

NORMATIVE MARXISM :
AN EVALUATION OF JON ELSTER'S VIEW

Ph. D.

Ph. D. Thesis

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University of Dhaka

To my parents

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**Thesis submitted to the University of Dhaka
For the Degree of Doctor of Philosophy**

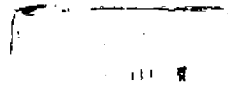
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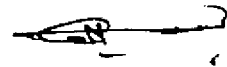
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**Department of Philosophy
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August 2000**

CERTIFICATE

Certified that the work incorporated in the thesis entitled “Normative Marxism : An Evaluation of Jon Elster’s View” was carried out by A. K. M. Haroonar Rashid under my supervision.



Dr. Md. Sajahan Miah
Supervisor

DECLARATION

The work done in this thesis is original and has not been submitted by me to any university or institution for the award of any degree or diploma.

Such material as has been obtained from other sources is duly acknowledged in the thesis.

A.K.M. Haroonar Rashid

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PREFACE

Marxism, from its very emergence, raises enormous controversies which results to different trends like Classical Marxism, Western Marxism, Neo-Marxism, Analytical Marxism, Normative Marxism etc. Normative Marxism is the most recent trend of Marxism, introduced by Jon Elster, an Anglo-American Analytical Marxist. In the present work Elster's Normative Marxism has been examined and evaluated. In his *Making Sense of Marx* Elster analyses the issue of whether and in what sense Marxism can make sense today. He introduces a new style in Marxist studies by employing the principles of methodological individualism and rational choice. He propounds the view that Marx's ideas can only make sense if it is understood from a normative perspective. In this regard, he discovers some fundamental conceptions of morality in Marx's theories of exploitation and alienation. However, I argue that Marx never holds an individualist position, rather he attempts to make a unity between individuality and collectivity which is overlooked by Elster. Contrary to Elster's normative Marxism, I attempt to show that Marx formulates a scientific theory of society (materialistic conception of history) which suggests that he never bases his thoughts on any moral norms or ideals.

The present work is a purely theoretical study based on textual evidence. It concentrates on the relevant texts by Marx, Elster and the most recent writers on Marx. Most of the research materials used in this work have been collected from the Ottawa University Library in Canada during my graduate studies program from September 1991 to August 1992. It was Professor Hilliard Aronovitch, the then Chairman of the Department of Philosophy, Ottawa University, who first gave me a review article on Elster's *Making Sense of Marx* and inspired me to do research on normative Marxism. I am indebted to him for his encouragement and suggestions for this work. I am also grateful to Ottawa University for providing me with the financial support for a period of one year.

Marxism, for the last two decades, has been attacked and criticized as a dead philosophy by the academicians and researchers in the Western and European world. This is the source of my interest in doing research on it. Although I was inspired to do this work in 1992, I began to do it in 1995 and it was Dr. Sajahan Mia who encouraged and guided me in this regard. I would like express my sincere gratitude to him for his encouragement and guidance which have made my task much easier. His constructive criticisms and suggestions have influenced this work.

During my research for this thesis I have discussed several times with Professor Abdul Matin and Professor Abul Kashem Fazlul Haque concerning Marx's view of morality. I am grateful to both of them for enriching me with their ideas. I am also indebted to Professor Hasna Begum for her constant support and inspiration during my research for this thesis.

I would like to express my sincere gratitude to my teachers, colleagues, friends and relations for their constant support, encouragement and continuing faith in me. I am also grateful to the Dhaka University Academic Council for giving me permission to do this work. Thanks are also due to Mr. Panu Gopal Paul for helping me to compose this thesis.

Finally, special thanks are due to my wife Sultana Sadeque and my son Pronoy for their love and emotional support.

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CHAPTER I

INTRODUCTION

Jon Elster, one of the leading figures of Analytical Marxism¹, introduces Normative Marxism as a new trend in Marxist thought. His *Making Sense of Marx*² is the latest development of Analytical Marxism. It is a massive blockbuster of a book that many Marxist thinkers take to be exemplary for the latest development of Analytical Marxism.³ In *Making Sense of Marx* Elster assesses whether and in what sense Marxism remains useful for us today, whether and in what sense it is still possible to be a Marxist. He introduces a new style in Marxist studies by propounding that Marx's ideas can only make sense if it is observed from a normative perspective. Hence it is possible to be a Marxist today in the normative sense. In this regard, the most lasting achievements of Marx's ideas are the criticism of capitalism in terms of exploitation and alienation. Elster discovers some fundamental conceptions of morality in Marx's theories of exploitation and alienation. In his view, the central issues of Marxism cover normative as well as explanatory problems (such as, the theories of alienation, exploitation, class struggle, ideology and technical change). With some revisions and modifications he accepts Marx's normative aspects and tries to establish a specific conception of morality. However, my aim is to evaluate Elster's views of whether and in what sense Marx entertains a specific conception of morality, such as justice and good life; whether and in what sense Marx holds a view of individuals rational choice. I shall also assess whether Elster's Normative Marxism is consistent with Classical Marxist position.

Elster's approach towards Marxism is different from the Marxist tradition. His *Making Sense of Marx* represents a different style in Marxist studies, whose aim is to make sense of Marx from a normative point of view. While academic Marxists have tried to shape the social sciences to fit in a Marxist model, Elster tries to

shape Marxism to the model of modern social science. His main focus is not on Marxism, but on Marx's own work. In doing so he distinguishes Marx's thought from the traditional Marxist. Using the analytical tools of contemporary social science and philosophy, Elster tries to assess 'what is living and what is dead in the philosophy of Marx'. Elster differs from the traditional Marxist on the question of methodology. He does not share the view that what remains valid in Marx today is his method rather than any substantive theoretical propositions.⁴ However, Elster emphasizes on a specific Marxist method. As he says:

Yet I also believe that there is a specifically Marxist method for studying social phenomena—a method that can be and has been put to fertile use even by those who disagree with Marx's substantive views. In fact, this method is so widely applied today that few would think of referring to it as "the Marxist method". In historical perspective, however, Marx was a pioneer in the use of this methodology.⁵

Although Elster recognizes other methodological views (largely of Hegelian origin) professed and practised by Marx, he argues that these are of little or no intrinsic interest. By other methodological views he means particularly methodological collectivism (closely related to functional explanation) and dialectical deduction, which he thinks as misguided framework for studying social phenomena. Contrary to those views, Elster contributes methodological individualism and rational choice approach as an alternative framework for Marxism. He provides a systematic criticism of functionalism and teleological thinking in Marx by applying this alternative framework. Elster argues that Marx himself offers this alternative framework for analysing social phenomena. On the basis of his principles of methodological individualism and rational choice he imputes ethical individualism and individual's rational choice to Marx. Although there remains a tension as to whether Marx represents an individualist or a collectivist position, I argue that Elster overlooks Marx's idea of the unity between individuality and collectivity.

According to Elster, Marx observes three main flaws of capitalism: exploitation, alienation and inefficiency. These flaws of capitalism play two distinct roles in Marx's theory. On the one hand, they enter into his normative assessment of what is wrong with capitalism and what is desirable about

communism. On the other hand, they are part of his explanation of the breakdown of capitalism and the subsequent transition to communism.⁶ In the normative sense, Marx's critique of exploitation and alienation as well as his vision for a better future society (communism) remains meaningful today. Thus, Elster rejects functional explanation as implausible and retains normative criticism as plausible. But I do not think that normative criticism makes sense without functional explanation in Marxist thought.

The idea of exploitation is centrally important in Marx. For Elster, the importance of exploitation in Marxism is two fold. First: the presence of exploitation in a society provides a ground for normative criticism that exploitation is wrong and exploiters are morally condemnable and hence, it ought to be abolished. Secondly: exploitation can provide the exploited with a ground for taking individual or collective action against the system and therefore enters into the explanation of such action.⁷ That is, Marx's theory of exploitation has two distinct purposes—explanatory and normative. In explanatory function, exploitation provides a motivation for protest or revolution when perceived by the exploited (as such it can enter into the explanation of class struggle and social change). On the other hand, as a normative concept, exploitation is a part of a wider theory of distributive justice, that is, it is morally wrong whether perceived by the exploited or not. Elster's main concern is the normative theory of exploitation. So, he considers the question of the injustice of exploitation by arguing that Marx has a theory of justice that supports both his condemnation of exploitation and his conception of communism.

The notion of exploitation carries a very specific meaning in Marx's thought. In his sense, a person is exploited if he performs more labour than is necessary to produce the goods that he consumes. Conversely, a person is an exploiter if he works fewer hours than are needed to sustain his consumption. For there to be exploiters, there must also be others who are exploited. But the converse need not be true. Exploitation, as Elster argues, cannot be a fundamental moral concept. In his words:

... from the ethical point of view exploitation cannot be a fundamental concept. If the rich want to be exploited, the poor ought not to take any blame. If there is anything wrong with the situation, it is to be found in the

unequal distribution of wealth, not in the forms of exploitation that arise in it because of this peculiar supply function of labour.⁸

In Elster's view, Marx's concept of exploitation is normative in the sense that part of Marx's indictment of capitalism rests on the injustice of exploitation. That is, it is unfair or unjust that some should be able to earn an income without working, whereas others must toil to eke out a miserable existence.⁹ Elster's normative concept of exploitation is supported by Peffer.¹⁰ Peffer argues that exploitation violates Marx's principle of maximum equal freedom. On this analysis, economic exploitation is always *prima facie* wrong in actual societies. However, this analysis leaves open as a logical possibility that economic exploitation is not always wrong in particular circumstances. It also leaves open the possibility that economic exploitation can be condemned as bad or wrong in a particular society.

The concept of alienation is also centrally important in Marx. For Elster, it is the most important concept in the normative theory. Marx locates the phenomenon of alienation at the level of individuals. By "alienation" he means the lack of self-realization of the individuals. He prefers communism because it would abolish alienation. Under communism the self-realization of each and every individual would be possible, that is, each and every individual will live a rich and active life. But, Elster argues, it is not clear whether alienation does or does not play a role in the explanation of the breakdown of capitalism. In Marx's sense, alienation takes the form of an unsatisfied desire for self-realization, which could motivate people to create a society in which the desire could be satisfied.

In Marx's thought, alienation simply means the absence of opportunities for self-realization, with or without the desire for self-realization. In Elster's thought, this is the normative sense of alienation. Marx places exclusive emphasis on the lack of opportunities for self-realization in capitalism. He also emphasizes that capitalism creates the material basis for communism in which the full and free self-realization of each and every individual becomes possible. That is, communism emerges when this basis is created. Elster argues that it is not clear whether Marx thinks communism would emerge when this basis is created.

Alienation is related to exploitation in the sense that it adds to exploitation a belief on the part of the workers that the capitalist has a legitimate claim on the surplus by virtue of his legitimate ownership of the means of production. The ownership is seen as legitimate appropriation of surplus. Hence the efficacy of capitalist exploitation appears as morally legitimate. In his theory of alienation, Marx suggests that the capitalist exploitation separates labour from the products. Alienation in this sense does not offer the workers a motivation to abolish capitalism. On the contrary, it blunts any such motivation.

Elster distinguishes two main concepts of alienation in Marx. First, spiritual alienation or the lack of self-actualization. It may be seen either as a lack of sense of meaning or as a sense of lack of meaning. Secondly, social alienation, that there is the power that the products of man may acquire over their creators. In this sense, the products become alienated from the producer. Elster argues that Marx tends to confuse these two flaws of capitalism with one another.

Marx condemns capitalism by virtue of a purely objective alienation, which he considers to be a main flaw of capitalism. He believes that capitalism ought to be abolished by virtue of this alienation. Elster argues that this view of Marx offers no answer to the questions of how the abolition is to occur and what causal role alienation will play in its abolition. It may be argued that capitalism will be abolished because of the acute alienation. But it cannot be argued that the mere objective need for change will in itself bring about that change.

Elster argues that Marx's theory of exploitation¹¹ in *Capital* and his conception of communism¹² in the *Critique of the Gotha Program* entertain principles of justice. On the one hand, capitalism is unjust in the sense that Marx treats capitalist extraction of surplus value as theft, embezzlement and robbery. On the other hand, Marx's contribution-principle in the first stage of communism entertains a conception of justice in the sense that exploitation is always and inherently unjust. But the question is that whether Marx at all offers any specific theory of justice and treats exploitation as a moral concept. I argue that Marx never offers any specific theory of justice and that he never treats exploitation as a moral concept. He never bases his condemnation of capitalism on any moral concept (such as, justice).

Elster claims that there is a specific conception of good life (as self-realization) in Marx's theory of alienation. He argues that the most lasting achievement in Marx's thought is self-realization of the individuals through creative work. Marx derives the conception of good life from the analysis of human nature. Good life would be realized in communism. In Elster's view, good life, as self-realization through creative work, is the essence of communism. This vision gives us an optimism for a better future society that would allow greater scope for human creativity. But the question is that whether communism can be defended by methodological individualism and rational choice theory. Elster observes that Marx's idea of the full and free self-realization and the absolute abundance in communism contain utopian elements. I think that Elster is quite right in maintaining that self-realization through creative work is the essence of communism, but I do not agree with his view that it contains utopian elements. I think that Elster misunderstands Marx in this regard.

According to Elster, Marx's analysis of capitalism and his theory of communist revolution represent the idea of rationality. He argues that it is not the system, but individual's rational choice that motivates the workers to carry out revolutionary collective action. But this view is controversial as to whether Marx observes rationality behind individual action or collective action. I do not think that Marx's idea of rationality fits in Elster's individual's rational choice theory. In my opinion, it is the system that is very important for revolutionary collective action. In fact, Marx emphasizes on the system. The capitalist system is so irrationally organized that motivates the workers to carry out revolution. He believes in the inevitability of revolutionary collective action because of the irrational social system, not because of individual's rational choice. But it does not mean that Marx denies the rationality of behaviour behind revolution.

Finally, I argue that Elster's normative Marxism is not consistent with Classical Marxism. From the Classical Marxist position, Elster's normative Marxism is nothing but a kind of ethical Marxism, i.e. Marxism as moral vision without a sociological and economic underpinning. Elster's understanding of Marx is based on the moral vision of society which is not consistent with Marx's

scientific theory of society. Hence, his normative Marxism is directed towards a kind of utopian socialism contrary to scientific socialism. Against this kind of utopianism Marx develops a science of society that would enable us to understand how the society works and how it changes. Elster abandons Marx's scientific basis of society and replaces it by a moral basis. Thus, he provides a moral (normative) foundation for Marxism, which Marx himself rejects as utopian.

NOTES AND REFERENCES

1. Analytical Marxism is the recent development of Marxist thought. Initially it attempts to use analytical tools of philosophy and social science to defend central Marxist positions. It is best exemplified in G. A. Cohen's *Karl Marx's Theory of History: A Defense*. Cohen's book is a defense of Marx's historical materialism. Elster's *Making Sense of Marx* is an example of analytical Marxism. It is a critical examination of Marx's social theories and their philosophical foundations. While Cohen's work is a defense of Marxism, Elster's work is hardly a defense of the canonical core of Marxism, although he is sympathetic to Marxian thought.
2. Jon Elster, *Making Sense of Marx*, (Cambridge: Cambridge University Press), 1985. *copy !!*
3. Kai Nielsen, *Marxism and the Moral Point of View*, (Boulder & London: Westview Press), 1989, Intr., p.18.
4. Elster gives importance to Marx's views on exploitation, alienation and class struggle (rather than the method) to make sense of Marx from a normative point of view.
5. *Making Sense of Marx*, p. 3.
6. Elster, *An Introduction to Karl Marx*, (Cambridge: Cambridge University Press), 1986, p. 41.
7. *Making Sense of Marx*, p. 166.
8. *Ibid.*, p. 172.
9. In the normative sense, capitalism is an unjust system because some get more and others less than they have contributed.
10. R. G. Peffer, *Marxism, Morality and Social Justice*, (Princeton: Princeton University Press), 1990. *page reference?!*
11. Marx does not provide any specific theory of exploitation in *Capital*, rather he formulates the theory of surplus value. Exploitation is an important philosophical concept closely related to the theory of surplus value. According to Marx, surplus works as an instrument of exploitation. In *Capital*, Marx outlines the laws of motion of capitalism which shows that exploitation is the very nature of capitalist system.
12. Marx does not give us a definite outline of communism. His *Critique of the Gotha Program* depicts the idea of communism which suggests that communism is based on the principle 'To each according to his contribution, to each according to his need.'

CHAPTER II

NORMATIVE MARXISM

Normative Marxism is that view according to which Marxism can only make sense from a normative perspective, i.e., one can be a Marxist today from a normative perspective. Elster's *Making Sense of Marx* is a comprehensive work on normative Marxism. In this work he claims that Marx's condemnation of capitalism in terms of exploitation and alienation (two main flaws of capitalism) as well as his conception of communism entertain the normative principles of justice and good life. Although it is not possible today, morally or intellectually, to be a Marxist in the traditional sense, Elster believes that it is still possible to be a Marxist in a rather different sense of the term. In his words:

I find that most of the views that I hold to be true and important, I can trace back to Marx. This includes methodology, substantive theories, and above all values. The critique of exploitation and alienation remains central. A better society would be one that allowed all human beings to do what only human beings can do—to create, to invent, to imagine other worlds.¹

This is the conclusion of Elster's *Making Sense of Marx*. It suggests that Marx's theories of exploitation and alienation are still living in the sense that exploitation is unjust and alienation prevents the worker from perceiving the injustice of exploitation.² Since exploitation is wrong, it is condemnable and it ought to be abolished. Since alienation is the lack of self-realization and turns human beings into inhuman conditions, it is condemnable and it ought to be overcome. Thus, exploitation and alienation can provide us with normative grounds to make good life and good society. This is the central view Elster holds in his *Making Sense of Marx*.

Elster's position as a normative Marxist becomes clear when he deals with the question—whether and in what sense one can be a Marxist today. Regarding this question he has a well-rehearsed answer where he claims to be a Marxist in different sense:

If, by a Marxist, you mean someone who holds all the beliefs that Marx himself thought were his most important ideas, including scientific socialism, the labour theory of value, the theory of the falling rate of profit, the unity of theory and practice in revolutionary struggle, and the utopian vision of a transparent communist society unconstrained by scarcity, then I am certainly not a Marxist. But if, by a Marxist, you mean someone who can trace the ancestry of his most important beliefs back to Marx, then I am indeed a Marxist. For me this includes, notably, the dialectical method, and the theory of alienation, exploitation, and class struggle, in a suitably revised and generalized form.³

This passage suggests that Elster rejects the traditional Marxist view which claims a scientific basis (of society) and instead provides Marxism with a normative foundation. Thus he claims to be a Marxist in this normative sense. As he declares 'the identity and survival of Marxism is linked, however, to its normative foundation'.⁴

Elster's view is supported by Peffer. According to Peffer, although Marx never develops the philosophical basis for a full-fledged moral theory; he exhibits a moral perspective throughout his writings. He develops this view from the historical approach. The development of Marx's moral views is traced from his earlier (1841-1847) to mature works (1847-1883). Peffer tries to discover Marx's implicit moral views and traces their development:

... although Marx does not have a fully developed philosophical theory about morality, he does have a normative moral perspective, in which there is a fundamental continuity, at least from the formation of his original systematic views in 1844 throughout his later works. This moral perspective is based on three primary moral values: freedom (as self-determination), human community, and self-realization, as well as on some sort of principle demanding an egalitarian distribution of these goods—or at least the good of freedom.⁵

Although Marx is not a moral philosopher and makes no attempt to construct a systematic moral theory, says Peffer, it is clear from the early stages of the development of his thought that he has moral views, and these are most fundamentally based on the concept of intrinsic human dignity or worth rather than on the satisfaction of human desires. He cites from Marx:

The criticism of religion ends with the doctrine that man is the supreme being for man. It ends, therefore, with the categorical imperative to overthrow all those conditions in which man is an abased, enslaved, abandoned, contemptible being—conditions which can hardly be batter

described than in the exclamation of a Frenchman on the occasion of a proposed tax upon dogs: "Wretched dogs! They want to treat you like men!"⁶

These remarks, according to Peffer, suggest that Marx has normative moral views which appear throughout the rest of his works.

According to Nielsen, Elster's work forces us to ask whether and in what sense, it is still possible to be a Marxist in the late twentieth century? In fact, this is the central question in Elster's *Making Sense of Marx* in which he seeks to provide a normative foundation. But, Nielsen asks, is there anything left of the canonical core of Marxism in Elster's reading. As regards Elster's reading of Marx he puts forward the following questions:

How much, if anything, is left of the canonical core? Can a knowledgeable economic theorist accept the labour theory of value as a central element in the science of economics? Can a philosopher who knows anything at all say with a straight face that the only proper logic is dialectical? Do we even understand what this means? Are we justified in believing that historical materialism is the correct theory of epochal social change? Is there a proletariat that through class struggle will achieve its own self-emancipation and usher in a classless society? Is socialist revolution a live option in the advanced capitalist countries? If not, can socialism be exported over time from the Third World periphery to the industrial center? Is there a coherent and correct Marxist theory of the state or of democracy? Is the falling rate of profit working out in the way Marx predicted? Is there any good probability, let alone an inevitability, that in anything like the foreseeable future capitalism with or without revolutionary activity, will collapse and that its post-capitalist replacement will be socialism?⁷

Nielsen is right in saying that Elster looks hard at these questions and answers them in a way that undermine Marxist orthodoxy. He argues that nothing is left out from the canonical core of Marxism, what is left is Marx's critique of exploitation and alienation and a moral vision of a better society—where all human beings can create, invent and imagine other worlds.

