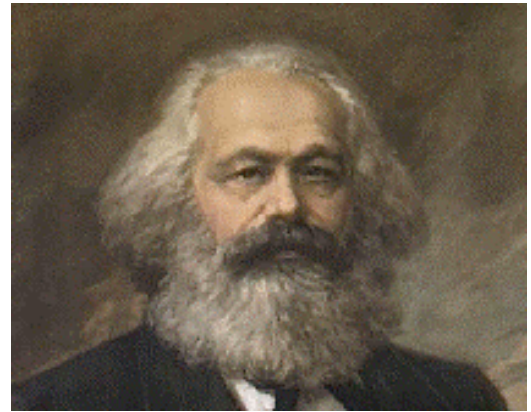


Marx in the Mirror of Globalization

By Peter Hudis
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One interesting—some would say surprising—aspect of the ongoing discussions and debates about globalization is the renewed interest being shown in the ideas of Karl Marx, which only recently seemed to have been consigned to the dustbin of history. In the journalistic and academic worlds alike, a number of reappraisals of Marx's work are appearing that identify the 19th-century thinker as "the prophet of globalization" because of his focus on capital's inherent drive for self-expansion and technological innovation on the one hand and its tendency to exacerbate social inequality and instability on the other. Even some of globalization's most fervent supporters note the importance of Marx's work for anticipating the imbalances and disturbances associated with the unfettered expansion of global capital. As John Micklethwait and Adrian Wooldridge, writers for the passionately pro-capitalist magazine *The Economist*, put it in their new book *A Future Perfect: The Challenge and Hidden Promise of Globalization*, "As a prophet of socialism, Marx may be kaput; but as a prophet of 'the universal interdependence of nations,' as he called globalization, he can still seem startlingly relevant...his description of globalization remains as sharp today as it was 150 years ago."

Some may find such talk of Marx a bit odd, given the abject failure of the communist regimes that claimed to rule in his name. Yet as Marx scholars have long pointed out, the communist regimes had little in common with Marx's actual ideas. Marx opposed centralized state control of the economy (he called those who advocated it "crude and unthinking communists"); he passionately defended freedom of the press (he made his debut as a radical journalist espousing it); and he ridiculed the notion that a small "vanguard" of revolutionaries could successfully restructure society without the democratic consent of its citizens. If anything, the collapse of communism seems to have spurred new interest in Marx, since it makes his predictions concerning the global reach of capitalism seem even timelier.

Micklethwait and Wooldridge contend that "one of the things that Marx would recognize immediately about this particular global era is a paradox that he spotted in the last one: The more successful globalization becomes, the more it seems to whip up its own backlash.... The undoing of globalization, in Marx's view, would come not just from losers resenting the success of the winners but also from the winners themselves losing their appetite for the battle." "There is even a suspicion," they go on, "that globalization's psychic energy—the uncertainty that it creates which forces companies, governments, and people to perform better—may have a natural stall point, a movement when people can take no more."

The tone of much of the current discussion of Marx on the part of both supporters and critics of globalization (for a forceful example of the latter, see William Greider's *One World, Ready or Not: The Manic Logic of Global Capitalism*) was established by John Cassidy's 1997 *New Yorker* article "The Return of Karl Marx," in which he called Marx "the next big thinker." Cassidy cited a high-placed Wall Street investment banker who told him, "The longer I spend time on Wall Street, and the more convinced I am that Marx was right."

What is it about Marx's work that produces such comments? First, though Marx was a severe critic of capitalism, few captured better its inherent drive for technological and social innovation. As Marx saw it, capitalism is not only about the production of material goods and services but also about the production of value. Labor, in Marx's view, is the source of value. And the magnitude of value, he argued, is determined by the amount of socially necessary labor time it takes to produce a given commodity. Marx held that there is a continual contradiction between these two purposes: producing for material wealth and producing for value. As productivity rises, more goods are produced in the same unit of time, so the value of each commodity falls. The increase in material wealth corresponds with a decline in the magnitude of value—that is, production costs fall and prices tend to fall as a result.

