11/2010). The *capitalist agriculture* became the root to usage of *money* as a generalised exchanged. This began when the peasant gave their trust to a landlord to commence work whilst the capitalists are apart from their land. Landlords are given a set or fixed wage of money for the time they are required to spend in the capitalist’s property but they do not have the ‘legal right’ to the land itself. Their contract to work on the land or property does not include their food or commodities and are required to purchase this from the market if any tools or materials are needed to do their work.

However, Marx argued that capitalism is distinctive and was expected to create an internal tension that could eventually cause damage. Capitalism does not only exchange goods or commodities but also money for the development of the capital which is used to “generating profit through the purchase of commodities and their transformation into other commodities which can command a higher price” ([www.newpolitics.org](http://www.newpolitics.org), accessed 03/12/2010), and by doing so would indeed produce a further profit. Marx explains his own solutions on how capitalism as a whole tends to make profit by the idea of taking advantage or overworking its workers. And due to this unjust treatment, Marx believed that just like capitalism replaced the existence of feudalism, capitalism could possibly in its turn would be replaced by socialism “and lead to a stateless, classless society called *pure communism*” (B Jones, 2004, page 13). Marx argued the understanding of the relationship between the economic activity and social life has continued to change and developed and therefore the political and economic structure will begin to create a disagreement which will then require for the capitalism system to terminate its existence and to give way to Marxism. “The development of the 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, are its own ‘slaves’. Its fall and the victory of the proletariat are equally inevitable.” ([www.marxists.org.uk](http://www.marxists.org.uk), accessed 03/12/2010). In contrast, Marx argued that the change of economic activity and social life is put in order by revolutionary accomplishment. He emphasised that capitalism will terminate due to an *international working class*: “Communism is for us not a state of affairs which is also to be established, an ideal to which reality will have to adjust itself. We call communism the movement which abolished the present state of things. The conditions of this movement result from the premises now in existence” ([www.marxists.org.uk](http://www.marxists.org.uk), accessed 03/12/2010).

The early 19<sup>th</sup> and 20<sup>th</sup> centuries a crucial movement emerged which became one of the most significant political and intellectual pressure group and was named after no other than the scholar and radical Karl Marx: *Marxism society*. Marx was indeed the founder of the Marxism which is based in his strong belief and theory to his discovery to “the true motor of history in the relationship of people to the changing means of wealth production” (B Jones, 2004, page 165). He argued that those individuals who has the main control to the capital and profit of production tends to always become the dominant class of people in any society “and went on to permeate that society with the ideas and values which underpinned their supremacy” (B Jones, 2004, page 165). Marx’s clear evaluation was based on his analysis of its history and declared that in the *contemporary industrial era* the middleclass or ‘bourgeois’ title-holder of the capital were the “ruling class and the proletarian masses the subordinate one” ([www.marxism.org.uk](http://www.marxism.org.uk), accessed 02/12/2010). The middleclass were oppressed by the *capitalist class* to produce wealth, which only the ruling minority truly enjoyed. Furthermore, Marx predicted that with the capitalist’s continuous desire to increase their profit would mean they would eventually need to lower their prices to ensure they do better than their competition in the market. And as a result it will put more pressure on the workers wages and will create and increase the poverty for the working class. Marx then stressed the effect this could cause and believe that masses would eventually rise up and throw off the dominant bourgeoisie’s control over them “after a period of dictatorial control, to eliminate capitalism” (B Jones, 2004, page 165). This would then lead to introduce a *socialist society* in which property ownership would no longer be private and restricted but would be more collective.

And as a result, once a familiar way of ownership was introduced and in practice the benefits of a *social justice and equality* would then merge and operate its way through to the economy and society which would then create a trust and cooperation to the human society. He also predicted that in time the state would eventually 'wither away' and take form as an *international commonwealth of communists*. Karl Marx's did not doubt his prediction and was very précised with his analysis which he claimed were based on the 'scientific study of society' and which therefore means it is unavoidably expected.

Many countries understood Marx's view and his formulation to the Marxism, which they ultimately then changed to set their regime. Countries such a Russia put this into operation in the revolution of 1917 by a Russian intellectual and radical Vladimir Lenin. However, this did not achieve its expectations as all of a Marxism *utopia* idea was soon washed away as "satin took total and murderous control" (B Jones, 2004, page 165). With the exemption of China, North Korea and Cuba "all of the world's communist regimes collapsed in the late 1980's and early 1990's and were replace by regimes sympathetic to capitalism if not always to liberal democracy" (B Jones, 2004, page 165). This provides evidence that the Marxism's history as a political system was unsuccessful as it failed and did not work for many people who lived in communist countries due to its failure to protect only the minimum of human rights.

Nevertheless, despite its uneven stability, Marxism was and remains to be a formidable system of intellectual thought, which is still used by social scientists as form of analysis, and is respected even by some of those hostile to its revolutionary prescriptions. Bill Jones opinion on Marx's theory is that "there is some truth in the quip that Marx was right about what was wrong but wrong about what was right" (B Jones, 2004, page 165).