According to Wood,⁸ it is still possible to be a Marxist in the late twentieth century, but not in the normative sense for which Elster is arguing. He supports Classical Marxist position by saying that "capitalist oppression is just as real as today as it was a century ago; but its forms have changed, as have the social sciences whose task it is to understand them."⁹

Wood says that Elster's *Making sense of Marx* is a forthright and formidable attempt to address questions like—Is it still possible to be a Marxist in the late twentieth century? How far is the thought of Karl Marx still relevant either to interpreting the world or to changing it? But, he argues, Elster's book attempts nothing but to decide in what sense it is still possible to be a Marxist, which of Marx's views must be given up and which should be retained. I think Wood is right in his claim that "Elster's reading of Marx is extremely well-informed, but it is refreshingly irrelevant: indeed, I think its commonest fault is that it is occasionally unsympathetic to Marx, to the point of distorting his views in the way that professionally anti-Marxist writers have customarily done."¹⁰

Elster finds a normative theory of communism (a society which overcomes exploitation and alienation) in Marx's thought. He says that although there is no full theory about communist justice, it is understandable or plausible what is unjust about capitalism. Capitalism is unjust because it rests on exploitation. Since some individuals lack access to means of production, they are forced to sell their labour power to capital owners. But, argues Elster, exploitation in this sense is not a fundamental moral concept, it can only serve as a guide to moral assessment. In contemporary capitalist societies workers and employees are unjustly and unnecessarily exploited by owners and top managers.

The concept of justice has become an interesting as well as burning issue in the Marxist tradition during the last decade. It raises the controversy of whether Marx himself condemns capitalism as unjust. More specifically, whether Marx condemns capitalism in the light of any principle of justice, i.e. whether there is some such normative dimension in Marx's thought. Whatever may be the controversy, the common point of agreement is that Marx condemns capitalist exploitation. As Norman Geras says: "All parties to this dispute agree that he did, agree in other words that there is some such normative dimension to his thought, and frankly, I do not think the denial of it worth taking seriously any longer."¹¹

The theoretical background of this controversy is the general lines of Marx's account of capitalist exploitation. There are two places of it in the wage relation. The first is seen in the circulation, where there is an exchange of equivalent values.

The second is observed in the sphere of production, where the workers will have to work longer than the time which is necessary to reproduce the value of the wage they have received.

According to Geras, there is nothing inherently reformist or idealist in the critique of capitalism by appeal to ethical norms or ideals like justice. Moral criticism and argument are in no way incompatible with the materialist analysis of the real historical tendencies towards revolution. In conjunction with this analysis and with the actual movement and the struggles of the workers against capitalism, a normative critique is perfectly in place and the denial of this is just a form of economism. Geras shares Elster's view in maintaining that Marx's theory of ideology is perfectly encompassing every sort of normative concept. In his view, when Marx condemns capitalism for its unfreedom, oppression and coercion, he in essence condemns it for its injustice. Marx identifies principles of justice that are internal to and functional for the capitalist mode of production.

Marx, as we know, is not a moral philosopher. He is quite impatient and dismissive of avert theoretical reflection about normative questions. He is hostile (not neutral), towards the explicit elaboration of socialist ethical theory. At the same time, he makes moral judgements. Normative viewpoints lie upon his writings in an unsystematic form. In Marx's attitude towards normative questions there remains a problem of inconsistency or paradox. Disowning any attachment to ideals or values, he is nevertheless quite free in making critical normative judgements. Marx disowns and derides the ideals of justice and rights. On the other hand, he invokes and affirms the ideals of freedom, self-realization, and community. But the ideals of freedom or of self-actualization (as opposed to the ideals of justice) are no ideals to realize, just the immanent movement.

Marx's impatience with the language of norms and values is said to be global in range. Despite, Geras says, he plainly condemns capitalism—for its oppressions and also for its injustices. Marx's own ethical commitments retains the values of freedom, self-development, human well-being and happiness, i.e., the ideal of a just society in which these things are decently distributed. The largest paradox is that Marx 'displayed a greater commitment to the creation of a just society than many more overtly interested in analysis of what justice is.'¹²

Elster believes that it is still possible to be a Marxist today by accepting Marxist normative elements. Among Marxist normative elements, justice does not hold first place. But it is apparently important, he holds, to claim that Marx condemns both exploitation and alienation as injustices to the workers. However, Wood argues, unfortunately for Elster there is no text in which Marx does this. He finds quite a few in which Marx criticizes those who condemn capitalism as unjust, and bluntly asserts that capitalism is not unjust at all. Wood contends that there is no question that Marx attributes to the workers the view that the exploitation of labour by capital is unjust. The question is whether Marx agrees with this opinion. Elster answers this question affirmatively in a tone of confidence, i.e., Marx believes capitalism to be unjust.

In "Reply to Comments" on his *Making Sense of Marx*, Elster persists that he has a strong feeling that the Marxist wood remains even when every single tree has been chopped down.¹³ In his view, Marx's contribution should be seen in a broader perspective. Marx's normative views are sufficiently important to justify the effort. In the real world workers are by and large exploited by capitalists, and this is unjust.

Marxist conception of human nature, according to Elster, contains normative commitments. Marx derives the conception of good life from the analysis of human nature, which belongs to the Aristotelian tradition of moral philosophy. In Marx's view, good life for man would be realized in communism, in which 'creation' and 'community' are two key words. That is, the essence of man is to create for the sake of others, to externalize one's creative powers in the service of humanity. In Elster's view, Marx never waveres in his commitment to the ideal of communism and his firm belief that it would inevitably come about. Marx's theory of human nature rests on the assumption that what is desirable is also possible and his philosophy of history on the idea that what is desirable and possible is inevitable.

Marx's idea of good life suggests a theory of the good society in which man should everywhere see himself in a world of his own creation. It presupposes that society is organised rationally so that the various activities of men do not interfere

with each other and with nature in destructive way. Marx's commitment for such a society, in Elster's sense, is normative.

Elster tries to reconstruct Marx's view of good life through a normative assessment of needs and capacities. For Marx, human nature can be described and evaluated in terms of needs and capacities. The development of humanity takes place by an interaction between needs and capacities. Elster observes that the concept of human needs is fundamental in Marx's theory of human nature. In Marx's view, good society is one in which people are rich in needs and in the satisfaction of needs. Communism, in that sense, is a good society. Capitalism cannot be a good society because here people have few needs and because their needs are not satisfied.

Elster's view of Marx's normative commitments is supplemented by Little.¹⁴ According to Little, Marx's statements about morality suggests deep-running normative commitments in his thought. Marx's condemnation of capitalism seems to require some form of rational justification. That is, Marx's system needs rational justification in moral judgment. Thus Little argues for a conception of moral judgment in Marx's system.¹⁵ Since Marx does not have a normative theory, his condemnation of capitalism and his assessment of human nature need a theory of rational moral judgment. This is sufficient to provide a framework for Marx's normative commitments.

Marx's system, argues Little, embodies moral judgements from beginning to end in the form of a critique of capitalism. These moral judgments are supported by his theory of human nature. In consequence Marx is committed to the possibility of objectivity in moral judgements. His normative view is more clearly contained in his early writings, in the theory of alienation and species-being. He works out a strong conception of man's nature and his place within society, and a simple conception of communism. This theory of human nature constitutes the basis of his critique of capitalism. These normative ideas, Little argues, underlie his scientific writings as well. *Capital* may be understood (in part at least) as Marx's effort to provide the empirical theory of society which supports this normative vision. Little is right in arguing that Marx's theory of human nature and

his critique of capitalism contain normative ideas. But I do not think that these normative ideas underlie Marx's scientific writings. Whatever normative ideas are contained in Marx's writings can be understood in the light of his scientific vision of society.

Marx's normative ideas derive from his philosophy of man, or his theory of man's fundamental good. Man's good is realized when he is in a position to develop fully and freely through creative activity. Marx argues that full human development can only occur within appropriate social relations. By human development he means free creative development of each and every individual in concrete social relations. Marx defines man as a social relations, as a species being (creative being), and holds that his fundamental good is contained in his species-being. Man is a species-being not only because he practically and theoretically makes the species, but also because he looks upon himself as an active living being, as a universal and free being. Marx finds this species-being in man's productive activity, in his material production.

According to Little, Marx provide normative evaluation of social institutions. Human beings have a nature which they ought to realize, and the social institutions which subvert this human nature are bad institutions. Human beings should be able to regard themselves as free. Marx's conception of man's good therefore leads to a theory of good society in which man is enabled to realize his fundamental good. Communism is a good society in which freedom and full human development are the fundamental values. Both Marx's critique of capitalism and his positive conception of communism rest upon these values. Capitalism is condemned because it rests upon the destruction of human freedom, at least for the great majority of humanity. Communism is desirable because it provides the cooperative social relationships within which genuine freedom is possible. These views constitute a developed theory of human nature, which represents a moral basis of social criticism. Marx plainly regards these judgments as meaningful and rationally defensible. From this it follows that he needs a moral epistemology which allows for rational argument concerning normative issues.

It is not controversial that Marx's early writings have value commitments. But his later writings raise controversy among some authors. For example, Althusser¹⁶ argues that Marx's later thought detaches itself from his early value commitments and is purely descriptive and scientific. However, Little argues that this interpretation is mistaken; normative critique is inseparable from the analytical theory contained in *Capital* :

It is reasonable to interpret *Capital* as Marx's effort to provide an empirical explanation of the alienating character of capitalism, and thereby to vindicate the philosophical theory of alienation.¹⁷

This view suggests that *Capital* possess both analytical and normative characteristics. Throughout *Capital* Marx stresses the dominating character of capitalist relations. In his view, capitalism is inconsistent with genuine human freedom, because it necessarily represents the domination of one class by another. Freedom and full human development remain the fundamental values in Marx's thought, i.e., he is committed to the value of human freedom and self-realization. This commitment has to do with the conditions of good life. The conception of good life for man, Little argues, implies a moral theory in Marx. In this regard he supports Elster's view. Like Elster, he claims that Marx's criticism of capitalism are moral. Capitalism is condemnable because it blocks individuals from actualizing their human nature, because it stunts and dwarf their development.

This view is also shared by Peffer. According to him, Marx's concept of alienation is evaluative in nature. It becomes clear when Marx considers alienation as a defect of capitalism. He describes the moral content of the various forms of alienation in the *Manuscripts*. The moral grounds upon which he condemns these forms of alienation can be reduced to three primary moral principles. These principles are freedom, human community, and self realization.¹⁸ On Marx's view, one is alienated when one's essential human capacities are blocked or thwarted. Capitalism (the system of private property and profit), accordingly, alienates human beings because it thwarts the fulfillment of essential human capacities (or potentialities) like health and happiness. This view represents an evaluative character. It proposes that it is good for human individuals to be whole and to

flourish. Consequently, it is good for human beings to be allowed to develop what Marx alternately calls “social”, “communal”, “universal”, or “species” consciousness and to indulge in free, creative activity. In other words, it is good that people would be allowed to realize their essential human capacities.

Although Marx’s theory of alienation and the associated values of freedom, human community, and self-realization make up his entire moral theory, it does not provide an adequate moral theory. Nevertheless, communism is to be preferred to capitalism precisely because it allows for the realization of essential human capacities, whereas capitalism does not. Peffer argues that Marx and Marxists need theories of social justice insofar as they are concerned to claim that communism is morally preferable to capitalism. Justice demands that we attempt to advance the interests of the proletariat and other oppressed classes. However, Peffer does not claim to provide a comprehensive moral theory in Marx. He offers only the outlines of an adequate Marxist moral and social theory, whose moral component is a theory of social justice, not a full-fledged theory of morality. Although the theory of social justices seeks to justify the concept of justice (as a kind of virtue), it does not mean that such a theory is a complete moral theory. This theory is important in treating basic social institutions, in explaining the nature of social inequalities and capitalist exploitation. Such a theory is important in the normative sense. That is, there requires a social revolution which demands that all forms of inequalities and exploitation be eliminated. It is normative in the sense that all forms of inequalities and exploitation can be eliminated by changing social institutions.

Marx seeks to justify proletarian revolution as a means to communism, a society free from inequalities and exploitation. Not only he justifies the rationality of revolution but also claims for the inevitability of revolution. In Elster’s view, an attempt to achieve the goal by means of a violent proletarian revolution will be self-defeating. The revolutionary bid for power can succeed only under conditions of backwardness that will also prevent the flowering of the productive forces that Marx poses as a condition for communism. Elster analyses Marx’s thought from the normative perspective which emphasizes on the flowering of the productive

forces (self-realization through creative work) rather than on proletarian revolution.

According to Elster, Marx never produces a theory of revolution. Marx's charges against capitalism allow the idea of revolutionary motivation among the workers, that can provide the requisite will to change. First, Marx's treatment of alienation works as a motivation for revolution. His vision of communism represents a way of life totally different from capitalism. The way of life as active creation over one-sided passive consumption provides the workers with revolutionary motivation. Secondly, Elster considers the motivational force of justice. Whether or not Marx offers a theory of justice, he may have believed that it can provide a lever for action. Though the textual evidence is ambiguous, some of it strongly supports the idea that the recognition of a state as unjust provides the knell to its doom. The political, social and economical history of the last few centuries makes good sense when understood in this perspective. Justice could provide not only a motivation for the workers, but also a cause of demoralization among the rulers. Elster's idea of revolutionary motivation is shared by Peffer. According to Peffer, Marx holds the normative position that proletarians should support the movement to overthrow capitalism and establish communism. However, I do not agree with this position. I think that this normative position does not make sense of Marx's own idea of revolution. Marx's idea of revolution is scientific, not normative. For him, social revolution is Marx's idea of revolution inevitable because of the very system of capitalism. Capitalism itself creates the conditions of revolution by creating a conscious revolutionary proletariat class. Proletarians, therefore, are not morally motivated to engage in revolutionary action to overthrow capitalism, rather the crisis of capitalism naturally leads to a revolutionary situation.

NOTES AND REFERENCES

1. *Making Sense of Marx*, p. 531.
2. Marx's critique of capitalism, according to Elster, suggests that alienation prevents the worker from perceiving the injustice of exploitation. This captures both the normative view that exploitation is unjust and explanatory claim about the appearance of justice. Here Elster retains the normative view (that exploitation is unjust) as meaningful and this view is central throughout his writings.
3. *An Introduction to Karl Marx*, p. 4.
4. *Ibid.*, p. 5.
5. Peffer, *Marxism, Morality and Social Justice*, Int. pp.4-5. Between Marx's early works (primarily philosophical) and his later works (primarily empirical) lie a group of transitional works (1844—1847), such as, *The Holy Family* (1844-1845) and the "Theses on Feuerbach" (1845). Each of the works is less philosophical and more scientific than its predecessor and constitute a polemic against young Hegelians, Feuerbach and classical German Idealistic philosophy. 27
6. *Ibid.*, p. 46. Quoted from Marx, *Critique of Hegel's Philosophy of Right*, p. 52.
7. Nielsen, *Marxism and the Moral Point of View*, Intr., pp. 19-20.
8. Allen W. Wood, "Historical Materialism and Functional Explanation", *Inquiry* 29, 1986.
9. *Ibid.*, p. 11.
10. *Ibid.*, p. 12. Nielsen supports Wood's position by saying that Wood is justified in claiming that the commonest fault of *Making Sense of Marx* is that it is unsympathetic to Marx. (*Marxism and the Moral Point of View*, Intr. p.20.)
11. Norman Geras, "The controversy about Marx and Justice", in *Marxist Theory*, Alex Callinicos (ed.), (Oxford: Oxford University Press), 1989, p. 211.
12. *Ibid.*, pp. 266-267.
13. Elster, "Reply to Comments", *Inquiry* 29, 1986, p. 66.
14. Daniel Little, "Rationality, Ideology, and Morality in Marx's Social Theory", *Social Praxis*, Vol. 8/3-4, 1981.
15. *Ibid.*, p. 73.
16. Louis Althousser, *For Marx*, Eng. Trans, Ben Brewster, (New York: Vintage Books), 1970.
17. Little, "Rationality, Ideology and Morality", p. 76.
18. Peffer, *Marxism, Morality, and Social Justice*, p. 51.

CHAPTER III

METHODOLOGICAL INDIVIDUALISM

Elster argues that Marxism needs a specific methodology for studying social phenomena. Accordingly, he employs the principles of methodological individualism and rational choice approach to Marxism as opposed to methodological collectivism (closely related to functional explanation and dialectical deduction). In his *An Introduction to Karl Marx*, Elster rejects Marxist methodology as “an amalgam of three elements.”¹ First, he rejects methodological collectivism (or holism)—the view that in social life there exists wholes or collectivities, statements about which cannot be reduced to statements about the individual members. Secondly, functional explanation—the attempt to explain social phenomena in terms of their beneficial consequences for someone or something. Thirdly, dialectical deduction—the view that economic categories are derived from one another according to certain deductive principles (i.e., a mode of thinking that is derived from Hegel’s logic that the ontological categories are derived from one another according to certain deductive principles). According to Elster, Marx is a transitional figure in methodological matters. Marx liberates himself from theological assumptions, though he retains the teleological outlook they inspire. Elster argues that Marx, being impressed by the progress of history, wrongly thinks that the study of society can profit from the study of organism, and that from the achievement of natural science he wrongly believes that there exists “laws of motion” for society that operate with iron necessity. Concerning Marxist methodology he takes a new position by employing methodological individualism and rational choice theory.

Elster finds that both methodological collectivism and methodological individualism tend to go together in Marx. On the one hand, in Marx’s philosophy of history, humanity appears as a collective subject² whose inherent striving towards full realization shapes the course of history. On the other hand, Marx’s commitment to methodological individualism is seen particularly in *The German*

Ideology, which rests on a strong individualist and anti-teleological approach to history. Elster takes methodological individualism as the appropriate doctrine of explaining social phenomena, but he rejects methodological collectivism by arguing that it can never be a desideratum, it is only a temporary necessity. In methodological collectivism, as he argues, individual actions are derived from the aggregate pattern, and as an end in itself it assumes that there are supra-individual entities that are prior to individuals in the explanatory order. Although Elster believes that methodological collectivism and methodological individualism go together in Marx, he observes a shift from methodological collectivism to methodological individualism, which he calls “shift from near-nonsense to profound insight”.³

According to methodological individualism, all institutions, behavioral patterns, and social processes can in principle be explained in terms of individuals actions, properties, and relations. It is a form of reductionism, which enjoins us to explain complex phenomena in terms of their simpler components. By methodological individualism Elster means:

... the doctrine that all social phenomena—their structure and their change—are in principle explicable in ways that only involve individuals—their properties, their goals, their beliefs and their actions.⁴

Methodological individualism, therefore, claims that all social phenomena—events, trends, behavioral patterns, institutions—can be explained in terms of individuals properties, goals, beliefs, and actions. In addition, it claims that explanations in terms of individuals are superior to explanations in terms of aggregates. In short, reduction is both feasible and desirable. The denial of methodological individualism is methodological collectivism. While methodological individualism is conjunctive in character, collectivism is disjunctive.

Marx, Elster believes, is committed to methodological individualism. Elster sees this commitment particularly in *The German Ideology* and in *Economic and Philosophic Manuscripts of 1844*. In those writings Marx never wavers in his view that the attraction of communism is that it will make possible the full and free self-realization of the individual. At the same time Marx does not similarly and

consistently place the individual at the centre of the explanation of the process leading up to the communist stage.

Elster attempts to show that individual has both epistemological and political aspects and that both these aspects are related to each other within the Marxist tradition. He contests the premise, the inference and the conclusion of the conventional way of thinking that Marxism is inherently opposed to political individualism and, therefore, to epistemological or methodological individualism. He seeks to show that Marxism is compatible with both political and methodological individualism. That is, he tries to make sense of Marx in terms of methodological individualism.

Elster's notion of methodological individualism suggests a kind of ethical individualism. In his view, Marx's commitment to methodological individualism leads him to the view of ethical individualism according to which the goal of communism is the development of men, not of man.⁵ According to ethical individualism, ethical theories should be stated exclusively in terms of concepts defined at the level of the individual—individual welfare, individual rights, or individual autonomy. Methodological individualism is not in itself a substantive ethical view; it only claims that individuals are morally relevant. It claims that the advancement of knowledge is not independent sources of value—it has value only to the extent that it is valued by individuals. Elster, thus, imputes individualism to Marx in this normative sense. He puts it in this way:

Marx was an individualist in this normative sense. He appreciated that class societies in general and capitalism in particular had led to enormous advances in civilization, as judged by the best achievements in art and science. Yet this process was the self-realization of man rather than of individual men, who had for the most part, lived in misery. Indeed, only by the exploitation of the many could class societies create the free time in which a few could contribute to the progress of civilization. The attraction of communism in his eyes was to allow the self-realization of each and every individual, not just a small elite.⁶

Elster's view of methodological individualism is supported by Taylor.⁷ Taylor says that Marx's method as 'methodological individualism' is a central and important theme of Elster's *Making Sense of Marx*. A central aim of Elster's book is to recover Marx for methodological individualism, to show that Marx seeks to

provide his explanations of macro-phenomena with micro-foundations. He submits the whole range of Marx's ideas to critical methodological scrutiny by showing what is wrong with teleological and functional explanation. He shows us that Marx not only seeks to provide causal explanations of macro-phenomena in terms of individual action, but also tries to explain human action itself in terms of the actors beliefs and attitudes.