This presents the capitalist with a knotty problem: the relative decline in the value of each commodity risks leaving him short of the funds needed to maintain his level of productive output. He responds by trying to further boost productivity, since the greater the quantity of goods produced, the better the opportunity to realize the value of his initial investment. The best way to increase productivity is to invest in labor-saving devices. The resulting growth in productivity, however, reproduces the initial problem, since the increase in material wealth leads to a further decrease in the relative value of each commodity. Capitalism is thus based on a kind of treadmill effect, in which the system is constantly driven toward technological innovation regardless of its human or environmental cost. The restlessness and drive for innovation that characterize contemporary high-tech capitalism was long ago anticipated by Marx.

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Second, Marx held that this process of constant innovation and productive expansion ultimately proceeds with disregard of national borders. The logic of capital, he held, was to create a world market. National restrictions on the movement of capital would eventually have to be lifted, he argued, because capital must constantly find new markets to absorb its ever-growing productive output.

Third, Marx held that this process inevitably leads to a concentration and centralization of capital at one pole and a relative immiseration of the majority of the population at the other. Since capital is driven to increase productivity through labor-saving devices, "dead labor"—machines, technology—expands at a faster rate than the need for labor power. Since workers do not own capital, but only their labor power, social wealth gets increasingly concentrated in fewer and fewer hands. Many consider this confirmed by the growing inequities that follow from the globalization process, as indicated by the fact that 225 individuals now control more wealth than half of the world's population.

Marx the Man

The importance of such issues is also addressed in Francis Wheen's *Karl Marx: A Life*, the first English-language Marx biography to appear in almost two decades. In Wheen's portrait Marx the man comes across as embodying in many respects the dialectic, a concept Marx drew from Hegel, that every unit contains its opposite within itself. Marx came from a family of renowned rabbis, yet showed not the slightest inclination toward religion. He was a loving husband and father whose daughters became important spokeswomen for socialism in their own right, yet he once sighed "blessed be he that hath no family." He preached the virtues of communalism and railed against egotism, yet he was such an individualist himself that when a friend said that she couldn't imagine him living happily in an egalitarian society, he responded: "Neither can I. These times will come, but

we must be away by then." He spent more time thinking over the origins, nature, and function of money than perhaps anyone, yet he was continuously unable to earn any himself.

What is most striking from Wheen's portrayal is Marx's gargantuan intellectual appetite. From his earliest writings there appears no subject that was not of interest to him—history, ancient and modern philosophy, economics, art, literature, geology, natural science, ethnology, and mathematics. This surely makes any effort to sum up his contribution far from easy. So formidable was Marx's output that although he published only a handful of books in his lifetime (including one volume of his planned multivolume magnum opus *Das Kapital*), his collected works come to more than 100 volumes, and the work of transcribing and publishing all his writings remains to be completed even today.

Wheen approaches his subject with considerable skepticism, especially concerning Marx's goal of a classless society. A columnist for *The Guardian*, Wheen has never considered himself sympathetic to Marxism. Yet, he writes, "The more I studied Marx, the more astoundingly topical he seemed to be. Today's pundits and politicians who fancy themselves as modern thinkers like to mention the buzzword 'globalization' at every opportunity—without realizing that Marx was already on the case in 1848." Two issues make Marx especially relevant in his view: one, Marx's notion that even in the most propitious economic conditions, the laborer under capitalism is compelled to endure overwork and "the reduction to a machine, the enslavement to capital"; and two, Marx's insistence that once capital becomes the predominant formation in any society, "what is truly human becomes congealed or crystallized into a material force, while dead objects acquire meaning, life and vigor."

None of these recent discussions of Marx can be considered wholesale appropriations of his legacy. The consensus on the part of most commentators is that while Marx may have been right about the nature of capitalism, he was less correct about the practicality of the alternative he envisioned. Yet in light of the way Marx is gaining increased attention from many who only a short time ago thought that history had pronounced his ideas dead, his work may continue to illuminate the quest to understand life under the "manic logic" of global capitalism. As Marx once put it, "We are firmly convinced that the real danger lies not in practical attempts, but in the theoretical elaboration of communist ideas, for practical attempts, even mass attempts, can be answered by cannon as soon as they become dangerous, whereas ideas, which have conquered our intellect and taken possession of our minds...are demons which human beings can vanquish only by submitting to them."

Peter Hudis is a freelance writer living in Chicago.