

What is capitalism?

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Robots and sweatshops

Starting with the Industrial Revolution, there have been two contrary tendencies in the development of social production: increased automation lowering socially necessary labor-time; and the desperation of people rendered superfluous as workers.

For Marxism, this presented a social and political task for the working class to demand higher wages for fewer hours.

An alternative to this would be for workers to try to fight against technology — the Luddites.

Conversely, the capitalists could invest in machines instead of labor.

Thus was born the antagonism between wage-labor and capital.

The outcome of the class struggle between the workers and capitalists was to be the realization of the potential for both increased production and the reduction of human toil: socialism.

However, since machine production created a permanent class of unemployed people, there would always be a demand for work that could be exploited by the capitalists to pay lower wages.

Paying lower wages decreases the market for produced goods, which means a drive for higher profitability, leading to further pursuit of cost-efficiency in production as well as depression of wages.

That leads to both robots and sweatshops. Disparities and imbalances between capitalist profits and workers' wages lead to periodic crises in which there is money that cannot find profitable investment and workers who cannot find employment.

But eventually balance is restored through the cheapening of money-capital — and the cheapening of labor.

New forms of work are developed to serve new technologies of production. — Until the next crisis begins the cycle all over again.

This meant that the working class as a whole — both employed and unemployed — needed to be organized as a social and political force to ensure increased social wealth and to prevent exploitation.

Since this is a matter of the organization of society as a whole — including internationally, and indeed globally, in the cosmopolitan exchange of wage-labor and capital — it requires the political act of taking state power: world socialist revolution.

Jobs and free stuff

The current political polarization in the U.S. is not Democrat vs. Republican or the minorities of race, gender and sexuality against straight white men: It is between the politics of free stuff vs. the politics of jobs — demands for more free stuff vs. demands for more jobs.

“Democratic socialist” candidate for Democratic Party nomination for President Bernie Sanders has responded to charges that he is actually a communist with the assertion that the U.S. is already socialist, but it is a socialism for billionaires. The kernel of truth in this is that there is already government subsidy and other kinds of support for capital. The question is, why is this so? Corruption? Or rather is it actually in the interest of society? Of course it is the latter — the general interest of capitalist society, which both Parties serve (as best they can).

Karl Marx observed that the productive activities of general social cooperation are a “free gift to capital.” What did he mean? The social process of production is not at all reducible to the paid wage-labor of capitalist employees, but includes the activity of everyone in society. As Frankfurt School Director Max Horkheimer wrote, in “The little man and the philosophy of freedom,” “All those who work and even those who don't, have a share in the creation of contemporary reality.”

Whether in terms of Andrew Yang's proposed “freedom dividend” of free money for all in a UBI or free public education and health care for all, the question is not who's going to pay for it, but rather how can capital make use of it. These are not anti-capitalist demands but demands for the better functioning of capital. The question is, what are we going to do in our society with all the fruits of our production — with all our free stuff? How can we make it benefit everyone? Is it just a matter of better shaving off more crumbs?

Yang proposes that the invaluable but currently unpaid labor of mothers, inventors and artists should be supported by society. Marx called this the communism of the principle of “from each according to ability, to each according to need” in a society in which the “freedom of each is the precondition for the freedom of all.” We already live in capitalism according to this principle, but capital fails to fulfill it.

The Democrats propose to make capital fulfill its social responsibility; the Republicans think it already does so as best as possible, and any attempts at government intervention to make it do better no matter how well intentioned the reforms will actually be counterproductive. The result will be stagnation and lack of growth, undermining society along with capital. Without people working there can be no greater social benefits of production; without jobs there can be no free stuff.

This is the essential difference in U.S. politics or really in capitalist politics everywhere: progressive capitalism vs. conservative capitalism. Not spendthrift vs. frugality or kindheartedness vs. cynicism or liberality vs mean-spiritedness, nor is it optimism vs. pessimism or idealism vs. realism. It is a division of labor in debate over advocating how to keep people working and how to distribute freely the products of their labor. It is not a difference in principle or one of honesty vs. deception: both sides are sincere — and both sides are self-deceiving.

Marx observed that the free gift to capital is the “general social intellect.” But that general social intellect has become the “automatic subject” of capital. How do we make it serve us, instead of us serving it? All politicians in capitalism want the same thing. The problem is that capitalist politics is not as intelligent as the society it represents. This is the true meaning of socialist politics — to realize the general social intellect — which today unfortunately is inevitably just a form of capitalist politics, whether by Sanders, Yang or Trump. They all want to better serve us — which means better serving capital.