Taylor largely shares Elster's methodological commitments and his view that Marx also (intermittently) adheres to them or at least that they are embodied in some of his best work. But he questions as to whether this makes Marx a methodological individualist.⁸ In his view, Marx practises both individualist and structuralist explanation simultaneously. Individual's actions and properties can be causes of attitudes and beliefs. Attitudes and beliefs can be moulded by other's actions; and they might be caused by his own attitudes and beliefs. But attitudes and beliefs can also be the products of the individual's situation or position in a social structure. Taylor argues that there is no general discussion of this kind or causality in *Making Sense of Marx* and no discussion at all of the notion of 'structural causality.' However, he believes, Elster provides a valuable account of Marx's explorations of ideologies and in particular their explanation in terms of economic social position.

Taylor's thinks that it is not clear from Elster's *Making Sense of Marx* how Marx seeks to provide structural explanation of certain kinds of beliefs. Elster has almost nothing to say about the methodology of those writings which best display Marx's commitment to practising both kinds of explanation simultaneously, namely, *The Class Struggles in France and the Eighteenth Brumaire*. These two brilliant essays show most clearly that Marx is neither just a structuralist nor just a methodological individualist.⁹ I think Taylor is right in identifying methodological individualism as the central theme of Elster's *Making Sense of Marx*. But his view seems to be contradictory. On the one hand, he supports Elster's methodological individualism. On the other hand, he finds both individualist and structuralist explanation in Marx. Moreover, he does not provide sufficient arguments for his claim that Marx is both an individualist and an ~~structuralist~~.

Elster's principle of methodological individualism is also shared by Wolf.¹⁰ According to Wolf, methodological individualism is customarily grounded on the ontological claim that only individuals are real; corporations, institutions, states, societies—all else are in some way aggregates of individuals. He shares Elster's commitment to methodological individualism for the ontological reasons. The ontological reasons are more compelling and more constraining than those arising from considerations of the requirements of scientific explanations. Wolf thinks that Elster is quite right in saying that on principle we should seek micro-foundations.

Elster is severely criticized by many of his contemporaries¹¹ for his commitment to methodological individualism. As Slaughter¹² argues, Elster's contention that much of Marx's most important work is characterized by methodological individualism is untrue, and that his assertion results from a misunderstanding of Marx's writings on the individual's relation to his society. The rejection of an abstract society is central to Marx's writings. In his writings there is an analysis of a particular social formation, with a historically specific relation between individual and society. But this historical relation is not seen in Elster's critique of Marx's political economy.

Slaughter thinks that Elster sees only 'individuals' on the one side and a hypostasized 'society' on the other. Elster cites *Economic and Philosophic Manuscripts of 1844*, but construes it only as a plea for 'ethical individualism'. But he fails to see that Marx anticipates the rejection of methodological individualism in his early writings. This rejection is central to Marx's mature work. Elster's superficial reading of Marx asserts the individual against society. Marx proceeds to be concrete about society, that is he counter-poses to a 'postulated' abstract 'society' over and against the individual.

According to Slaughter, it is precisely an ideological illusion of sociologists that the concrete totality of classes and class struggle (in which the 'individual' lives, works, and dies) is an abstract 'society'. The sociologist concludes either that only the individuals are 'real' or that in their interrelations both individual and society are essentially moral, mental or spiritual entities. Slaughter argues that society reduced to that sort of abstraction is always a historical, and the sociology

corresponding to it is one or other form of functionalism. It cannot escape from the old dichotomy of bourgeois ideology; the autonomous individual on the one hand and social determinism on the other.¹³

Neo-classical economists (like Keynes) and Modern sociologists (like Max Weber) erect an economic model on the basis of certain 'desires and beliefs' (of the individuals) which defy Marx's theoretical analysis. Contrary to this model, Marx's theory of political economy shows that 'desires and beliefs' are changeable, and that they come into being and change not arbitrarily but as a reflection of changes in the life of a society, a life which itself must be analysed. Such analysis, in Marx's sense, shows that there are mechanisms of historical change of society which operate without first passing through the consciousness of any of the individuals involved. In Slaughter's view, Elster's theory of social structure and social change will have meaning and appeal only to those who approach it from some standpoint other than that of having accepted his critique of Marx. Hence, Elster's idea that Marx is committed to methodological individualism will appear bizarre to anyone acquainted with Marx. In Marx's view, individuals are dealt with only in so far as they are the personifications of economic categories, embodiments of particular class-relations and class-interests.

According to Slaughter, it requires a critical treatment of texts to assert that Marx's insights into society are the product of some 'methodological individualism'. But Elster nowhere provides this requirement. Therefore, one is driven to the conclusion that Elster makes nonsense of Marx. Elster cites Marx's *1844 Manuscripts* on the relation of individual to society. But this text is written on the eve of Marx's 'Thesis on Feuerbach', in which for the first time he breaks decisively from Feuerbach's philosophical anthropology, built on what Marx calls 'the standpoint of the isolated individual in civil society'. Rejecting Hegel's system Feuerbach celebrates the individual, but he is left with society as an abstraction. His non-historical (anthropological) materialism fails to transcend that abstraction. But in *1844 Manuscripts* Marx is in the process of breaking free of that abstraction.

The relation of individual to society in *1844 Manuscripts* is central to Elster's concern with 'methodological individualism'. In Slaughter's view, it is perverse

for Elster to rely on an essay referring to individual without taking into account that in 1844 it is precisely the concepts of historical materialism.¹⁴ Thus he argues:

The whole construction on methodological individualism in Marx is a house of cards. Marx does not only assert that causal factors beyond the level of individual behaviour and intention are real and can be analysed; he actually worked through the analysis in *Capital*, the methodology of which is ignored by Elster. In the *Grundrisse*, Marx was quite explicit about his rejection of methodological individualism.¹⁵

According to Wood, methodological questions, concerned with types of social explanation, are especially prominent in Elster's writings, particularly in *Making Sense of Marx*. In Elster's view, Marx is too often guided by 'methodological collectivism' and employing 'functional explanations' of social phenomena. He avows himself an adherent of 'methodological individualism', but he spends very little time addressing these problems, or explaining what 'methodological individualism' means for him. Instead, his efforts are devoted to criticizing functional explanation.

Functional explanation is an attempt to explain behaviour by the beneficial consequences for someone or something. Elster objects to this attempt, but he does not quarrel with intentional explanations (intended consequence of agent or agents). Wood thinks that Elster connects his objection to these sorts of explanations with methodological individualism. But it appears to be confused or misleading (for Elster) to formulate his objections to such explanations as an appeal to a principle of methodological individualism. For Elster's objection to functional explanations appeal to the actual benefits of the behaviour to be explained, rather than its intended benefits or consequences. His objection seems to be the same whether the actual benefits are those of groups or of individuals. As Wood argues: that Elster's methodological individualism seems to serve mainly as a (misleading) name for certain objections he has to use of functional explanations in social theory.¹⁶ He goes on to argue that 'methodological individualism' may be Elster's title for the doctrine that teleological or functional explanations are in principle illegitimate in social theory unless they refer to the intended purposes of individuals, but he has given us no reason for accepting methodological individualism in this sense.

Elster attempts to make sense of Marx through his principle of methodological individualism. Meikle¹⁷ criticizes this view as making nonsense of Marx. Marx conceives socialism as the fully developed form of human society considered as a real nature whose lines of potentialities are retained in its value form. But Elster, argues Meikle, considers its value form to be its natural form, and believes market economy to be the highest development of which human society is capable. It might have been a reflex of thought in the nineteenth century, but today it is hardly possible to conceive of a more Utopian belief than that world market economy is going to last for ever. According to Meikle, by rejecting the labour theory of value Elster rejects everything in Marx. As he argues:

The labour theory of value is at the heart of Marx's theory, and its rejection entails the rejection of everything else of importance in Marx. Elster is consistent in this, and he goes on to reject everything else.¹⁸

Here Meikle wants to show that Elster is consistently rejecting the theory of surplus value and exploitation by an appeal to his principle of methodological individualism. Having rejected that theory Elster goes on to reject the theory of class. Thus, there is nothing of Marx to be saved. So, Elster's object is to demolish Marx by rejecting everything significance in him. The only major things he finds it possible to agree with Marx are the things he mistakenly attributes to him (i.e., normative ideas of individual rationality and morality).

In "Reply to Comments" on his principle of methodological individualism Elster disagrees with Taylor's view that structures have causal efficacy. Beliefs and attitudes about structures as a set of relations, have causal efficacy, but (as he says in his book) methodological individualism does not hold within intentional contexts.¹⁹ In his view, relations of production cannot have causal efficacy because, in a capitalist society, any given individual is affected by these relations in two ways. On the one hand, capitalist relations enters among the determinants of his motivations, emotions, and ultimately actions, and on the other, his behaviour is constrained by his own relations to property and to other property owning individuals.

Elster finds difficulty in understanding Slaughter's objections in his espousal of methodological individualism. Concerning the role of desires and beliefs in

explaining aggregate economic phenomena, Slaughter seems to argue for two conclusions, which Elster thinks, cannot both be true. First, Marx does not concern himself with such entities, and then he has a starting-point that desires and beliefs are changeable. Elster disagrees with the first, but agrees completely with the view that Marxist analysis shows that there are mechanisms of historical change of society.

In Wood's view, methodological individualism in *Making Sense of Marx* seems to serve as a misleading name for certain objections to the use of functional explanations in social theory. Elster argues that Wood ignores his explicit statement that there is no logical connection between methodological individualism and functional explanation, since the collectivist methodology may also be wedded to a causal mode of explanations. Wood argues that as a principle of biological science methodological individualism makes no sense. Against this view, Elster contends that one cannot overstate the importance in modern biology of the principle that the structure and behaviour of organisms must be explained in terms of their fitness—enhancing effect for the individual organism rather than for the group.²⁰

For Elster, good social scientists must be methodological individualists. Functional explanations without micro-foundations of a methodologically individualist sort are useless. Rational choice theory is a very useful tool for social science. These are the reigning assumptions of Elster's methodological commitments. He believes that (as does John Roemer) analytical Marxism needs to use the tools of contemporary logic, mathematics, and sophisticated model building. Using these tools we are to search for the micro-foundations, that underlie Marxian judgments. There are large portions of Marxist thought which are not simply functional but teleological. The only way to avoid the teleological aspect of Marx's thought, Elster contends, is to espouse methodological individualism. This involves a search for micro-foundations of Marxist social theory. On the basis of this general conception of social science, Elster particularly recommends rational choice theory, which he characterizes as involving 'strategic' interactions. The demand for 'micro-foundations' cannot simply be rejected. If

human agency is an irreducible aspect of social events, then no explanation of these events is tenable which does not make claims about the intentions and beliefs. Callinicos,²¹ however, argues that the claim that the explanation of social events is nothing but to provide micro-foundations is false. Moreover, it does not follow that (according to Elster) the premises of rational choice theory respectively denies the structuralist and the rationality principle.²²

In Elster's view the alternative to methodological individualism is methodological collectivism. This position, he says, leads naturally to functionalism. If Elster is right, argues Callinicos, we seem stuck with the choice between methodological individualism and functionalism. If Elster claims that the denial of methodological individualism entails methodological collectivism, then he is quite mistaken. According to methodological individualism, the structures must be explained in terms of individuals. To deny this is just to say that structures cannot be explained in terms of individuals, not to say that individuals must be explained in terms of structures. All methodological collectivists deny methodological individualism, but all those who deny methodological individualism are not *ipso facto* methodological collectivists. All that the opponent has to say is that social structures have explanatory autonomy. To say that social structures have explanatory autonomy, argues Callinicos, is to say that they cannot be eliminated from the explanation of social events, not to say that individuals and their attributes cannot be eliminated.

In Marx's thought, social and historical circumstances play a decisive role in the development of the powers and needs of individuals. But he does not deny the role of powers in social transformation. Marx, in his third *Thesis on Feuerbach*, claims that human beings are changed by social circumstances, just as social circumstances are changed by human beings; individuals are in part constituted by their powers, which they exercise in changing nature and society. He also claims that community is the essential nature of each human individual. By this he wants to mean that social relations are constitutive of individuality: 'I am what I am because of my relations with other persons'. We are unique individuals, but we owe our uniqueness also to our common activities and relations with other people.

Thus, individuality and community are dialectically related, one cannot be isolated from the other. Community is constituted by individuality and individuality is a part of community.

I argue that Marx never provides any principle of methodological individualism for explaining social phenomena, nor there is any principle of methodological collectivism in his thought. Rather, in his major writings,²³ he formulates a dialectical outlook according to which there is dialectical relationship between individuality and collectivity, and that social phenomena can be explained both in terms of individuality and collectivity. But Elster, in his *Making Sense of Marx*, gives greater emphasis on Marx's view of individuality and accordingly he employs the principle of methodological individualism to Marx. Marx's view, therefore, seems to be misrepresented by Elster. The principle of methodological individualism seems to be a characteristic of capitalist society in the sense that it gives more emphasis on the uniqueness of individuals rather than on collective interests. Marx claims that capitalist society attaches more importance to the uniqueness of individuals, while communist society to general and social. He says:

Even if in certain social conditions, everyone were an excellent painter, that would by no means exclude the possibility of each of them being also an original painter, so that here too the difference between "human" and "unique" labour amounts to sheer nonsense In a communist society there are no painters but only people who engage in painting among other activities.²⁴

Marx speaks of a synthesis of individuality and community. Such a synthesis, he thinks, is possible under communism. Capitalism, being based on the principle of individualism, cannot be a society of this kind (harmonious society), because there is a conflict of individual interests. In Marx's thought, individualism (the basic characteristic of capitalism) is comprised of two features—mutual indifference and selfishness. Individuals are uninterested in, and indifferent to, their fellows. Individuals interests and activities are 'private', pursued without reference to those of others. At the same time, they pursue their own self-interests, and are concerned with others only as the means of their own private gain. Marx opposes this kind of individualism as the characteristic of capitalism, but he does not deny individual interests which allow harmony of interests.

Marx believes communism to be a harmonious society, a society in which individual interests become harmonious, in which individuals develop harmoniously. That is, individuals, under communism, will pursue the interests of others, and will no longer pursue their own 'private' interests without reference to others. But Marx does not believe that individual interests will be replaced by a general social or species interests. Nor does he believe that differences between individual interests will disappear under communism. But he might have believed that differences could be resolved in a non-antagonistic manner and without resort to coercion. He might have been right to assume that where each individual has a sense of himself as social and sees his society as a 'communal relations' to others under their 'communal control', where differences between individuals could be settled in fair and just ways.²⁵

Marx's emphasis on individuality, in any way, does not allow any principle of individualism, rather his vision clearly shows that individuals belonging to society, are dialectically related to social life. In that sense, every individual is a social individual. In his conception of alienation, Marx emphasizes on individual life by arguing that alienated labour alienates the species life (individual being) from man. He puts it in this way:

It changes for him the life of the species into a means of individual life. First it emerges the life of the species and individual life, and secondly it makes individual life in its abstract form the purpose of the life of the species, likewise in its abstract and estranged form.²⁶

However, Marx treats this individual as a social individual. It becomes evident when he says that the individual is the social being and his manifestations of life are therefore an expression and confirmation of social life.²⁷ Marx maintains that man appropriates his comprehensive essence in a comprehensive manner, i.e., as a whole man. All the organs of his individual being (thinking, feeling, experiencing etc.) are the appropriation of human reality. In *Grundrisse*, Marx clearly declares :

The more deeply we go back to history, the more does the individual, and hence also the producing individual, appear as dependent, as belonging to a greater whole; in a still quite natural way in the family and in the family expanded in the clan [Stamon]; then latter in the various forms of communal society arising out of the antithesis and fusions of the clans.²⁸

In his view, the human being is in the most literal sense a political animal; not merely a gregarious animal, but an animal which can individuate itself in the midst of society. Production by an isolated individual outside society is as much of an absurdity as is the development of language without individuals living together and talking to each other. In Marx's words: "Whenever we speak of production, then, what is meant is always production at a definite stage of social development—production by social individuals."²⁹ Production is always a particular branch of production. But, for Marx, it is not only a particular branch of production, it is always also production in general (social product). It becomes clear in the following passages:

The person objectifies himself in production, the thing subjectifies itself in the person; in distribution, society mediates between production and consumption in the form of general, dominant determinants; in exchange the two are mediated by the chance characteristics of the individual.³⁰

Thus production, distribution, exchange and consumption form a regular syllogism; production is the generality, distribution and exchange the particularity, and consumption the singularity in which the whole is joined together.³¹

In Marx's thought, abstraction can only be made from real premises of history, not from dogmas. That is, Marxism, in its interpretation of history, begins with real individuals. Individuals are real in the sense that they are living, that they are engaged in social (or material) activities. This observation is quite clear in the following passages:

They are the real individuals, their activity and the material conditions of their life, both those which they find already existing and those produced by their activity. These premises can thus be verified in a purely empirical way.³²

The first premise of all human history is, of course, the existence of living human individuals. Thus the first fact to be established is the physical organization of these individuals and their consequent relation to the rest of nature.³³

On the basis of his materialist conception of history, Marx explains the mode of production (the material conditions of life) in terms of real individuals. The mode of production must not be considered simply as the reproduction of the physical existence of the individuals, rather it is a definite form of activity of these individuals, a definite form of expressing their life, a definite mode of life on their

part. As individuals express their life, so they are. Their existence coincides with their production, both with what they produce and how they produce. Hence the existence of the individuals depends on the material conditions of their production.

For Marx, real (or definite) individuals who are productively active in a definite way enter into definite social and political relations. These social and political relations reflect the relations of individuals, and social phenomena can be explained in terms of these kind of relations. In the words of Marx:

The social structure and the state are continually evolving out of the life process of definite individuals, however, of these individuals, not as they may appear in their own or other people's imagination, but as they actually are, i.e., as they act, produce materially, and hence as they work under definite material limits, presuppositions and conditions independent of their will.³⁴

Marx's view reflects a relation between individuality and collectivity. In the capitalist society, he observes, competition not only separates individuals from one another, but also brings them together. The alienated individuals form a class and carry on a common battle against another class. On the one hand, individuals are alienated individuals as competitors; on the other, they form a common class.

According to Marx, individuals powers cannot be transformed into material powers without the community. Individuals cannot obtain their personal freedom without the community. Herein lies the relation between individuality and community. The following passage makes it clear :

Only within the community has each individual the means of cultivating his gifts in all directions; hence personal freedom becomes possible only within the community. In the previous substitutes for the community, in the state, etc., personal freedom has existed only for the individuals who developed under the conditions of the ruling class, and only insofar as they were individuals of this class. The illusory community in which individuals have up till now combined always took an independent existence in relation to them, and since it was the combination of one class over against another, it was at the same time for the oppressed class not only a completely illusory community, but new fetter as well. In the real community the individuals obtain their freedom in and through their association.³⁵

Thus, the communal relation into which the individuals of a class enter, is always a community to which these individuals belong only as average individuals, only insofar as they live within the conditions of existence of their class. This is a

relation in which they participate not as individuals but as members of class. On the other hand, with the community of revolutionary proletarians, it is as individuals that the individuals participate in them. For it is the association of individuals which puts the conditions of the free development and movement of individuals under their control.

The relation between individuality and collectivity is also observed in Marx's conception of labour in *Capital*. In his interpretation on the fetishism of commodities he argues how individuals labour forms the aggregate labour of society :

As a general rule, articles of utility becomes commodities, only because they are products of the labour of private individuals or groups of individuals who carry on their work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact with each other until they exchange their products, the specific social character of each producer's labour does not show itself except in the act of exchange. In other word, the labour of the individual asserts itself as a part of the labour of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly through them, between the producers. To the latter, therefore, the relations connecting the labour of one individual with that of the rest appear, not as direct social relations between individuals at work, but as what they really are, material relations between persons and social relations between things.³⁶

The above passage reflects a unity between individuality and collectivity. Commodities are the products of the labour of private individuals. At the same time, private individuals labour forms the collective labour of society in the act of exchange. When the individual labourers come into social contact with each other in the act of exchange, there happens to be a unity between individuality and community.

According to Marx, the labour power of each individual, by its very nature, appears as a social character of their labour. He pictures a community of free individuals in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community. Hence labour-power becomes social rather than individual. The unity of individuality and collectivity becomes clear in this unity of individuals:

Everything produced by him was exclusively the result of his own personal labour, and therefore simply an object of use for himself. The total product of our community is a social product. One portion serves as fresh means of production and remains social. But another portion is consumed by the members as means of subsistence.³⁷

Thus, Marx's idea of the unity of individuality and collectivity clearly shows that it does not entertain any principle of individualism. Hence, Elster's notion of methodological individualism, which entails a kind of ethical individualism, cannot be accepted as an appropriate Marxist methodology. Elster finds a tension between the relation of individuality and collectivity in Marx's thought. But Marx's idea of the unity of individuality and collectivity shows that there is no tension regarding the relation of individuality and collectivity in his thought. Although Marxism allows normative idea, it cannot be said that this idea entails any kind of ethical individualism. Such a conception is not consistent with Marx's own evaluative judgements concerning socio-economic conditions. Therefore, the appeal to ethical individualism is inconsistent with Marx's ideal of the "truly human" or "truly social" individual who will, in his view, inhabit communist society in opposition to the individualistic (self-interested) principle of the capitalist society. However, Marx believes that human individuals will fully embody this sort of social or collective consciousness only in communist society.

NOTES AND REFERENCES

1. *An Introduction to Karl Marx*, p.21.
2. In Elster's observation, there are two main instances of methodological collectivism in Marx. In the analysis of capitalism, "Capital" appears as a collective unity, which cannot be reduced to the several individual firms. In historical materialism, "Humanity" appears as collective subject, whose flowering in communism is the final goal of history.
3. *Making Sense of Marx*, p. 4. In this regard Elster cites Marx's *Grundrisse*.
4. *Making Sense of Marx*, p. 5.
5. Elster cites Marx's *Theories of Surplus Value* in support of his view of ethical individualism in which Marx defines communism by the self-realization of men, not of man.
6. *An Introduction to Karl Marx*, p. 25.
7. Taylor, "Elster's Marx", *Inquiry* 29, March 1986.
8. *Ibid.*, p. 4.
9. *Ibid.*, pp. 5-6.

10. Robert Paul Wolf, "Methodological Individualism and Marx: Some Remarks on Elster, Game Theory, and Other Things". *Canadian Journal of Philosophy* 20, December, 1990. Although Wolf thinks that Elster's *Making Sense of Marx* (despite its many virtues) is fundamentally a failure, he shares Elster's case of methodological individualism.
11. On Elster's *Making Sense of Marx* a symposium is held in 1985, in which Allen Wood, Cliff Slaughter and Scott Meikle criticize Elster's view of methodological individualism and rejects it as a method for explaining social phenomena.
12. Cliff Slaughter, "Making Sense of Elster", *Inquiry* 29, 1986.
13. *Ibid.*, pp. 46-47. In support of his argument Slaughter cites Marx's *Grundrisse*.
14. That is, mode of production, social relations of production, economic structure, class struggle and their interrelations.
15. "Making Sense of Elster", p. 49.
16. "Historical Materialism and Functional Explanation", pp. 13-14.
17. Scott Meikle, "Making Nonsense of Marx", *Inquiry* 29, 1986.
18. *Ibid.*, p. 37.
19. Elster, "Reply to Comments", *Inquiry* 29, 1986, p. 67.
20. *Ibid.* p.68.
21. Alex Collinicos, *Making History* (Cambridge: Polity Press), 1987.
22. *Ibid.*, p. 83.
23. Particularly, *Economic and Philosophic Manuscripts of 1844*, *The German Ideology*, *Capital*, *Grundrisse* and *The Thesis on Feuerbach*.
24. Quoted from Marx, *Collected Works*, Vol. 5, in Oladipo Fashina, "Marx, Moral Criticism, and Political Choice", *The Philosophical Forum*, Vol. XIX, No. 4, Summer, 1988, p. 297.
25. David Archard, "The Marxist Ethic of Self-realization: Individuality and Community", in *Moral Philosophy and Contemporary Problems*, J. D. G. Evans (ed.), (Cambridge: Cambridge University Press), 1987, p. 31.
26. Karl Marx, *Economic and Philosophic Manuscripts of 1844* (Moscow: Progress Publishers), 1977, p. 73.
27. *Ibid.*, p. 99.
28. Marx, *Grundrisse*, Eng. Trans. by Martin Nicolaus (England: Penguin Books), 1973, p. 84.
29. *Ibid.*, p. 85.
30. *Ibid.*, p. 89.
31. *Ibid.*
32. Marx & Engels, *The German Ideology* (Moscow: Progress Publishers), 1976, p. 37.
33. *Ibid.*
34. *Ibid.*, p. 41.
35. *Ibid.*, pp. 86-87.
36. Marx, *Capital I*, Eng. Trans. by Samuel Moore and Edward Aveling, Engels (ed.), (Moscow: Progress Publishers), 1984, pp. 78-79.
37. *Ibid.*, p. 83.

CHAPTER IV

RATIONAL CHOICE IN MARX

Elster argues that Marx's normative view (of ethical individualism) entertains the idea of rational choice. By rational choice he conceives the individuals as "rational". He seeks to make sense of Marx by giving an account of how social change is brought about by the rational choice of the individuals (as they make in political and economic life). Moreover, he uses rational choice theory to rule out functional and teleological explanation in Marx's thought.

According to rational choice theory, human behaviour can be explained in terms of individual's rational choice. It assures that people will choose the course of action they prefer, or think is best. That is, to act rationally is to choose the best action in the feasible set.¹ Elster critically evaluates as to whether and in what sense Marx's theory is consistent with the basic assumptions of the rational-choice approach. He argues that Marx's economic theory (particularly the labour theory of value) denies the rational choice approach. Marx often emphasizes that workers and capitalists are not agents in the full sense of the term, i.e., they are not free and active choosers; they are, in his words, "economic character masks". Workers are forced to sell their labour power, and similarly, capitalists are forced by competition to act as they do (including the inhuman practices of exploitation).

Elster believes that outside economic analysis proper Marx's economic sociology (*Capital I*) fully recognizes the subtle interplay among entrepreneurial choice, profit, technology, and power in the firm. Likewise his political sociology is sensitive to rational and strategic thinking on the part of the main actors. But in both cases there is one obstacle to a purely rational choice interpretation—that the tendency to deploy functional explanation.²

Elster considers rational choice explanations as a subset of the wider category of intentional explanation. By intentional explanation he means individual (not collective) actions, actions which are explained by the intended consequences, i.e., the realization of the goal for the sake of which the action is undertaken. He uses rational choice approach to explain social phenomena and defines it as follows:

A rational choice explanation of action involves showing that the action was rational and was performed because it was rational. That the action is rational means that given the beliefs of the agent, the action was the best way for him to realize his plans or desires. Hence rationality goes together with some form of maximizing behaviour.³

Elster uses rational choice explanation to make sense of Marx from a normative perspective. That is, Marxism can only make sense if it is seen from the rationality of individuals. Elster thinks that most of the time Marx is concerned with forging links among individual motives, individual behaviour, and aggregate consequences. Marx often points to the needs of the collective entities in order to explain events and institutions. His belief in the independent logic of aggregate does sometimes weaken his motivation to study the fine grain of social structure and social change.

Elster concentrates on the problem of whether Marx (like the modern neoclassical economist) explains consumer and producer behaviour in terms of maximization. As regards consumer behaviour, Marx (in his *Capital I*) suggests that the consumption of the worker is determined by his need to reproduce his labour-power, with no residual left for choice. He has strong theoretical reasons for keeping workers' consumption fixed, since otherwise the labour value of goods might depend on preferences. But this does not imply that there is no scope for choice among alternative ways of fulfilling needs.⁴

According to Elster, a satisfactory explanation of collective action must provide micro-foundations for the behaviour. That is, collective action is best explained in terms of the desires and beliefs of the individuals participating in it. Elster thinks that Marx has little to say about this problem. In his words :

In all cases, however, the focus must be on the individuals, not on the group. The group may have an objective interest, but it has no goal. The //

objective interest will be realized only to the extent that it coincides with or, is made to coincide with, the interests of individual members.⁵

He finds rational-choice (freedom of choice) in many of Marx's analysis of the capitalist entrepreneur and the workers (rest on micro-foundations). The entrepreneur is shown to choose between alternative techniques of production, while the workers are shown to have some kind of freedom of choice both as workers and as consumers. But the labour theory of value, Elster argues, prevents Marx from working out all the implications of the rational choice approach. Marx believes that the ultimate determinants of Market prices are not individual choices (by workers and capitalists), but labour values.⁶

In Marx's economic theory the denial of rational choice is closely linked with the labour theory of value. Marx postulates that the economy had a surface structure and a deep structure (the appearance and the essence in economic life). The surface structure (appearance) is that of everyday economic life, in which the economic agents make rational choices in terms of the market prices of goods. In the deep structure (essence), goods are characterized by their labour values. The surface structure is merely the working out of the relations defined by the deep structure. Elster argues that this theory of the relation between values and prices, the essence and the appearance in economic life misled Marx in preventing him from appreciating the centrality of choice and alternatives in economics.

However, Elster believes that Marx is fully aware of the importance of consumer choice under capitalism. In *Grundrisse* Marx captures nicely the aggregate economic impact of free consumer choice. The freedom of choice that belongs to the worker as a consumer also tends to transform him into an autonomous, responsible being. Elster cites the following passage from the *Grundrisse* :

[The worker] is neither bound to particular objects, nor to a particular manner of satisfaction. The sphere of his consumption is not qualitatively restricted, only quantitatively. This distinguishes him from the slave, serf etc. Consumption certainly reacts on production itself, but this reaction concerns the worker in his exchange as little as it does any other seller of a commodity [The] relative restriction on the sphere of the worker's consumption (which is only quantitative, not qualitative, or rather, only qualitative as posited through the quantitative) gives them as consumers ...

an entirely different importance as agents of production from that which they possessed e.g. in Antiquity or in the Middle Ages, or now possess in Asia.

This passage reflects consumer's freedom of choice. But this view, Elster argues, goes against a widespread interpretation of Marx. It is often said that Marx attaches little importance to individuals rational choice (intentional explanation in economics), since the basic units of his theory are "character masks",⁸ rather than individuals. The capitalist is only the "conscious support" of the capitalist process, whereas the worker is the passive embodiment of the consumption process. From this argument it is often suggested that the capitalist does not "choose" his actions, but is "forced" by his need to survive in the competitive market. This view is misleading. In the words of Elster:

I believe this way of stating the issue is misleading. "Choosing" only means comparing alternatives and picking the best of them. The choice may well be said to be forced if all alternatives but one are unacceptable, but it is no less of a choice for that. Rather, the relevant distinction is that between forced and unforced choice, for example between being forced to optimize and not being forced to do so.⁹

In Marx's sense, market exploitation rests on exchanges which in one sense are free and voluntary, rather than forced; while in another sense the selling of labour-power is forced. In this connection, Elster examines Marx's notions of freedom, forced and coercion. He examines Marx's notion of freedom as autonomous self-realization and its relation to the formal freedom of choice. He also considers the issue as to whether the worker in capitalism is coerced into selling his labour power.

Elster argues that Marx never explicitly makes the contrast between positive and negative freedom. Marx refers to the latter as "formal freedom", that the worker is said to be formally free to leave his master, and the former is a conception of freedom as autonomous ("real freedom"), the positive ability to choose one's aims. Marx emphasizes the negative effects of the formal freedom in the market. Formal freedom also tends to create an ideological illusion about the extent to which the worker has genuine scope for choice. Yet Marx also suggests

that the formal freedom of the worker to some extent tends to make him autonomous, by making him responsible for his choice.

In Marx's view, the owner of money must meet in the market with the free labourer. The labourer is free in the double sense. On the one hand, as a free man he can dispose of his labour-power as his own commodity. On the other hand, he has no other commodity for sale, is short of everything necessary for the realization of his labour-power. According to Marx :

Labour-power exists only as a capacity, or power of the living individual. Its production consequently presupposes his existence. Given the individual, the production of labour-power consists in his reproduction of himself or his maintenance. For his maintenance he requires a given quantity of the means of subsistence.¹⁰

For Marx, both buyer and seller of labour-power have got freedom as the innate rights of man. As he argues :

Freedom, because both buyer and seller of a commodity, say of labour-power, are constrained only by their own free will. They contract as free agents, and the agreement they come to, is but the form in which they give legal expression to their common will.¹¹

The freedom of the consumer is a permanent feature of capitalism. Elster discovers the workers freedom of choice in Marx's analysis of capitalism. It is clearly reflected in the following passage:

Outside the factory gate, no one can tell the worker what to do. He can purchase the goods he wants to, within the limits of his wage. He can change employer, within the limits of alternative employment. He may even try to become self-employed or an employer himself, and sometimes succeed. This freedom, while ultimately a danger to capitalism, has useful short-term ideological consequences, since it creates an appearance of independence not only from any particular capitalist, but from capital itself.¹²

Marx, however, attempts to show the deceptive character of formal freedom in capitalism (as opposed to real freedom). The worker depends on capital even if he does not depend on any particular capitalist and the independence of the capitalist hides the real dependence of the worker. In this regard Elster cites from the *Grundrisse*:

The first presupposition, to begin with, is that the relation of slavery or serfdom has been suspended. Living labour capacity belongs to itself, and has disposition over the expenditure of its forces, through exchange. Both sides confront each other as persons. Formally, their relation has the equality and freedom of exchange as such. As far as concerns the legal relation, the fact that this form is a mere semblance, and a deceptive semblance, appears as an external matter. What the free worker sells is always nothing more than a specific, particular measure of force-expenditure; labour capacity as a totality is greater than every particular expenditure. He sells the particular expenditure of force to a particular capitalist, whom he confronts as an independent individual. It is clear that this is not his relation to the existence of capital as capital, i.e. to the capitalist class. Nevertheless, in this way everything touching on the individual, real person leaves him with a wide field of choice, of arbitrary will, and hence of formal freedom.¹³

The formal freedom of the worker in the labour market (the freedom of the producer) creates an "idea of self-determination"¹⁴ that makes him work harder. One might think that for Marx the freedom of the worker is valuable only to the capitalist. It is true that Marx does not stress that such freedom is an inherently valuable achievement. Rather his mind is too concerned with the society of the future, with the situation of the worker under capitalism. He believes that the formal freedom has instrumental efficacy in enabling the workers to bring about the future.

Elster speaks of the possibility of both kinds of freedom (formal and real) in Marx's mind as preconditions for the "historical" role of the worker. In this regard, he finds two views in Marx. First, the freedom of the worker-consumer creates in him a capacity for the historical action of overthrowing capitalism. The conditions for the "real freedom" in communism are created by workers as a result of the formal freedom (that compels them to be responsible for their choices). Secondly, since the formal freedom conceals the oppressive nature of capitalism, it also blunts the motivation to undertake such action. This second view is much more emphasized by Marx.

As regards the issue whether the worker is forced to sell his labour-power and if so, whether he is coerced into selling it, Elster distinguishes between force and coercion. In his view, coercion implies the presence of an intentional agent or coercer, while force need not imply more than the presence of constraints that

leave no room for choice. Marx, does not pay much attention to this distinction. When he opposes the "direct coercion" of non-market exploitation to the "force of circumstances" (that leads to capitalist exploitation), it is natural to understand him as saying that the latter does not rest on coercion. However, Marx does not deny that the capitalist has the means to coerce the worker, but it is a much more important part of his vision that capitalist exploitation is anonymous and mediates through the impersonal, competitive market. On the other hand, Marx believes that the worker is forced to sell his labour-power. Here arises another issue—whether the individual worker or the workers collectively is forced. In this regard Elster says :

It is true then of each individual worker that he is free not to sell his labour-power, but true of the working class as whole that it is collectively forced to sell its labour-power.¹⁵

Elster accepts 'Rational Choice Marxism'¹⁶ as a superior model for explaining social phenomena. The roots of this theory are to be found in conventional neo-classical economics and contemporary social sciences. The emergence of rational choice Marxism has also other intellectual contexts. It is perhaps against the background of Althusserian structuralism, and its attacks on conception of human agency (in favour of structural explanations from which the human subject was 'rigorously' expelled), that the attractions of the methodological individualism proposed by Roemer and Elster can be most sympathetically understood.¹⁷

Rational choice Marxism can be conceived as an attempt to construct a normative Marxist theory. For Elster, rational choice paradigm reveals the normative basis of Marxism, which conventional Marxist theory cannot do. In this regard he seems to be inspired by Roemer's theory of exploitation.¹⁸ Elster describes Roemer's methodological individualism as 'generating class relations and the capital relationship from exchanges between differently endowed individuals in a competitive setting'.¹⁹ Roemer's approach is an attempt to identify the 'key moment' in class exploitation and to show how unequal distribution of the relevant assets necessarily produces unfair results, especially in the distribution of income. The traditional Marxist concept of surplus extraction is rejected in Roemer's theory of exploitation. Unequal distribution of assets, rather than the relations between

direct producers and the appropriators of their surplus labour becomes the central focus in his theory.

Thus, the distributional theory of exploitation marks a critical departure from 'Classical' Marxism. For conventional Marxism, inequality has no theoretical value except a system of social relations between producers and appropriators. In those relations (not in inequality), lies the dynamic principle (the contradictions and conflicts), which account for social and historical processes. In direct opposition to traditional Marxism, rational choice Marxism construct a conception of exploitation with reference to inequality (not to such relations). Such a conception is established by 'rational choice'.²⁰ Roemer that capitalism is exploitative and unjust, without resorting to the labour theory of value. His project of rational choice Marxism influences Elster to construct normative Marxism (the ethical basis of Marxism). Like Roemer, Elster conceives class exploitation as a 'rational' exchange between individuals (not as a 'relation' of relative advantage), a conception in which the analytic starting point is inequality (or the 'unequal distribution of assets'), instead of a social relation between appropriators and producers. He attacks Marx's theory of value on the grounds that individual behaviour can never be explained by reference to values, which (being invisible) have no place in the purposive explanation of action.

In his own account of rational choice model, Elster argues that there are times when Marx himself adopts intentional explanations, though inconsistently and in contradiction to many of his basic assumptions. His interpretation of Marx is distorted by his own understanding of the issues at stake in the relation between classes. Concerning Marx's emphasis on choice Elster cites from the *Grundrisse*, where his purpose is to demonstrate a contradiction between the emphasis on the worker's consumer choice and the consumption of the worker as uniquely determined by his need to reproduce his labour-power. He argues that Marx has strong theoretical reasons for keeping worker's consumption fixed. Elster cites *Grundrisse* as an example of rational choice Marxism. Here he is analysing the exchange between labour and capital in a 'one-sided' way, that is, simply in the 'sphere of circulation'.²¹ For him, Marx makes it clear that he is examining the

capitalist relation incompletely, 'as regards mere circulation'. The freedom of choice, like the 'equality' between capital and labour as parties to the exchange, may be relevant at this level of analysis. Here Marx is alluding to a unique relation between consumption and production which characterizes capitalism. But he emphasizes that the worker's equality and liberty as a party to the exchange (as well as his freedom as a consumer) has 'an economically different relation—outside that of exchange. Elster has, argues Wood, 'strong theoretical reasons' (what he would call) for characterizing the relation between capital and labour in this one-sided way, since it is only as an exchange 'as regards mere circulation' that the rational choice model makes any sense at all. In explaining the 'presuppositions' of the exchange between capital and labour the model is not much use and the notion of 'choice' has not much meaning.²²

Elster rules out functional explanation in Marx's assertion that the behaviour of a class can be explained by the beneficial consequences for the class members. In functional explanation, the actual consequence of the phenomena is cited in order to account for it. For instance, Marx explains upward social mobility by pointing to the economic benefits of the capitalists class. However, for Elster, functional explanation is puzzling, that is—how an event can be explained by another event that occurs at a later time. He argues that it cannot be necessary to await the consequences in order to explain it; there must be an explanation for the event when it happens. Elster provides two arguments as to why he opposes the use of functional explanation in Marxism so strongly. First, there are explanations of singular-noncurrent events in Marx's philosophy of history in terms of their unintended consequences. Secondly, in many functional explanations (within and outside Marxism) the feedback loop is not demonstrated but only postulated or tacitly assumed.²³

According to Elster, we at once get into the problem of class coalitions, when Marx refers to the class struggle as involving three or more classes.²⁴ This problem suggests both a rational-choice and a functional account. In *The Eighteenth Brumaire*, Marx offers two answers concerning the question of why the two monarchical fractions (Legitimists and orleanists) united around the parliamentary

republic. One is couched in terms of economic interest and relies on functional explanation. The other operates at the political level and suggests rational choice explanation.²⁵

In his political sociology, Marx allows considerable autonomy action to the state which, Elster argues, suggests both intentional explanation and functional account. On the one hand, the behaviour of the state derives from the self-interest of the governing clique, constrained by the interest of the capitalist class offered an intentional explanation. On the other hand, Marx's basic theory that the state in a capitalist society is a capitalist state and that everything comes down to the interest of the capitalist state suggests a purely functional account.

Functional explanation is an attempt to explain behaviour simply by pointing to the fact that it has beneficial consequences for some agent or agents. For Elster, this is an extremely unsatisfactory mode of explanation. He argues that many beneficial consequences of actions arise in a purely accidental, non-explanatory manner. Moreover, there can be an indefinite number of "explanations" of the same explanandum. Therefore, to explain social phenomena in this frictionless manner might appear highly implausible. Marx has a strong propensity to use this kind of explanation, without pausing to provide any kind of backing for it. This practice is so puzzling that it would itself seem to call for an explanation.