Capital and labor

According to Marx, capitalism is the contradiction of bourgeois social relations and industrial forces of production. The effect of this self-contradiction of bourgeois society in industrial production is the division of capital and labor. It is from this division that the opposed classes of capitalists and workers derive. The class struggle between workers and capitalists is a phenomenon — the phenomenal expression — of the self-contradiction of capitalism. It expresses labor's contradiction with itself — which is also capital's contradiction with itself. When referring to “capital and labor” there are actually just two forms of capital — Marx called these “variable and constant” as well as “fixed and circulating” capital — and both refer to labor — Marx called capital “alienated labor.” Labor and capital are two aspects of the same thing in capitalism. The bourgeois social relations of production are the social relations of labor.

The usual oppositions posed by the labor movement and by socialism, such as profit vs. human needs (and the needs of the natural world beyond humanity), are expressions of this self-contradiction of society in capitalism, the needs of capital as opposed to the needs of labor. The contradiction of capital is not external but internal.

Marx described capitalism as “false necessity.” What he meant by this was not simply wrong necessity, but rather self-contradictory necessity. For the needs of capital and the needs of labor are the same. In becoming opposed in capitalism, there is the conflict of labor with itself as well as of capital with itself.

In capitalist politics, there is another phenomenon — expression — of capital's self-contradiction, namely, the disputes among capitalist politicians over government policy, which can also express conflicting interests of different capitalists, including different sectors of industry, between different capitalist nation-states, etc. Workers employed in different occupations as well as in industries can

thus have different and conflicting interests, competing over the priorities of social investment in capital. The opposed aspects of capital — and of labor — are inseparable. Labor cannot be extricated from capital any more than capital can be from labor.

The goal of socialism is to realize capital as well as labor — to negate labor as well as capital. It is to realize as well as negate — overcome — capitalist necessity. What would such *Aufhebung* [sublation] mean?

Discontents in capitalism take various different and even opposed forms. The history of socialism itself as well as the history of capitalism expresses self-contradictory desires and goals. At different moments in the history of capitalism, the goals of socialism have taken various different and indeed opposed forms. For instance, socialism has variously regarded its goals as realizing the potential of capitalist production as opposed to abolishing capitalist production: achieving hyper-industrialism versus returning to subsistence primitivism have both found home at one time or place or another in the struggle for socialism. Socialism could be defined as both and neither of the opposed alternatives that capitalism generates as its own positive goals and its own self-negations. All the various opposed demands arising from the discontents in capitalism will be both fulfilled and negated — overcome — in socialism.

Capital seeks to abolish labor and labor seeks to abolish capital — but more importantly in capitalism capital seeks to abolish itself and labor seeks to abolish itself. By making labor more productive it becomes less necessary; by producing excess capital it becomes more superfluous — less a real measure of social value. Labor seeks to abolish itself in capitalism, and thus to abolish capital, tasking socialism.

Only by encompassing the wide variety of discontents within the working class and across the history of its developments in capitalism could the political movement for socialist revolution to overcome capitalism become adequate to its task and mission, by becoming conscious of it. Since capital is the product of labor and labor the product of capital, this would mean encompassing the

divisions among the capitalists as well as within capitalism itself as a total movement of society. The achievement of socialist revolution would be when the working class can take responsibility politically for capitalism as a whole. In so doing, the working class would confront the choices posed by the contradictions of capitalism that are otherwise expressed by the conflicts between the different capitalists and thus among workers of the world. All the conflicts exhibited in the world must be grasped as expressions and various forms of the self-contradiction of capitalism. Such conflicts are necessary — to be overcome.

The false necessity of capitalism as self-contradictory but opposed real needs can only be truly engaged and overcome from the standpoint of universal world history. This can only take place from within the social antagonisms of capitalism, and not from partial, single-sided aspects of its contradictory totality.

The “workers of the world must unite” because the world is united in its self-contradiction and crisis in capitalism. The laborers must themselves take up and overcome the social relations of labor in crisis in capitalism by assuming the socialist political responsibility for capital that is eluded by capitalist politics.

Otherwise, the social conflicts in capitalism — between and among its capitalists and workers — will reproduce its contradictions forever. | P

Presented on a public panel discussion hosted by the Platypus Affiliated Society, with speakers Dick Howard, Chris Nineham, Shane Mage and Leo Panitch, moderated by Clint Montgomery, May 23, 2020. Published in the Platypus Review issues 123 (February), 124 (March) and 126 (May 2020).

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