Marx's philosophy of history is related to his predilection for functional explanation. He believes history to be directed towards a goal, towards a communist society. He justifies this explanation not only in patterns of behaviour, but even in individual events, in terms of their contribution to that end. According to Elster, Marx's attitude towards the bourgeois revolutions is deeply influenced by his belief that the bourgeoisie has to fulfil its historical mission of bringing about capitalism, so that the workers can be enabled to go on to communism. This has practical as well as theoretical consequences. Thus Marx's Philosophy of history warrants explanation in terms of consequences that are beneficial for the ultimate advent of communism.

Cohen²⁶ argues that Marx's idea of the primacy of the productive forces must be explanatory rather than causal and that the explanation must be a functional one.

He derives this conclusion from two premises—(i) Marx asserts the primacy of the productive forces over the relations of production, and (ii) he admits the causal efficacy of the relations of production in developing the productive forces.

In Elster's view, Cohen has made a powerful argument in showing that the primacy of the productive forces must be understood functionally. But, in doing so Cohen has also contributed to showing how implausible the primacy thesis is. He does not establish that Marx provides his explanation with the kind of backing that will be required for taking it seriously. Moreover, Marx's accounts of the transition from feudalism to capitalism and from capitalism to communism do not rest on the optimality of the new relations of production for the development of the productive forces.²⁷

Functional explanation also becomes prominent in the Marxist theory of the state. The traditional Marxist view is that the state is a part of the superstructure and as such is dependent on the economic structure. Cohen, on the other hand, argues that the state depends on the economic structure and for that reason is a part of the superstructure. The state is a part of the superstructure to the extent that it can be explained by the economic structure and that only functional explanation can provide the link between economic structure and superstructure. However, Elster questions the contention that a functional explanation is needed to establish an institution as part of the superstructure. It is true that the institution must be linked to the base by some explanatory connection, but the explanation may be causal as well as functional.

Marxism in its traditional form is associated with explanations of a special type, that is, consequences are used to explain causes. Such explanation is called functional explanation. But, Elster argues, there is no scope for functional explanation in social science. That is why he deplores the association between Marxism and functional explanation and concludes that the Marxist theory of society should abandon functional explanation.

Cohen, however, believes that the central explanations of historical materialism are unrevisably functional in nature, so that if functional explanation is unacceptable in social theory then historical materialism cannot be reformed and

must be rejected. But he does not think functional explanation is unacceptable in social theory.²⁸ Cohen explains Marx's theory of base and superstructure as an instance of functional explanation. Relations of production are said to correspond to the level of development of the productive forces, and in turn to be a foundation on which a superstructure rises. That is, the level of development of the productive forces explains the nature of the production relations, and that they in turn explain the character of the superstructure co-present with them. This kind of explanation is functional in nature.

According to Cohen, a functional explanation is an explanation in which an event, or whatever else (if there is anything else) that can have an effect, is explained in terms of its effects. He calls the laws justifying functional explanations consequence laws. If this account of functional explanation is correct, he argues, then the main explanatory theses of historical materialism are functional explanations.²⁹ According to historical materialism the character of the superstructure is explained by the nature of the base, and the base is explained by the nature of the productive forces. Cohen summarizes his argument for the thesis that the chief explanatory claims of historical materialism are functional in form. Historical materialism's central claims are:

- 1) The level of development of the productive forces in a society explains the nature of its economic structure; and
- 2) its economic structure explains the nature of its superstructure.

Cohen takes these two theses to be functional explanations in order to reconcile them with two further Marxian theses:

- 3) the economic structure of a society promotes the development of its productive forces; and
- 4) the superstructure of a society stabilizes its economic structure.

These two theses, according to Cohen, entails that the economic structure is functional for the development of the productive forces, and that the superstructure is functional for the stability of the economic structure.

Elster, however, rejects functional explanation in Marx's historical materialism and seeks to replace it with rational choice theory. He complains that Marxist social analysis has been contaminated by the principles of functionalist sociology. Cohen argues that this claim is both historically and conceptually incorrect. Marxists do not indulge in functional explanation because they are influenced by the bad science of functionalist sociology. They indulge in functional explanation because they are committed to historical materialism. Marxists do not associate historical materialism with functional explanation because they think functional a good thing. Functional explanation arises out of a conceptual analysis of historical materialism. Since functional explanation cannot be removed from the centre of historical materialism, it cannot be replaced with rational choice approach. However, historical materialism is fundamentally concerned not with the rationality of behaviour, but with the forces and relations of production constraining and directing it.

Marx claims that the character of social production explains both the nature of society and the transformations it undergoes. He characterizes social production into two aspects—the forces and relations of production. The productive forces functionally explain production relations, where a functional explanation accounts for a phenomenon in terms of its tendency to bring about certain effects. In this case, production relations are explained by their tendency to promote the development of the productive forces. That is, the economic structure functionally explains the politico-ideological superstructure.

Elster's attack on functionalist social theory is related to a broader attempt to reconstruct Marxism along methodological individualist lines. In his thought, functionalism ultimately derives from a teleological conception of history in which the basic explanatory principle is some underlying long-term tendency. In reply to Elster, Meikle, in his "Making Nonsense of Marx", argues that Elster rummages around in Marx's articles for the *New York Tribune* to locate signs of teleology, but achieves nothing. Teleology is to be found in the very nature of Marx's conception of science, law, and explanation, not in his journalism. Meikle goes on to argue

that looking at Marx and saying 'I see signs of teleology' is like looking at a loaf and saying 'I see signs of bread.'³⁰

Elster divides Marx's theory of history into two. The first is the 'empirical theory', and the second is the non-empirical in which Marx is guided by a teleological view of history. Elster seems to believe that 'teleological' entails 'non-empirical', and asserts that Marx believes in the necessity of this development on non-empirical grounds. Meikle argues that something like this is true that 'Marx believes history to be directed towards a goal; but what exactly is true is that socialism may be said to be the 'goal' of history. He puts his argument in this way:

That is not to say that there is a hidden purposer, Nature, the spirit of money, God or History, or that there is any inevitabilism or irresistible tendency for them to get there.³¹

Wood rightly argues that Elster's philosophical objections to functional explanations rests on a caricature of this kind of explanation, just as his critique of Marx's use of teleology in the philosophy of history rests on a caricature of the kind of teleological claims Marx is concerned to make. Elster connects his objection to these sorts of explanations with methodological individualism. But it is misleading to formulate his objection to such explanations as an appeal to a principle of methodological individualism, because his objection to functional explanations appeal to the actual benefits (for someone or something) or the behaviour to be explained, rather than its intended benefits or consequences. His objection seems to be the same whether the actual benefits are those of groups or of individuals. As Wood argues :

... for Elster methodological individualism seems to serve mainly as a (misleading) name for certain objections he has to use of functional explanations in social theory.³²

The explanations in a functional explanation is not really a certain result but rather the tendency to produce that result. Hence, it is misleading to describe functional explanations as explaining behaviour merely by citing the result of the behaviour to be explained. To describe a functional explanation in this way, argues Wood, is to caricature its real structure by concealing the fact about the world, a

tendency present in it to produce the result (not merely the fact that the result occurred). Thus he contends:

Elster's account of what a functional explanation is, therefore, inaccurate. What he calls a functional explanation is in fact only a piece of half-baked reasoning which has a resemblance to a functional explanation. It might very well be something a person might think is a functional explanation, but the person who thought so would be mistaken.³³

Elster admits of a functional explanation in a crude form. For him, Marx does not propose any sophisticated version of functionalism. Wood considers this view as misleading. He is quite right in arguing that Marx does not propose any version of functionalism at all, whether crude or sophisticated. In his materialist theory of history Marx does not reflect methodologically on the kind of explanation. But this does not entitle us to interpret his theory of history as appealing to mere caricatures of functional explanations. What is misleading in Elster's critique of functionalist Marxism is the suggestion that he has identified something inherently defective in functional explanation—or at least in its use in social theory. Moreover, Elster is not clear in expressing his philosophical objections to functionalism.

Like the critique of functional explanation, Elster caricatures Marx's philosophy of history in order to ridicule its teleological elements. Marx's historical materialism is a teleological theory of history, but it is not a theory which cites a tendency to the development of 'man' or a tendency for communist society to come into being. Wood is right in saying that the basic tendency it cites is the tendency of human productive powers to grow. The working out of this tendency have certain consequences as regards the development of human nature and the succession of social forms corresponding to successive stages in the development of human productive powers. But, he says :

... these consequences are not the goal of the historical process, and they play no explanatory role in a materialist account of history. In the *German Ideology*, Marx was quite naturally concerned to distinguish the tendencies cited by his new theory of history from the tendencies cited by rival young Hegelian teleological theories of history.³⁴

According to Elster, Hegel disastrously retains the idea that history has a goal. Of course, it is a disaster to think of 'history' as having goals, but it does not follow from this that the only goals to which one may make explanatory appeal are

the conscious goals of intentional agents. According to Marx's materialistic interpretation of history, there is a tendency for the productive powers of society to grow, and this tendency can be used as the basis for functional explanations of social changes which manifest it. Elster's view, therefore, seems to be inconsistent with Marx's theory of history. Marx's theory of history, Wood rightly argues, does not reflect methodologically on any kind of functional explanation, neither does it provide any teleological theory of history. Rather, there is a tendency of human productive powers in his theory to grow.

In Wood's view, Elster is more inclined to Cohen's 'general theory' of history and its reliance on functional explanation. Elster also questions the extent to which Marx himself adheres to the general theory. However, in the context of the 'general theory', Marx makes room for a specifically capitalist dynamic. The critical issue is the capacity of capitalism to revolutionize the forces of production, which differs from any more general tendency to improve productive forces. In that sense, it is possible for him to hold both the view that history displays a general tendency to improve the forces of production and the view that capitalism has a capacity to revolutionize productive forces. Marx never deviates from the view that the capitalist drive is specific and unprecedented. Whatever progressive tendencies may be generally observable in history, the specific logic of capitalism and its specific capacity to improve the productive forces are not reducible to these general tendencies. He also makes it clear that the capitalist impulse to improve the productive forces is quite distinct from any general human tendency. The development of the productive forces for Marx requires a specific explanation, which he calls the materialistic interpretation of history. So, there is no room for functional explanation in Marx's theory of history. Elster wrongly ascribes this kind of explanation to Marx.

Marx's view of the specificity of capitalism is misunderstood by Elster. This misunderstanding tells us something important about Elster's conception of what counts as a theory of history and its affinity with Roemer and Cohen. In a significant passage, Elster cites Marx's famous aphorism— 'Human anatomy contains a key to the anatomy of the ape'— from the *Grundrisse*, as a statement of

his 'teleological account'—which is, according to him, 'closely related to the propensity for functional explanation . . .'.³⁵ Elster compounds the misunderstanding by interpreting this aphorism to apply to the 'teleological' relationship between capitalism and communism, as it does to the relationship between capitalist and pre-capitalist modes of production. Although capitalism can be analysed from the standpoint of communism (that is, by identifying the potentiality within capitalism for a communist transformation), the analogy suggested by Elster is an imperfect one. Capitalism can provide the 'key' to pre-capitalist society only because it actually exists and because it has given rise to its own historically constituted categories. Marx tries to demonstrate the historical specificity of these categories by critically applying them to pre-capitalist forms.

Although a teleological account of history represents the most serious violation of methodological individualism, rational choice Marxism has a tendency to incorporate the destination of history into its very beginning a teleological procedure. On the one hand, rational choice Marxism can give no account of history but must begin with a given 'property relation' represented in the person of the rational individual whose 'endowments' and 'properties' come from nowhere and are going nowhere. On the other hand, it is drawn to theories of history in which the end is already given in the beginning. In both cases, the question of historical process is begged. Then, it seems to be the idea of process that sticks in the rational choice Marxism throat and the problem for Elster is not that conventional Marxism is teleological but that it is historical, a distinction which may not be clear in the rational choice Marxism framework. So, the rational choice Marxism model as a guide to history is misleading.³⁶

According to Elster, the behaviour of capitalists are reducible to their individual assets and motivations. He attacks Marx's value theory on the grounds that 'individual behaviour can never be explained by reference to values'. Thus, rational choice Marxism repudiate the conceptual tools of conventional Marxism and imputes the compulsions of capital accumulation to the preferences and motivations of individual capitalists. Accordingly, the starting-point must be the specific attributes of the capitalist nature, not the general tendency of human

nature. But it is difficult to see how the rational choice Marxism model can escape a complete circularity, according to which individuals accumulate capital because they are capital accumulators. The impulse to accumulate capital itself cannot be further reduced to individual properties independent of social structures. Instead, the properties of capitalism as a social system, and its systematic compulsion to accumulate must be simply incorporated into the individual properties of the capitalist.

The explanatory power of the RCM model is therefore limited without the constant assistance from conventional Marxism. All the historical analysis (which yields the structures) must be done with the tools of conventional historical materialism. In fact, the individual properties which motivate the 'rational choice' must be deduced from the 'macro-processes' which are to be explained. The RCM model can 'explain' the 'macro-processes' (or structures) only in terms of individual motivations, which must also be deduced from the structures themselves. So, there is no way of getting from individual choice to historical processes without inserting all these structural factors.³⁷ Although the explanatory power of RCM is weak, it seems to be useful in its claim that it makes explicit an ethical presumption in the Marxian theory of exploitation, that is, socialism is morally superior to capitalism. Elster's RCM seems to be useful in the sense that it seeks to construct a normative socialist theory, i.e., socialism is morally superior to capitalism. Although Marx does not provide any ethical foundation of socialism, Elster adds something to our understanding of capitalist exploitation by revealing the exploitative foundations of capitalism.

NOTES AND REFERENCES

1. Alan Carling's view may be mentioned here. Rational choice theory, as he says, is the view according to which societies are composed of human individuals who (being endowed with resources of various kinds) attempt to choose rationally between various courses of action. (Alan Carling, 'Rational Choice Marxism', *New Left Review* 160, November/December 1986)
2. In functional explanation events and institutions are explained on the grounds that they are better for some agent or agents but not necessarily on the grounds that they are chosen because they are better.

3. *Making Sense of Marx*, p. 9.
4. *Ibid.*, p. 11.
5. *Ibid.*, p. 16.
6. For Marx, labour values are logically prior to individual choices, as the notion of “capital” is logically prior to many individual capitalists.
7. *Making Sense of Marx*, p. 12, Quoted from Marx’s *Grundrisse*.
8. Marx, in his *Capital*, says that the characters who appear on the economic stage are but the personifications of the economic relations that exist between them.
9. *Making Sense of Marx*, p. 13.
10. *Capital I*, p. 167.
11. *Ibid.*, p. 172.
12. *Making Sense of Marx*, p. 208.
13. *Ibid.*, pp. 208-209. Quoted from Marx’s *Grundrisse*.
14. Elster thinks that this is a weaker form of self-determination than what is involved in consumer purchases, since it requires control only over behaviour, not over wants as well.
15. *Ibid.*, pp. 214-215.
16. ‘Rational choice Marxism’ is sometimes taken to be synonymous with analytical Marxism. This paradigm is distinctively characterized by an ‘analytical’ mode of presentation. It is theoretically associated with methodological individualism. The leading figures of ‘Rational choice Marxism’ are John Roemer and Jon Elster. It also includes figures like Alan Carling, Robert Brenner and G.A. Cohen, who evince a very different attitude to methodological individualism.
17. Allen Meiksins Wood, “Rational Choice Marxism : Is the Game Worth the Candle”, *New Left Review*, Vol. 177, pp. 44-45. Althusserian structuralism was the dominant school of Marxism during the period of rational choice Marxism.
18. John Roemer, *A General Theory of Exploitation and Class* (Cambridge: Mass: Harvard University Press), 1982.
19. “Rational Choice Marxism”, p. 45, *Making Sense of Marx*, p. 7.
20. *Ibid.*, p. 46.
21. *Ibid.*, p. 57,
22. *Ibid.*, p. 58.
23. *An Introduction to Karl Marx*, p. 33. For Elster, functional explanation involves a feedback loop, a causal connection from the consequences of one event of the kind to another, later event of the same kind.
24. In Elster’s view, Marx overestimate the centrality of class and at the same time, he fails to combine his theory of class struggle with his theory of the productive forces. He argues that Marx’s notion of “contradiction” between the forces of production and relations of production does not provide a “robust motivation” for political struggle; it does not tell the story of how individuals make rational choices or take decisions to accept their situation or change it.
25. *Making Sense of Marx*, pp. 16-17.

26. G. A. Cohen, *Karl Marx's Theory of History: A Defence* (Princeton: Princeton University Press), 1978.
27. *Making Sense of Marx*, p. 31.
28. Cohen, "Reply to Elster on Marxism, Functionalism, and Game Theory", in *Marxist Theory*, Alex Callinicos (ed.), (Oxford: Oxford University Press), 1989, pp. 88-89.
29. *Ibid.*, p. 92.
30. Scott Meikle, "Making Nonsense of Marx", *Enquiry* 29, March 1986, p. 32.
31. *Ibid.*
32. "Historical Materialism and Functional Explanation", pp. 13-14.
33. *Ibid.*, pp. 15-16.
34. *Ibid.*, p. 21.
35. "Rational Choice Marxism", pp. 73-74, *Making Sense of Marx*, p. 54.
36. *Ibid.*, pp. 74-75.
37. *Ibid.*, p. 49.

CHAPTER V

RATIONALITY IN INDIVIDUAL AND COLLECTIVE ACTION

According to Elster, Marx's analysis of capitalism and his theory of communist revolution represent the ideas of rationality and irrationality of behaviour. It is not the system but individual's rationality that motivates the workers to carry out revolutionary collective action. Elster finds rationality behind individual action and rejects the idea of rationality behind collective action on the ground that free-rider problem and risk-aversion in collective action lead to irrationality. He goes on to argue that it is not the causal implication of historical materialism but the rationality of individual workers that will motivate them to revolt against capitalism. But this is controversial whether Marx observes rationality behind individual action or collective action. I do not think that Marx's idea of rationality fits in Elster's view of individual rationality. Marx represents neither an individualist nor a collectivist position. However, he insists on revolutionary collective action and asserts that workers as a conscious revolutionary class (not as individual workers) will revolt against the exploitative system of capitalism.

Marx's writings on politics, in Elster's view, can be seen from two perspectives. On the one hand, Marx sees politics as a part of superstructure and hence of the forces that oppose social change. On the other hand, he sees politics as a medium for revolution and hence for social change. The relation between the two functions of politics must be seen in the wider context of historical materialism. Historical materialism affirms that new relations of production emerge only when the existing ones cease to be optimal for the further development of the productive forces. This is the ultimate explanation of a change in economic relations.

The rise and fall of capitalism is the main concern of Marx's political writings. At the centre of Marx's political writings is the capitalist state. He believes that he writes at a time when the capitalist relations of production are turning suboptimal

and the capitalist state is in the process of going from its progressive to its reactionary stage. Elster argues that Marx never offers any argument for his view that individuals or classes will engage in political struggle for the sake of relations of production which will enable the productive forces to develop at an optimal rate. Marx does not treat the individuals or classes as rational political actors when he refers to the refusal of German burghers to enter into an alliance with the working class during the 1848 movement. Elster puts it in this way :

Had he been more willing to entertain the idea that they were rational political actors, instead of puppets of their historical destiny, he would have understood that if he could see that this alliance would ultimately benefit the workers in their struggle against capitalism, the burghers could also see what lay in store for them if they accepted it.¹

Thus, Marx emphasizes on teleology, on historical destiny, rather than on individual rationality. That is, he emphasizes on the system, rather than on the agents of the system.

In *Capital* Marx discovers the laws of motion and development of capitalism. He provides a scientific analysis of the capitalist system. Indeed, he has a powerful intuition for what motivates the capitalist entrepreneur and for how these motives appear at the collective and political level. In Elster's view, the most important achievement of Marx's *Capital I* is the analysis of the capitalist factory and the capitalist entrepreneur. In his analysis of capitalism, Marx shows how the economic development is shaping and being shaped by the class struggle, and its continuation into politics by other means. He goes from the individual level to the aggregate, from the static analysis to the dynamical, from the economic to the social, political and ideological levels.

However, Marx condemns capitalism to be an irrational system. Capitalism is irrational on the grounds that it leads to increased misery in the sense of lower level of consumption or a lower standard of living. It is irrational in the sense that it tends to destroy itself owing to the contradiction of the very system. The irrationality of capitalism inevitably leads to communism. Thus, Marx compares the irrationally organized relations of production (in capitalism) with a more rationally organized relations of production (in communism).

According to Elster, Marx condemns capitalism to be irrational on the grounds that it is inhuman, unjust and wasteful system. First: Capitalism is inhuman in the sense that it leads to the alienation of men from their species-powers (creativepowers). He believes that the deployment of these powers is the ultimate goal and the ultimate good both for mankind and for individual men. The very system of capitalism is contradictory by itself. On the one hand, capitalism is an immense step forward for mankind, permitting an unprecedented expansion of the species-powers. On the other hand, it frustrates the all-sided development of the powers of the individual human being (this is alienation). Secondly: Marx believes capitalism to be an unjust system. Although justice is treated as a bourgeois category in the Marxist tradition, Elster believes that Marx's concept of exploitation only make sense if we impute to him a theory of justice. Thirdly: Marx condemns capitalism because it is inherently, and needlessly wasteful. It is inherently wasteful, because it is an inefficient system.

Marx, points out the possible sources of inefficiency of capitalism. The market mechanism of capitalism involves the permanent possibility and the frequent occurrence of economic crisis, in which capital goods lay idle, workers go without jobs and goods are produced that meet no effective demand. This inefficiency of capitalism indicates the irrationality of the very system and allows the possibility of another system (communism) which is rationally organized. Again, the capitalist system is irrational in the sense that it tends to destroy itself, specifically in the face of the tendency of the rate of profit to fall. In Elster's opinion, Marx does not condemn capitalism on the grounds that it leads to increased misery in the sense of lower levels of consumption, or more generally, a lower standard of living. Marx compares the fate of the workers in actually existing capitalism with what it would be under more rationally organized relations of production. As Elster says:

... capitalism itself creates the conditions under which another system can perform even better. Alienation and "the contradiction between the productive forces and the relations of production" are defined as gaps between what is actual and what is possible. Alienation, broadly speaking, is predicated on the basis of a possible better use of the productive forces, and the contradiction on the basis of a possible faster development. Actually the two phenomena are closely related. By suppressing alienation, free rein will be given to the creative abilities of the members of society.

Some of them will spontaneously choose scientific and technical work as vehicles for self-realization, with unprecedented productivity growth as the outcome. But, to repeat, this is only possible on the technical basis created by capitalism itself. It is the ladder that human kind kicks out from under itself when it is no longer needed.²

In his analysis of capitalism, Marx argues that capitalism destroys itself owing to the internal crisis of the very system. The crisis of the system is the "contradiction between the productive forces and the relations of production". This contradiction provide a motivation for revolutionary action. Marx, in the *Grundrisse*, suggests that the falling rate of profit³ in the capitalist system is an instance of the contradiction between the productive forces and the relations of production. In his theory of the falling rate of profit Marx, argues Elster, attempts to demonstrate a connection between three major flaws of capitalism: exploitation, alienation and the "social contradiction". He also tries to link the "social contradiction" with the more general thesis of historical materialism, that all modes of production come to an end because of a contradiction between the productive forces and the relations of production.

Profit is the "vital flame" and the "motive power" of capitalist production. When the rate of profit tends to fall, capitalism leads to severe crisis. Thus, Marx emphasizes on the limits of capitalism. For him, capitalism will disappear only when its inherently limited way of developing the productive forces is no longer required for their further progress. The limits of capitalism are the permanent features of the capitalist mode of production. Capitalism, therefore, creates the conditions for its own destruction, not by curtailing its own powers, but by enabling the establishment of another, more powerful system (communist system). The explanatory claim of historical materialism that capitalism will disappear when it ceases to be the best system for developing the productive forces enters into conflict with the explanatory claim of the theory of the falling rate of profit. Hence capitalism disappears when it is no longer optimal, and because the rate of profit falls below the minimum level that is acceptable to the capitalists.

Marx's theory of the capitalist crisis leads him to the theory of communist revolution. But, according to Elster, he does not offer any systematic theory of revolution. His theory of revolution must be reconstructed from scattered passages,

most of which are written with an immediate political purpose. Marx's theory of modes of production suggests that changes in the relations of production occur when they enter into contradiction with the productive forces. An epoch of social revolution begins when new relations of production replace the old ones. Social revolution which is stabilized by the legal and institutional changes brought about by a political upheaval is known as bourgeois revolution.⁴ Bourgeois revolution occurs mainly to the extent that they correspond to individual interests, and will not respond to the collective interests of a class as such.

Thus capitalism emerges and develops as a consequence of bourgeois revolution. Because of its internal crisis, Marx argues, capitalism creates the conditions of communist revolution. Communist revolution will take place when private ownership will be replaced by social ownership, when individual interests will be replaced by collective interests.

Elster examines Marx's conceptions of the causes, the processes and the outcome of the communist revolution. The causes include alienation, economic crisis, exploitation and the contradiction between the productive forces and the relations of production. The process of revolution is closely connected to the formation of class consciousness and the forms of class struggle. The outcome of the communist society allows the full and equal self-realization of individuals. But there has not been any occasion to offer a syncretical exposition of these themes and their interrelation. On the one hand, Marx is so persuaded of the necessary advent of communism that he neglects to explain how the various reasons for introducing it can also have motivating efficacy. On the other hand, he tends to see all the defects of capitalism as so intimately connected with one another that he does not bother to sort them out from one another.⁵

Marx's idea of the inevitability of communist society follows from his condemnation of capitalism as an inhumane, unjust and wasteful system. Elster criticizes the idea of the inevitability of communist society and its ethical, economic and political conceptions as wishful and utopian thinking. Although he believes that in spite of their wishful thinking they remain valuable guides to political theory and political action. The ills of capitalism and the possibility of

communism motivate the workers to revolutionary action. However, Elster argues that Marx is so persuaded of the necessity of communism that he does not feel an argument is needed.

The advent of communism requires two conditions. First, the productive forces must be developed to a level at which communism is viable, in the sense that it will ultimately overthrow capitalism. Secondly, the workers must take the political power and set up communist relations of production. However, Elster argues, Marx never produces a theory of revolution to explain how these conditions come together in the course of capitalist development. Now the question naturally arises: what motivates the workers to revolutionary action? Elster explains the rise of revolutionary motivations among the workers. He considers Marx's main charges against capitalism. Alienation (as the lack of self-realization), exploitation (as unjust), and the inefficiency of capitalism will provide revolutionary motivation for the workers to overthrow it. Thus, Elster emphasizes on normative conceptions:

Revolution is a costly and painful process that will be initiated only if the situation is experienced as desperate. Yet not all changes are revolutionary ones, and more gradual changes could be—and have been—upheld by such normative motivations.⁶

Elster emphasizes on normative motivations of the workers because he finds no rational grounds for communist revolution of the Marxian type. As he says:

There has not been a single unambiguous instance of the kind of revolution that Marx advocated. True, it is not impossible that some existing communist countries at some later date will overtake capitalism, and hence retroactively justify the revolution, but there are no rational grounds for believing that this will happen.⁷

Concerning the rationality of revolution, Elster raises two central questions which ought to be faced by any theory of communist revolution. First, under which conditions would a rational working class want to undertake a revolution? Secondly, how could a rational capitalist class or a rational government allow these conditions to arise? Marx's theory of revolution, Elster argues, fails to provide any plausible answers to these questions. Hence, such a theory must invoke political irrationality on the part of the workers, capitalists or Government. Although Marx

does not state the problem in these terms, they seem to correspond to the reality of the situation.

The central propositions of historical materialism show that the communist revolution will occur when communist relations of production become optimal for the development of the productive forces. The communist revolution will be caused by the prospect of an unprecedented technical expansion. That is, communism will by-pass capitalism with respect to the rate of innovation. Elster argues that this type of causal implication is highly implausible. This prospect cannot plausibly motivate the workers to carry out a revolution. In the first place, rational workers might be subject to a free-rider temptation that would block the efficacy of the motivation. A rational working class would, in the second place, take accounts of the costs of transition and be subject to some degree of risk-aversion (even when they are able to act collectively to promote their common interests). As Elster argues:

It is not reasonable to expect workers to sacrifice what they have—a dynamic, efficient capitalism—for the sake of a remote and uncertain possibility of a system that will perform even better. Having much more to lose than their chains, they will be reluctant to throw them off.⁸

Thus, Elster rejects the causal implication of historical materialism as highly implausible. The esoteric thought-experiment cannot motivate the workers to carry out revolution.

[Rather] they will be driven to revolt because of directly observable features of capitalism : alienation, exploitation, waste, inefficiency, trade cycles. It just so happens that the time at which these ills become so grave as to create the subjective conditions for a communist revolution is also the time at which communism becomes objectively superior as a framework for developing the productive forces. The communist revolution occurs when, but not because, capitalism becomes a break on further technical progress.⁹

But this view is also implausible. Societies are not so rational in building that the dates for proletarian dictatorship arrive exactly at that time when the objective conditions are ripe for socialism. Thus, Elster argues:

Societies are systematically so irrational in building that the objective conditions for communism and the subjective conditions for a communist revolution never coincide. Theory suggests and experience confirms that

communist revolutions will only take place in backward countries that are nowhere near the stage of development at which they could overtake capitalism.¹⁰

Marx assumes that the first communist revolution will occur in the most advanced capitalist countries. His argument in different writings suggests that the subjective and the objective conditions for communism will be developed in different parts of the capitalist world system. While the objective conditions emerge in the advanced capitalist countries, the subjective ones in backward countries. Now the problem is—how could the two sets of conditions be brought together? Around 1850 Marx argues that revolution, once it would occur in the capitalist periphery, would spread to the centre. Again he put his hope in counter-revolutionary intervention that ignites the general revolutionary confirmation. Elster argues that Marx fails to see that a rational capitalist government would abstain from intervening for that very reason. He goes on to argue :

Marx's theory of the communist revolution assumes workers, capitalists or Governments of capitalist nations must behave irrationally. Since he did not provide any arguments for this assumption, his theory fails. The point is not that events could not conceivably develop according to one of these scenarios. Irrational behavior can be an extremely powerful political force. Rather, the point is that Marx provided no rational grounds for thinking that events would develop as he hoped. His scenarios were, essentially, based on wishful thinking, not on social analysis.¹¹

Elster finds irrationality in collective action and rationality in individual behaviour. He tries to find out the most important kind of irrationality behind collective action. That is, people sometimes cooperate because they are irrational. However, Elster does not propose any theory of collective action. He only provides a list of variables that correlate with collective action. He attempts to anchor these correlations in a theory of individual behaviour. In his view, one should seek micro-foundations for collective action. To explain the collective action simply in terms of the benefits for the group is to beg all sorts of questions. In particular, it is to beg the question of why collective action so often fails to take place even when it would greatly benefit the agents. According to Elster, the individual-level explanations should be constructed according to the following heuristic principle:

... first assume that behaviour is both rational and self-interested; if this does not work, assume at least rationality; only if this is unsuccessful too

should one assume that individual participation in collective action is irrational.¹²

However, Marx does not give much thought to the problem of providing micro-foundations for collective action. He emphasizes the immediate economic benefits and the role of strikes etc. in the formation of political class consciousness. Marx asserts that struggle for economic benefits will unite the workers and prepare them for the political struggles. But to ask the workers to engage in economic struggle for the sake of developing a political class consciousness is to assume that they are in possession of the very maturity that the struggle is supposed to develop. Elster says that Marx here commits the fallacy of by-products, when he assumes that any desirable state that may emerge as the by-product of action can also be chosen as the motivating goal for the action.

In Elster's view, collective action is irrational in the sense that it involves free-rider problem and risk aversion. Collective action is beset by the difficulty that it often pays to defect. The individual can reap a greater reward if he abstains from the action to get the benefits without the cost. This generates a conflict between the interest of the individual and that of the class. Elster maintains that the free-rider problem can be understood in two ways. First, the individual agent is tempted to act as a free-rider with respect to his class. Secondly, the class as a whole is tempted to act as a free-rider with respect to its long-term interests. The motivation to engage in collective action involves the structure of the gains and losses associated with it for the individual. The gains and losses associated with collective action must be in terms of expected utility.

The expected utility according to Elster, derives from the material gains and losses of the individual. The utility calculus of collective action is captured in three variables. The first is the gain from cooperation. The second is the free-rider gain. Finally, there is the loss from unilateralism. The probability of collective action increases with the first of these variables and decreases with the second and third. If the gain from cooperation is large, one may expect that the loss from unilateralism is also large. If the gain from cooperation is large, the free-rider gain may or may not be large. Thus, "in general, collective action will either be

individually unstable (large free-rider gains), individually inaccessible (large losses from unilateralism) or both."¹³

Elster contends that the basic problem for collective action is the same as that of the Prisoner's Dilemma. It is a strategic game between any given individual and "Everyone else". Two strategies are available to each of these actors: to engage in the collective action or to abstain. This game theory can help us bring out some limitations on the theory that are not obvious from common sense observations. First, the rationality of participating in collective action depends on the extent to which present gains are preferred over future gains. Next, the rationality of collective action breaks down if the number of interaction is finite and known in advance by the players. Agents do not choose in total isolation from one another. What an agent does is observed by others, and it is known to him. He is in a position to observe what others do and ultimately what they get. Participation in the collective action, therefore, is only conditional on the participation of others. Cooperation can never be a dominant strategy. As Elster argues :

. . . cooperation could be a dominant strategy is more questionable. The benefits from participation are essentially by-products. Anyone who joined or initiated collective action solely to get these benefits would not get them.¹⁴

Choice situations are often faced by individuals, organizations, and Governments as a collective action problem. In case of choice situations, Elster refers to the decision makers as "individual agents". He explains the collective action problem in terms of the decision of the individual actors. Even when in fact they are corporate actors, they are individual in the sense of having one decision to make.

In solving the problem as to why individuals decide to cooperate ('cooperative behaviour'), Elster replies that nothing but individual opportunities, beliefs, and motivations can enter into the explanation of their behaviour. Collective action problem and their solutions are more complex than one would think. There are varieties of collective action problems of which individuals choose the one or the other course of action. In this regard Elster gives a definition of collective action :

By collective action, I mean the choice by all or most individuals of the course of action that, when chosen by all or most individuals, leads to the collectively best outcome. This course of action I shall often refer to as

cooperative behaviour. Note that I am addressing the question of why individuals decide to cooperate. Hence nothing but individual opportunities, beliefs, and motivations can enter into the explanation of their behaviour.¹⁵

This passage clearly indicates that Elster explains collective action problem in terms of individual's rational choice. That is, he depends on the principle of methodological individualism for explaining collective action problem. Each individual has a single decision to make and the choice of the individuals is between two courses of action—cooperating and not cooperating. The individuals, in his assumption, are similar both in their interest and in their resources. Hence each individual makes one decision and is affected by the decisions of all. The ways in which he is affected define the structure of the interaction. Elster defines collective action problem in terms of selfish, outcome oriented benefits. Rational, selfish, and outcome-oriented behaviour is methodologically central because of the following reasons. First, in the study of human beings there is a general presumption for rationality over irrationality. Second, selfishness is logically prior to non-selfishness. The pleasures of altruism logically presuppose the pleasures of egoism. Finally, most process benefits are similarly parasitic on outcome benefits. Thus, rational, selfish, outcome-oriented actors will never choose to cooperate i.e., selfish, outcome-oriented motivation will never lead to collective action.

According to Wolf, the most causal survey of history and society shows us that collective action is the norm in human affairs. Elster's first problem is that he never actually defines the phrase 'collective action'. Until we know what he means by the term, we cannot evaluate his claim that collective action is unlikely, nor can we determine in what sense Marx's explanations of collective action have violated the principles of methodological individualism.¹⁶

Wolf says that Elster is quite right in saying that in principle we should seek microfoundations. Elster is also right in asserting that we ought to begin by assuming that behaviour is rational in the sense of being purposive and goal-oriented. That is, the individuals whose behaviour we wish to understand could give a coherent account of why they do acting as they are (by reference to what they seek to achieve) and how they expect what they are doing to advance their goals.

It is entirely possible that men and women will have collective goals in the pursuit of which they engage in collective action. Nothing in having of such goals requires us to posit any entities which save individual persons. Nor is the pursuit of such goals in any sense irrational. The pursuit of such goals is not even altruistic nor nonself interested. As Wolf argues :

Most human behaviour, it seems to me—the mean-spirited, ugly, cruel, unjust behaviour included is motivated by what may be called the pursuit of social or collective ends. The reason for this is that human personality is formed by the internationalization of social norms and roles, and by the identification of self as a member of familial, religious, geographic, political, military, social, or cultural groups, so that most people, most of the time, understand themselves and their situations in terms of the groups in which they are most securely imbeded.¹⁷

Rational choice theory is designed to analyse the choices of individuals who pursue egoistic values and interest. An egoistic interest is an interest which relates solely to the subjective state of the individual himself. For example, the goods and services flowing from economic activity are assumed by economists to be enjoyable by the solitary consumer, and to be valued for that reason.

However, there is another class of values, which may be called social values. Social values are states of affairs whose realization depends essentially upon a reciprocal relation between another's experience and my own. Wolf suggests that collective action is the state of affairs in which all or most of the members of a group aim at the same social values. That is, collective action is then the cooperative action of a group of people in pursuit of the actualization of some social value.

Wolf's view seems to be contradictory. On the one hand, he shares Elster's view of individual rationality. On the other hand, he holds the view that most human behaviour is motivated by collective ends. I think Wolf is right in maintaining the view that rational choice theory is egoistic, i.e., the choice of individuals aims at egoistic interest. But he fails to see that egoism may lead to selfishness. Moreover, he fails to see what Elster means by collective action. By collective action Elster means the choice of individuals¹⁸ (as the cooperative

behaviour of individuals), i.e., he defines collective action in terms of individuals choice. This view of individuals choice may be irrational if it leads to sheer selfishness. However, I think, Wolf rightly observes that most human behaviour is motivated by collective ends and that collective action aims at social values. In this sense collective action is rational. But Wolf's position is not clear as to whether he finds rationality behind collective action.

In Marx's thought, participation in revolutionary collective action is rational. His writings claim to put forward a scientific analysis of history which suggests that the crisis of capitalism creates the condition for proletarian revolution. Since "the proletarians have nothing to lose but their chains", it is rational for them "to win the world". However, Marx's claim that proletarian revolution is rational has been challenged over the last two decades. Critics argue that Marx and Marxists are wrong to think that it is rational for the working class to participate in revolutionary action to overthrow capitalism. Even if revolution is in the interests of the working class, the best outcome for each individual worker is that he will not participate. That is, the individual worker will be a "free rider" and enjoy the good without sharing the cost of producing it. This line of reasoning is clearly reflected in Elster's view of individual rationality.

Elster's view is very close to that of Buchanan.¹⁹ Buchanan argues that if someone is rational, he will not undertake revolutionary action. The good obtained by concerted revolutionary action is a collective good and it is a cost to the individual who participates. Whether revolutionary action is successful or not, participation is a cost to the participant. This line of argument exposes a fundamental weakness in Marx's theory of revolutionary motivation. Even if revolution is in the best interest of the proletariat, and even if every member of the proletariat realizes that this is so, this class will not achieve concerted revolutionary action. This conclusion rests on the premise that concerted revolutionary action is for the proletariat a public good problem.²⁰ According to Buchanan, concerted revolutionary action is a public good for the proletariat as a group. Yet, each proletarian will refrain from revolutionary action. The point is not that inaction is compatible with rationality, but rationality requires inaction.

According to Marx, the capitalists, by producing an exploited proletariat, produce "their own gravediggers", and the emancipation of the proletariat lies in the overthrow of the capitalist system. Each capitalist must either compete successfully or eventually lose his capital. To compete successfully he must extract more and more surplus value from his workers. Accordingly, he must increase what Marx calls the degree of exploitation. But this increasing pressure on the proletariat eventually makes its condition unbearable and the victims become revolutionaries. It is compellingly rational for each capitalist to squeeze more and more surplus from his workers. However, rationality on the part of each capitalist brings the death of the capitalist class (i.e., to moderate his efforts unilaterally would be disastrous for him). There is a common interest to all members of the group in both the cases. In the case of the capitalists there is the common interest in preserving their control over the means of production. In the case of the proletariat the common interest lies in winning control over the means of production. Yet, Buchanan argues. "In each case, rational assessment by each member of the group apparently leads to inaction. What is rational for each is disastrous for all."²¹

According to materialistic conception, the proletariat does not face a public good problem. The revolutionary movement is not produced through deliberation and calculation on the part of the individual proletarians. Rather the individual's participation in the revolutionary movement is simply a response to changes in the material base of society. To emphasize individual decision-making is to neglect the material forces of history. The moving force of history lies in the transformation of a society's mode of production.

For Marx, the concept of rationality as individual (or group utility maximization) is the bourgeois concept of rationality. As opposed to the bourgeois concept of rationality we have the socialist concept of rationality corresponding to the socialist mode of production. Bourgeois concept of rationality is dominant throughout capitalism (not just among the bourgeois). Socialist concept of rationality emerges in the course of the revolutionary movement. It is a form of rational cooperation among individual proletarians who come to participate in the revolutionary process within the capitalist factory.

According to bourgeois concept of rationality, participation in the revolutionary process is not rational in the sense that it leads to "free-riding" and public good problem. However, according to socialist concept of rationality, participation in the revolutionary process is rational in the sense that it is a rational cooperation among individuals. The good obtained by concerted revolutionary action is not a public good in the Marxist tradition. The problem of public good derive from the intellectual tradition of classical economics. The classical tradition implies a negative view of activity, while Marx had a positive conception of creative activity and good life.²² In Marx's view, the most important good of communist society is not a public good. His conception of communist society is developed in *The German Ideology* and echoed in his later writings. For him, "individuals must appropriate the existing totality of productive forces" not only "to safeguard their very existence" but also "to achieve self-activity". The central good of communist society is that the proletarians will achieve complete self-realization. Hence, Buchanan's view of public good problem seems to be misleading, because the good of communist revolution is not a public good (one available to those who do not participate). The good of communism seems to be participating in the revolutionary activity, for this activity constitutes self-realization.

Buchanan's view that revolutionary action is a cost to the participant is inconsistent with Marx's conception of good life. While Marx regards activity as essential to the good life, Buchanan (along with the classical economists) regards effort as a cost. The belief that effort is a cost is common in our society. But this belief is incorrect, since it implies that the best life is one of least activity and effort. It is inconsistent with the Marxian conception of creative activity. In the *Grundrisse*, Marx clearly rejects the classical economists assumption that effort is a cost, and in *The German Ideology*, he considers effort (revolutionary activity) as self activity of the proletarians. Hence, revolutionary activity (as self activity) is rational in the sense that the proletarians can achieve complete self-realization through this activity.

From the Marxist point of view, it may be argued that participation in the revolutionary activity is not subject to public good problem. It is, however, rational

to participate in the revolutionary collective action for achieving the collective good of the proletarians. Collective action is rational for the collective proletarian good. It may not be rational for those who are better off. It may be true that the individuals who are better off will not take the risk (that they might pay a high price) of participating in revolutionary process. However, the proletarians who have 'nothing to lose but their chains' will take the risk (even the risk of death) of participation for a best possible life. It is, therefore, rational for the proletarians to participate in the revolutionary collective action for a good life, for their collective good.

Individual self interest cannot form the basis of a rational long term life plan. Marx's theory of history and economics shows that contradictions within the system of capitalism creates instability and cycles of massive unemployment and general dislocation, which harm the interest of the proletarian class. As a result, one's individual future well being cannot form the basis of a rational long term plan. On the other hand, collective well being of the proletarian class generally can form the basis of a rational long term plan. Individual or personal well being cannot be enhanced separately from the well being of the working class. In addition, collective well being is a good for most of us. As Gomberg argues:

... there is no long term strategy for personal well being. Hence, a rational long term life plan aims at human well being must aim at collective (class) well being.²³

However, there remains a conflict between the pursuit of personal and the pursuit of collective well being. As long as there is a conflict, there is no exclusively correct solution to the problem of rational way of life. Philosophers trained in rational choice theory think it from the interests of the agent (individual's interest). But this belief derives from a static view of the human personality. Where there is a conflict, there is the potential for a person to change and develop. Until the direction of change is determined, it is impossible to define the interests of the agent. According to Marx's theory of history, classes fight for their historically defined interests. There is no universal standard by which human good can be defined. Human good is thought of as relative to a particular individual or a particular class. Thus, there is no universal standard by which one can say that

communism is better than capitalism or that a life devoted to revolution is better than a life devoted to self advancement. There are only conflicting interests, conflicting goods. For the proletarian class, it is rational to participate in the revolutionary activity; while the bourgeois class thinks that it is not rational to work for revolutionary change, since it is opposed to their interests. Collective good is the only good for the proletarian class, while for the bourgeois it is personal interest.

Buchanan argues that people acting rationally would never engage in revolutionary action to overthrow capitalism. Hence, Marx's vision of a socialist revolution made by the working class is a utopian vision. For Marx, the emancipation of the working class lies in revolutionary action, in overthrowing capitalism. But the fact is that the workers in advanced capitalist countries have not made a successful revolution. According to Buchanan, worker's failure to make a revolution is due to the predominance of rational thinking. In so far as workers are rational, they will not make a socialist revolution (since is socialism a public good). Thus, Buchanan draws the conclusion that Marx has an inadequate and incoherent theory of revolutionary motivation.

However, these kinds of reasons (advanced by Buchanan) are fundamentally different from the reasons that Marx thinks would motivate people to become revolutionaries. He provides reasons in defense of the rationality of socialist revolution. According to the theory of individual rationality, most of the time workers seem to act as non- revolutionary individual utility maximizers. But, for Marx, this is to be expected in a competitive society where individual's interests are often opposed to each other. Revolutions cannot be understood in the terms of the utility maximizing theory of human behaviour. On the one hand, revolutionary activity is rational in the individual utility maximizing sense to some extent. But, on the other hand, an adequate explanation of revolutionary motivation must go beyond the narrow mould provided by the utility maximizing model. Marxists do not have a theory of revolutionary motivation in the sense of a set of conditions that are sufficient for revolutionary action.²⁴ According to Marxism, it would always be in the interests of the working class to revolt against capitalism. Though

these interests cannot be a sufficient condition for revolution, the working class revolts against capitalism because they recognize it to be in their own interests. The Classical Marxists are committed to a rationality of socialist revolution. Accordingly, they reject utility maximization as a normative model of rationality. They reject the utility theorist's basic assumption that the concept of rationality is primarily ascribed to the individual. The individual in utility theory is no more than an isolated individual (individual capable of existing independently of society). Such a conception of rationality is rejected by Marx. He considers the individual as social, individual capable of existing in definite social relations, i.e., concrete individual who undergo changes within the social context. Though Marx argues for a rationality of social individual, he never denies the being of the individual. Rather, he makes a unity between individuality and collectivity by observing the individual within the social context. Thus, Marxist conception of rationality is more general in character than the utility maximization conception.

Marxism contains deeper senses of rationality than utility maximization theory. That is, rationality is a feature of the society and in a basic sense it refers to the exercise of human power and agency. In this sense, rational behaviour is a conscious deliberate action. A rational person is one whose actions are the result of his conscious decisions, desires, beliefs etc. and a rational society is one in which more of the basic features are the result of social decisions. In this fundamental sense of 'rationality' socialism is rational and capitalism is irrational. In socialism production is under conscious collective control, whereas in capitalism production is under the control of a market which functions independent of the will and action of the producers.

From the Marxist point of view, the participation of the working class in the revolutionary collective action is a collective rationality. Collective behaviour is the rational behaviour for the working class, since they have no power to affect society individually. This kind of rationality is more fundamental to Marxist than the individual rationality of the utility maximization. Thus, revolutionary action is rational in the sense that it involves the transformation of the fundamental structure of society as a conscious deliberate action of the working class. On the other hand,

capitalism is irrational in the sense that it is an exploitative social system in which production is regulated by a market. Since it is an exploitative system, the apparent relations between people and production are not the real relations. Moreover, capitalist system hinders the development and exercise of rationality even in the utility maximizing sense. A rational life plan is impossible in capitalism, since it is a system of conflicting interest. The 'free-rider' problem is rather an instance of this competitive society of free-market where individual interests are conflicting, i.e., one's individual interests conflicts with one's interests as a member. Since capitalism is an exploitative system of conflicting interests, revolutionary collective action becomes a rational necessity to overthrow the very system. Thus, revolutionary action is rational because it leads to rational society (socialism) in which production is socially planned, in which individual interests coincides with social interests, in which there remains a social cooperation among the individuals which prevents the individuals from the free rider problem.

NOTES AND REFERENCES

1. Elster, *Marx, Revolution and Rational Choice*, Michael Taylor (ed.), (Cambridge: Cambridge University Press), 1988, p. 207.
2. *Making Sense of Marx*, pp. 517-518.
3. Marx's theory of the falling rate of profit is one of the most important theories of the capitalist crisis. Like the classical economist (before him), he believes that the rate of profit tends to fall. But he provides a very different explanation of this fact. In the exposition of the classical economists profit is treated after ground rent, and the fall in the rate of profit deduced as a consequence of diminishing productivity in agriculture. Marx, on the contrary, completes the analysis of the falling rate of profit before he comes to ground rent. In the *Grundrisse* he accuses Ricardo of fleeing "from economics to seek refuge in organic chemistry", as if the falling rate of profit is a natural fact rather than a social one.
4. Elster refers to Marx's accounts of the bourgeois revolutions in the three European countries: The English Revolution of 1640-88, the French Revolution of 1789 and the German Revolution of 1848. Marx perceives the classical bourgeois revolutions as the transition from absolute to constitutional monarchy.
5. *Ibid.*, pp. 437-438.
6. *Ibid.*, p. 530.
7. *Ibid.*, p. 531.
8. *Marx, Revolution and Rational Choice*, p. 223.

9. *Ibid.*
10. *Ibid.*
11. *Ibid.*, p. 225.
12. *Making Sense of Marx*, p. 359.
13. *Ibid.*, p. 352.
14. *Ibid.*, p. 365.
15. Elster, "Rationality, Morality and Collective Action", *Ethics* 96, No. 1 (Illinois: The University of Chicago, Oct. 1985), p. 137.
16. Wolf, "Methodological Individualism and Marx", p. 473.
17. *Ibid.*, p. 483.
18. See Elster's "Rationality, Morality and Collective Action", p. 137.
19. Allen Buchanan, "Revolutionary Motivation and Rationality", *Philosophy and Public Affairs*, Vol. 9, Fall 1979. Buchanan's argument is derived from Mancur Olson's influential book, *The Logic of Collective Action*.
20. By a public good is meant any object or state of affairs such that if it is available to anyone in a group it is available to every other member of the group (including those who have not shared in the costs of producing it).
21. *Ibid.*, p. 67.
22. Paul Gombert, "Marxism and Rationality", *American Philosophical Quarterly*, Vol. 26, No. 1, January 1989, p. 53.
23. *Ibid.*, p. 59.
24. Nancy Holmstrom, "Rationality and Revolution", *Canadian Journal of Philosophy*, Vol. VIII, No. 3, September 1983, p. 308. Buchanan seems to assume that a set of conditions are required for revolutionary action.

CHAPTER VI

EXPLOITATION AND INJUSTICE

Elster argues that Marx's theory of exploitation in *Capital* and his conception of communism in the *Critique of the Gotha Program* entertain the principles of justice. On the one hand, capitalism is unjust in the sense that Marx treats capitalist extraction of surplus value as theft, embezzlement and robbery. On the other hand, Marx's contribution principle in the first stage of communism entertain a conception of justice in the sense that exploitation is always and inherently unjust. But the question is that whether Marx at all offers any specific theory of justice and treats exploitation as a moral concept.

According to Elster, the term "exploitation" carries connotations of injustice. To say that exploitation is unjust is to say that it ought to be abolished. But this view only makes sense if it can be abolished. Historical evidence and theoretical argument suggest that abolition of capitalist exploitation would make the exploiters and the exploited worse off mainly because of incentive problems. In that case either there could be an improvement in distributive justice or there is nothing morally wrong with so-called "exploitation." Neither option is an attractive argument in defense of the notion of injustice of exploitation. Therefore, exploitation that ought to be abolished is not the case that "can" be abolished.

The word "exploitation," Elster maintains, is highly value-laden, with overtones of moral wrongness and unfairness. Yet Marx is apt to dismiss talk about justice and fairness as bourgeois ideology. Despite many statements by Marx to the contrary, both the theory of exploitation in *Capital* and the theory of communism in the *Critique of the Gotha Program* embody principles of justice.¹ In Elster's view, Marx believes capitalism to be a profoundly unjust system. But this view is controversial, since justice is treated as a bourgeois category in the Marxist tradition. Yet, Elster believes, Marx's theory of exploitation, and notably the frequent characterization of profit as theft, only makes sense if we impute to him a theory of distributive justice.

For Elster, Marx condemns capitalism on the grounds of distributive justice. Marx often refers to the transaction between capitalist and worker as “robbery”, “embezzlement”, “theft”, etc., which constitutes *prima facie* evidence that he believes capitalism to be an unjust system. That is, Marx believes that capitalist appropriation of surplus value is an unjust one. Capitalist profit violates the principle “To each according to his contribution.” Thus, argues Elster, the contribution principle serves as a criterion of justice that condemns capitalist exploitation as unjust. Since, exploitation violates the contribution principle, it is considered to be a main flaw of capitalism. Thus, Marx’s critique of capitalism (exploitation as a main flaw of capitalism) allows the conception of justice. As Elster says:

More specifically, he frequently refers to the capitalist extraction of surplus value as theft, embezzlement, robbery, and stealing. These are terms that immediately imply that an injustice is being committed. Moreover, the sense in which it is an injustice cannot be the relativistic one. The sense in which extraction of surplus value is unfair must refer to a nonrelativistic, transhistorical conception. This argument is one important piece of evidence that Marx thought capitalism to be unjust.²

However, Marx denies any particular conception of justice. He asserts that theories of morality and justice are ideological constructions, which only serve to justify and perpetuate the existing property relations. Actions are said to be just or unjust in relation to particular mode of production. There is neither transhistorical, non-relativistic conception of justice, nor is there a communist theory of justice (communism will be a society beyond justice). These views of Marx reject any specific conception of justice. Elster argues that there remains a puzzle of how Marx hold these views, while he characterizes capitalism and communism in such a way that suggests a particular conception of justice. He suggests that there are at least two senses in which Marx entertains the conception of justice. On the one hand, Marx’s critique of capitalism (capitalist extraction of surplus value as theft, embezzlement, robbery and stealing) shows that it is unjust. On the other hand, his numerous statements about communism offer a positive conception of justice (contribution principle in the first stage of communism). Although Marx’s contribution principle tells us that exploitation is always and inherently unjust, it is

not inherently wrong, it is not morally objectionable. It is objectionable because of specific features of the situation that are not always present. Hence, exploitation cannot be a fundamental moral concept. Elster argues:

... there are three basic reasons why exploitation cannot be a fundamental notion in moral theory. They are all related to the fact that people differ. They differ in their inborn skills; hence the labour theory of exploitation does not even clear the first, definitional hurdle. They differ in their leisure/income preferences, hence the theory can in certain cases support the counterintuitive conclusion that the poor exploit the rich. And finally individuals differ in their time preferences, which may lead to some of them to accumulate wealth and hire others to work for them to the benefit of all parties. Exploitation can be a useful concept in broad historical overviews where these difficulties can be neglected, but it is an ill-suited tool for a more fine-grain investigation into moral theory.³

The concept of exploitation,⁴ as employed both within and outside Marxism, is problematic. On the one hand, there is a suggestion that exploitation differs from coercion. On the other hand, it would be contrary to deny that the slave or the serf is exploited. However, the definition of exploitation as extraction of surplus labour through market transactions denies that the slave is exploited. Within the Marxist tradition, there is exploitation outside the market. Hence Marx's theory suggests both market and non-market exploitation. Though there are important differences between extraction of surplus labour through extra-economic coercion and exploitation in the market, the feature common to all class societies is that extraction of surplus labour takes place. For Marx, surplus labour can be extracted by (extra-economic) force, or by the market.⁵

Elster relies on the models of labour-market exploitation offered by Roemer. Roemer offers one model in which the agents minimize their labour time subject to a constraint on consumption ("a capitalist subsistence economy") and one in which they maximize their revenue subject to a constraint on their labour time ("a capitalist accumulation economy"). According to Elster, Roemer's model brings out very well some central features of the Marxist theory of exploitation.

Elster discusses varieties of market exploitation. In his view, exploitation can arise in labour markets, commodity markets and credit markets. Roemer

distinguishes between exploitation arising in several markets. He shows the logical possibility of exploitation arising through the exchange of commodities. Exploitation through the labour market is the commercial form of exploitation. In Roemer-like models capitalists exploit workers by virtue of their control over capital goods. But this is not the only source of capitalist exploitation Elster argues that capitalists can also exploit workers by virtue of the isolation and lack of organization of the latter. Since capitalism is the most highly developed market economy, and wage labour is the central institution of capitalism, labour market exploitation is the most important form of market exploitation. Exploitation through the credit market is less important in capitalism, because it does not tend to develop the productive forces. Finally, exploitation in the commodity market shows the logical possibility of exploitation without class divisions.

Since power is involved in non-market exploitation, Elster focuses on the relation between power and market exploitation. He discusses three ways in which market exploitation involves power relations—through the power of the state to enforce property rights, through the presence of monopoly power, and through domination in the production process. In the traditional formulation, state is needed to guarantee property and enforce contracts. In capitalism, state also guarantees the control of the worker over his own labour power. The control must be backed by the power of someone else. Hence the state as the third party guarantees the control of the worker over his labour power. Thus, state itself cannot be an exploiter.

In Elster's observation, a motivating force behind Roemer's general theory of exploitation is to show that skilled capitalists exploit unskilled workers. Such an idea cannot be stated within the labour theory of exploitation. Roemer's solution of this problem involves a distinction between capitalist exploitation and socialist exploitation:

In capitalism, there can be socialist exploitation by the skilled as well as capitalist exploitation by the capital owners. In socialism, capitalist exploitation is eliminated, only socialist exploitation remains, to be eliminated under communism.⁶

Elster thinks that this reconceptualization of exploitation is not very helpful. It is not clear how the workers get the share of the managerial skill, while leaving the

managers behind them. Moreover, Roemer's approach is inadequate in a more fundamental way. Exploitation has a causal as well as a moral aspect. Roemer captures only the causal notion of exploitation. But Elster does not say that Roemer's approach is without any merit, rather he believes that it enables us to characterize the main varieties and sources of exploitation quite compactly. In feudalism, exploitation occurs because some individuals do not control their own labour-power. In socialism, exploitation occurs because some individuals do control their own labour power. In capitalism, exploitation occurs because some individuals control only their own unskilled labour power. Elster sees these as distinct and important varieties of distributive injustice. He argues that the problem of heterogeneous labour should not lead us to discard the labour theory of exploitation, rather it remains a useful case on which we can test some of our ethical intuitions.

How does exploitation arise? Is exploitation forced or coerced? According to Marx, in slavery and serfdom exploitation arises out of physical coercion. In capitalism, physical coercion is rare. Capitalist exploitation rests on economic coercion. In Marx's sense, capitalist exploitation typically arises because workers are forced to sell their labour power. They have no land to cultivate, no capital to set themselves up in business, no entrepreneurial skills to persuade a bank to lend them money. Therefore, the choice of wage labour is forced, not coerced. Here arises a distinction between physical and economic coercion:

Physical coercion is illegal in capitalism, whereas economic coercion can employ perfectly legal means. Physical coercion involves the invasion of the rights of others, economic coercion the abuse of one's own rights.⁷

Marx's idea of exploitation distinguishes three degrees of involuntariness: physical coercion, economic coercion, and being forced by circumstances. Contrary to Marx, Elster argues that exploitation need not be involuntary in any of these senses. According to neo-classical definition, exploitation is impossible in perfectly competitive capitalism. It arises only when firms have some degree of market power. In Marx's view, exploitation arises because workers are forced to sell their labour power, while in the neoclassical view, it arises because firms

exercise economic power. Marx wants to say that exploitation must exist in any form of capitalism.

However, Elster disagrees with Marx's logic that exploitation arises when workers are forced to sell their labour power. For our intuitions about force are a confused amalgam of causal and moral notions. Contrary to Marx's causal notion of exploitation, he argues for a moral notion of exploitation:

Clearly, a worker can be exploited without being either coerced or forced to sell his labour power. Hence whatever is morally wrong with exploitation cannot stem from the forced nature of the wage contract—unless one is prepared to say that exploitation is morally unobjectionable when the contract is unforced.⁸

Elster attempts to pursue both the exegetical task of finding out Marx's views on capitalism as an unjust system and the substantive one of discussing whether they are justified. In *Capital I* some forms of property are literally due to theft, namely those originating in so-called primitive accumulation. In this sphere, one possible argument would be that the property of contemporary capitalists is unjust because it derives from the forcible, rights-violating appropriation by earlier capitalists. The unjust primitive accumulation made it possible for individuals other than the primitive accumulators and their descendants to enrich themselves in ways that would otherwise have been unavailable. This argument might cover a good deal of modern capitalist property. But this argument is not found in Marx. As Elster argues:

When he refers to the theft or robbery involved in capitalist-worker exchange, he usually does so with respect to current transactions only, without going back to the historical past in order to justify this characterization. True, he often refers to the fact that capital is only a form of past labour, but this is not meant to suggest that the capitalist has forcibly robbed earlier workers of their product. He has robbed them, but only in the same sense that the capitalist is currently robbing his own workers. This self-perpetuating or steady state process should not be confused with primitive accumulation.⁹

Elster maintains that Cohen convincingly argues that the capitalist appropriation of surplus value is an unjust one. According to Cohen, Marx does not think that the capitalist steals by capitalist criteria, he steals in some non-relativist sense. To steal is to commit an injustice, and a system which is "based on theft" is

based on injustice.¹⁰ Elster upholds this view and rejects Marx's view that the very notion of such possession is a bourgeois category. He applies Cohen's argument to infer that Marx has a non-relative conception of justice. According to the law of value (which rules the production of commodities), "surplus-value" is due to the capitalist and not to the worker. Again, Marx says that the capitalist does not only rob the worker, but forces the production of surplus-value.

Elster considers two reasons why the capitalist appropriation of surplus value may be termed unjust. First, pure capitalist (coupon-clipper) hires a manager at a poor wage to exploit the workers. This is unjust that the capitalist came to acquire his capital (whatever may be the means of acquiring). The capitalist receives an income without making any contribution in terms of work. Thus the capitalist violates the principle—"To each according to his contribution." For Elster, this is a principle of justice, though not the supreme principle of justice. Secondly, pure capitalist entrepreneur (who has no capital) exploits the workers by virtue of his organizational skill. He makes the workers much more productive collectively (than they could be in isolation) by bringing them together. But this does not entitle him to an income vastly greater than that of his workers. True, he "helps create what is to be deducted." But, argues Elster, one is not morally entitled to everything one is causally responsible for creating. Hence the entrepreneur should be rewarded for the actual work of bringing the workers together, not for the work done by the workers whom he assembles.

In the *Critique of the Gotha Program*, Marx makes a distinction between the principles of distribution in the first and the final stages of communism. In the first stage, there is the contribution principle—"To each according to his contribution." In the final stage, there is the need principle—"To each according to his needs." The contribution principle requires that skilled and unskilled labour have been reduced to a common measure that takes account of this difference. In Marx's view the contribution principle is defective in the sense that it embodies a bourgeois conception of formal rights. Distribution according to rights is necessarily inadequate. This defect is eliminated in the higher stage of communism which represents a transition from a society governed by rights to a society in which

rights and justice no longer have any role to play. This argument, in Elster's view, is self-defeating. As he contends:

The reference to "defects" in the contribution principle presupposes a normative criterion, that is, a superior principle of justice. To reject one principle Marx must appeal to another. The contribution principle is assessed in the light of the needs principle.¹¹

So, Marx's argument to refute the contribution principle cannot serve the function of refuting the possibility of a theory of justice. Goods ought to be distributed so as to equalize welfare (a well-known theory of justice). Thus, Elster attempts to show that these two principles entertain the theory of justice. The contribution principle in the first stage serves as a criterion of justice that condemns capitalist exploitation as unjust. In the second stage (of fully developed communism) it is itself condemned as inadequate by the higher standard expressed in the needs principle. Both these principles are violated by capitalist exploitation. In the words of Elster :

Hence Marx had a hierarchical theory of justice, by which the contribution principle provides a second-best criterion when the needs principle is not yet historically ripe for application. Capitalist exploitation is doubly unjust, since it obeys neither principle. The "equal right" of the first stage of communism, is also unjust, but less so, since only the needs principle is violated.¹²

This interpretation, as he believes, makes sense both of Marx's critique of capitalism and the theory of the two stages of communism. But here remains another puzzle. Marx's analysis of capitalism condemns exploitation by appealing to the contribution principle and his analysis of communism condemns contribution principle by appealing to the needs principle. Elster tries to resolve this puzzle by imputing to Marx a two-tier or hierarchical theory of justice. The first conception is distribution according to needs and the second- is the ideal of equal welfare. Exploitation is condemned by the first- as well as by the second principle of distributive justice.

The contribution principle only makes sense when it is seen in the light of the needs principle. However, Marx's needs principle implies that there would be an abundance¹³ of goods under communism. Accordingly, the "circumstances of justice" would no longer remain under communism. For Elster, Marx's belief in

the flowering of the productive forces under communism would create abundance in an absolute sense. This part of his theory is hopelessly utopian. Besides, Elster thinks, Marx's needs principle is utopian in the sense that it demands for an equality of self-realization (self-realization for each and every individual).

However, Marx is very hostile to moral conceptions of communism, believing them to be reactionary in effect. His attitude, as Elster says, is explained by the Hegelian and theological roots of his thought. He believes that historical development is governed by laws of motion operating with iron necessity. Accordingly, moral condemnations are either pointless or superfluous. Communism cannot come about before conditions are objectively ready for it. As long as exploitation is historically necessary, capitalism will remain. As soon as its time is past, it will disappear. There is no room for moral strictures in either stage.

Elster argues that these are highly implausible views. These views constitute Marx's theory of scientific socialism, by far the least scientific part of his thought. Elster distinguishes between two senses of "socially necessary exploitation" in order to see what is wrong with Marx's views. On the one hand, exploitation is socially necessary if an attempt to reduce or eliminate it would defeat its purpose by hurting the very people it is supposed to benefit. On the other hand, exploitation could be said to be socially necessary when a reduction would endanger the prospects of the future communist society. Again, Marx believes exploitation to be necessary in two distinct senses. It is both inevitable and indispensable. He never doubts that the advent of communism is certain and is confident that exploitation is a necessary condition for communism.

According to Elster, Marx makes a critique of justice which can best be introduced in the context of his more general remarks about communism. That is, the view that communism is to be adopted because of the ideals it seeks to realize. Here he distinguishes two issues. First, the status of the ideals, that is, their transhistorical or merely relative validity. Secondly, the political efficacy of the ideals, that is, whether the workers in their revolutionary struggle will be motivated by ideals or by more narrowly defined class interest. Elster thinks that Marx's views on these issues are quite ambiguous. In this regard, he cites from *the*

German Ideology and *The Civil War in France*. In *The German Ideology* Marx dismisses talk about ideals. Again, in the same text he talks about appeal to proletarians rights which have political efficacy. *The Civil War in France* conveys the impression that ideals are superfluous for the advent of communism, since the process is governed by an objective necessity independent of the will of man. This is what comes to be known as scientific socialism. For Elster, this is a disastrous teleological conception, the very opposite of scientific thought.

However, the view that capitalist exploitation is unjust is controversial. It is controversial as to whether Marx himself condemns capitalism as unjust, i.e., whether he condemns capitalism in the light of any principle of justice. Whatever may be the point of controversy, the common point of agreement is that Marx's condemnation of capitalism has some sort of normative dimension. In Elster's view, Marx's condemnation of capitalism allows a specific principle of justice. However, I think that Marx's condemnation of capitalist exploitation is not based on any principle of justice. Although Marx uses normative terms in his condemnation of capitalist exploitation, he never bases it on any normative theory. Normative dimension does not imply normative foundation. Marx never advises to the capitalist 'do not exploit because it is unjust'. Rather he says that exploitation arises from the very nature of capitalism (from the economic inequalities of the very system), and that it dehumanizes and degrades mankind.

Elster's normative view is very close to that of Peffer. Peffer argues for a labour theory of exploitation which suggests that economic exploitation turns out to be essentially forced, unpaid, surplus labour. Since economic exploitation violates Marx's principle of equal freedom, it is always wrong.¹⁴ According to Peffer, Marx's views are compatible with theories of social justice and human rights. Marx is not only committed to general principle of equal freedom but also to human rights. Speaking of economic or social freedom makes sense only if we have a standard of justice. This view suggests that Marx's commitment to notions of social and economic freedom requires us to account for his implicit commitment to principles of distributive justice as well as human rights. Again, Peffer argues, Marxism is compatible with the concepts of justice and rights in the sense that an

adequate moral theory must be able to show that socialism is morally preferable to capitalism. Socialism is morally preferable because it is a genuine historical possibility.

But Marx explicitly rejects any theory of justice and rights. In his early works¹⁵ he attacks these concepts (of justice and rights) by arguing that they are part and parcel of bourgeois ideology. In his later works¹⁶ he explicitly rejects the thesis that capitalist exploitation is unjust to the workers and that socialism is preferable to capitalism (because it is more just). Finally, he believes that these concepts will become otiose in communism. However, Peffer argues that Marx's criticisms of these concepts is in some way faulty and that there is no *prima facie* difficulty in either explicating Marx's moral views in terms of rights and justice or in basing Marxist moral theory on these concepts. Due to his various confusions about morality in general and the concepts of justice and rights in particular, Marx seems to have explicitly held capitalist exploitation to be just while implicitly condemning it as unjust. Elster also points out that Marx can at times be maddeningly inconsistent. In this regard, Peffer agrees with Elster that "no interpretation of Marx's various remarks on justice and rights can make them all consistent with one another."¹⁷

Elsterian concept of justice sides with that of Keyes.¹⁸ Keyes argues that Marx does not reject any standard of justice, rather he presents the reason for the defects inherently in the standard of justice in the first stage of communism. The defects of the first stage of communism is that it suffers from a "bourgeois limitation", namely, the individual needs are sometimes ignored. This defect is inescapable. Marx merely points out the unavoidable deficiencies. He does not reject the standard of justice, rather his argument concerning the defects of the first stage of communism based upon a higher standard of justice. If there were no injustice involved in appropriating surplus value from the labourer, Keyes argues, why Marx so vehemently opposes exploitation. Why does Marx call it "shameless", and "systematic robbery"? Why does he insist that the worker is "cheated", "robbed", and "embezzled"? Why does he label the capitalist a "thief", and an "extorter"? Why does he refer to the capitalist's profit as "booty"? If Marx does not consider

the capitalist extraction of surplus value from the worker as unjust, then why does he condemn it, and why does he spend the greater part of his life struggling against it?

Reiman¹⁹ argues for a Marxian theory of justice (which is materialist as well as historical), particularly presented in *The Critique of the Gotha Program*. Like Elster he observes two principles of justice (contribution principle and needs principle) in the *Critique*. Reiman calls the first principle Marx's socialist principle and the second his communist principle. Marx's socialist principle is a principle of equality in the sense that each person derives a share of the social product equal to his output. But this principle would, as Marx says, still countenance inequality in the sense that people differ in their natural talents and abilities. However, Marx suggests a communist principle of equality to remedy this defect of inequality in the socialist principle.

Elster's notion of justice is very close to that of Husami.²⁰ Husami also finds the notion of justice in Marx's critique of capitalism. According to him, Marx condemned capitalism on the grounds of its injustice. Like Elster Husami observes two principles of distributive justice in Marx's *The Critique of the Gotha Program*: distribution according to labour contribution and distribution according to needs. Whether or not Marx regards capitalism as just, he argues, seems to be a matter of evaluating the capitalist distribution of wealth and income in terms of these distributive standards.

The first phase of communist society ("socialist society" in Marxian literature) provides the idea of a socialist distributive justice, according to Husami. This notion of justice marks an "advance" over the capitalist distribution of wealth and income in two senses. First, socialism establishes the principle of equal right by abolishing the private ownership of the means of production. Secondly, socialism ends class exploitation. Under socialism, Husami argues, the producer is treated justly because his reward is proportional to his labour contribution, while under capitalism, the producer is treated unjustly because his reward is not proportional to his labour contribution.

Fox Marx, socialist principle applies equal labour contribution to all producers. But different individuals make unequal productive contributions and are differently rewarded owing to their unequal physical and mental endowments. Thus equal rights applied to unequal individuals issue in material inequality. Socialist justice, therefore, favours those who are gifted by nature. Marx says that the just comparative treatment of individuals should not discriminate on the basis of natural differences for which the individuals themselves are not responsible. Socialist principle treats human beings one-sidedly as workers and ignores their individuality. That is, it fails to take into account what Marx calls "the whole man."

On Marx's account, this defect of the socialist principle would be overcome by the principle of distributive justice (the needs principle) in the developed communist society. This sort of justice makes the satisfaction of needs and the full development of individuality its guiding principle. The realization of this principle presupposes material abundance which results, on the one hand, from a high level of development of productive forces and, on the other hand, from a transformation of the nature and conditions of work. Thus, while socialist justice is closely linked to equality, communist justice to self-realization. Accordingly, the two principles of justice exclude exploitation by abolishing private property and affirm the crucial importance of the rational and collective control over the conditions of social existence.

According to Husami, capitalism systematically violates the principle of compensation according to labour contribution. The worker would be treated unjustly even if he gets the full value of his labour power, because what this labour power produces exceeds in value the value of the labour power itself. The value of his labour power invariably embodies an amount of labour less than the amount of labour he is forced to contribute. Capitalist injustice consists in this nonequivalence of contribution and reward. Capitalism also violates the principle of reward according to labour contribution. The labour contract is unjust even when the worker receives the full value of his commodity, because he receives no equivalent for his surplus labour. Thus, Husami argues, Marx's implicit application

of the socialist principle of justice to capitalist institutions is evident from his ethical rejection of capitalist property rights.²¹

Capitalism systematically violates the need principle of distributive justice as well. Marx employs this principle to evaluate capitalism. Accordingly, Husami says, he considered capitalism unjust because it does not satisfy human needs within its own productive possibilities and thus violates the principle of distribution according to need.²² Capitalism is not a planned system that reconciles supply and demand. The lack of conscious planning is a condition of injustice. During economic crisis capitalism is wasteful of human resources and productive capacity. Such wastefulness militates against the satisfaction of needs. Capitalism is directed to the generation of surplus value, not to the satisfaction of human needs. It is profit, not need satisfaction, that determines what goods are to be produced and in what qualities. Thus, capitalist exploitation violates not only the socialist principle of justice but also the communist principle of needs satisfaction. As Husami states "Exploitation is incompatible with justice. Communist justice is conducive to self-realization; capitalist injustice makes it impossible."²³

For Marx, the appropriation of surplus is not a violation of the economic law of exchange or of the juridical relations of capitalism and that it results in a non-equivalent transaction. This transaction, as Husami argues, is unjust in accordance with his socialist principle of justice. Marx does not, base his evaluation of capitalism on juridical relations, since capitalist practice does not violate capitalist economic laws or juridical norms. He views capitalism not from the standpoint of the ruling class, but from the standpoint of the proletarian norms of justice. In Marx's view, moral outlooks are historically developed. There cannot be any moral outlook independent of historical development or of class interests. The mode of distribution of a society can be evaluated by means of a standard different from the prevailing standard of justice. Husami holds that Marx criticizes capitalist distribution from the standpoint of proletarian standards of justice.

However, Elsterian notion of justice does not fit in Marx's own theory. Marx does not provide any specific theory of justice, nor does he condemn capitalist exploitation from any standard of justice. In this regard, I agree with Wood.²⁴ In

Wood's view, Marx does not condemn capitalism for being unjust or for failing to exhibit or promote any other moral principle. Justice, for Marx, is not a standard by which human actions, institutions or other social phenomena can be evaluated. Rather it is an ideal which correspond to each mode of production. The appropriation of surplus value is not unjust and the new mode of production will be no more just than the old one. Disguised exploitation, unnecessary servitude, economic instability and declining productivity are characteristics of capitalism and they provide good reasons for condemning it. Wood is quite right in arguing that these reasons do not constitute any moral theory and that Marx never bases his condemnation of capitalism on any moral standard.

In his analysis of the capitalist mode of production Marx depicts a society in which one small class of people live in comfort and idleness while another class, in ever-increasing numbers, live in want and wretchedness. He speaks constantly of capitalist "exploitation of the worker" and refers to the creation of surplus value as the appropriation of his "unpaid labour" by capital. These descriptions seem to be the descriptions of an unjust social system. But a close reading of Marx's writings will show that he never attempts to provide any argument that capitalism is unjust, or that it violates anyone's rights. Capitalism, in his sense, with all its manifold defects, cannot be faulted as far as justice is concerned.

Wood rightly argues that Marx has powerful reasons for attacking capitalism and advocating its revolutionary overthrow. Capitalism is an irrational and inhuman system, a system which exploits and dehumanizes the productive majority people of the society. However, Marx does not provide any philosophical foundation for denouncing capitalist society. That is, he does not specify the norms, standards, or values he employs in deciding that capitalism is an intolerable system. According to Wood, Marx attacks capitalism in the name of human goods such as, "freedom", "community" and "self-actualization." It may not be farfetched to ascribe to Marx a "conception of human well-being." But it is misleading to suggest that this conception can be captured in a single value such as "freedom."²⁵

Marx condemns capitalism at least in part because it is a system of exploitation, involving the appropriation of the worker's unpaid labour by capital.

Although he never choose to call this evils of capitalism “injustice”, Wood says, they still sound to most of us like injustice. The difference between Marx and ourselves at this point is that his application of the term “justice” is somewhat narrower than ours. When Marx limits the concept of justice, he is not by any means making a terminological stipulation. Rather he is basing his claim on the actual role played in social life by the concept of justice. Hence, his disagreement with those who hold that capitalism is unjust is a substantive one.

NOTES AND REFERENCES

1. *Making Sense of Marx*, p. 216
2. *An Introduction to Karl Marx*, p. 95.
3. *Making Sense of Marx*, pp. 228-229.
4. For Marx and later Marxist writers, being exploited means (fundamentally) working more hours than are needed to produce the goods one consumes. Elster thinks that this apparently simple formulation hides a number of conceptual problems.
5. In *Capital III* Marx explains the need for direct force. Since the labourer owns all of his labour power, the surplus labour can be extracted from him only by virtue of his lack of access to the means of production.
6. *Making Sense of Marx*, p. 203.
7. *An Introduction to Karl Marx*, p. 83.
8. *Making Sense of Marx*, p. 216.
9. *Ibid.*, p. 223.
10. *Ibid.*, p. 224, Elster cites from Cohen’s “Review of Wood: Karl Marx”, *Mind* XCII 1983.
11. *An Introduction to Karl Marx*, pp. 96-97.
12. *Making Sense of Marx*, p. 230.
13. By abundance Marx means the flowering of the productive forces. That is, all goods under communism would be free goods and the demand for all goods are saturated.
14. Peffer, *Marxism, Morality and Social Justice*, pp. 6-7.
15. *Contribution to the Critique of Hegel’s Philosophy of Right. Economic and Philosophic Manuscripts of 1844, The Holy Family, the German Ideology, Poverty of Philosophy.*
16. *Manifesto of the Communist Party, Grundrisse, A contribution to the Critique of Political Economy, Critique of the Golha Programme, Capital.*

17. Peffer, *Marxism, Morality and Social Justice*, pp. 339-340, *Making Sense of Marx*, p. 230.
18. Thomas W. Keyes, "Does Marx Have a Concept of Justice", *Philosophical Topics*, Vol. 13, No. 2, Spring 1985.
19. Jeffrey H. Reiman, "The Possibility of a Marxian Theory of Justice", *Canadian Journal of Philosophy*, Supp. Vol. VII, 1981.
20. Ziyad I. Husami, "Marx on Distributive Justice", in *Marx, Justice and History*, Marshal Cohen, Thomas Nagel and Thomas Scanlon (ed.), (Princeton: Princeton University Press), 1980. Husami attempts to deduce the notion of justice from Marx's writings, particularly from *Manifesto of the Communist Party*, *The Holy Family*, *Poverty of Philosophy*, *The German Ideology*, and *Capital*, which yield the picture of a society with extreme inequalities of wealth.
21. *Ibid.*, p. 62.
22. *Ibid.*, p. 72.
23. *Ibid.*, p. 73.
24. Allen W. Wood, "The Marxian Critique of Justice", "Marx on Right and Justice: A Reply to Husami", in *Marx, Justice and History*, Cohen, Nagel and Seanlon (ed.), (Princeton : Princeton University Press), 1980, "Marx and Morality", in *Darwin, Marx and Freud*, Caplan & Jennings (ed.), (New York : Plenum Press), 1984, "Marxism and Morality", in *Karl Marx*, (London : Routbidge & Kegal Paul), 1981.
25. "Marx and Morality", p. 135. In Wood's view, human well-being for Marx cannot be summed in a single value like "freedom". Marx is an explicit supporter of the notion of "positive freedom" (freedom "in the materialistic sense"). In this positive sense, freedom clearly covers more elements of human well-being. That is, there are other human goods, other elements of human well-being. For this reason, Wood resists the idea that freedom is the sole human good or the sum of human goods.

CHAPTER VII

JUSTICE AND MODE OF PRODUCTION

Marx Constructs a comprehensive theory of capitalism as a concrete historical mode of production. He condemns capitalism as a whole, and his condemnation is based on (what he believes) a unified and essentially complete analysis of its inner workings and its position in human history. In his view, capitalism has performed a valuable historical task in developing social forces of production, but this development has taken place at the cost of humanity. Not only has it impoverished the physical existence of the mass of workers, but the intellectual and moral lives of men has also been impoverished by it. The rapidity of social change under capitalism has created a permanent state of instability and disorder in social relationships. Hence the Marxian charge that capitalism is essentially a system of exploitation, actually plays in Marx's critique of capitalism.

For Marx, social relations are disguised in capitalist production. Capitalist production rests essentially on the appropriation of surplus value. Capital, by its very nature, necessarily exploits the worker by appropriating and accumulating his unpaid labour. Hence this exploitation of the worker by capital is not a form of fraudulent exchange or economic injustice, but it is a form of concealed dominion over the worker. Capitalism is a system of slavery, expressed as the relations of dominion and servitude. Although this servitude is a source of misery, degradation, and discontent to the worker, it is not a form of injustice. The servitude of the wage labourer to capital is an essential and indispensable part of the capitalist mode of production. On Marx's account, the servitude of capitalism has been necessary conditions for the development of modern productive forces.

Capitalist exploitation leads to a need for emancipation. This need appears as an actual movement within the existing production relations, not merely as a social ideal. In Marx's theory, it arises only where there is antagonism between the

productive forces and the existing production relations. Men develop and change the forces of production within a given mode of production, and in this way they bring about new historical possibilities, and with them new human desires and needs. Capitalism itself produces both the need on the part of the workers to abolish capitalist production and the material forces which make the abolition of capitalism a genuinely historical possibility. It produces an ever-growing burden of servitude and at the same time an ever-greater capacity for emancipation. In this way, the productive forces become increasingly antagonistic to the production relations. But it does not mean that the downfall of capitalism is inevitable because it is bad. In Marx's sense, the perpetuation of a condition of unnecessary servitude and the creation of human desires and needs which cannot be satisfied within a capitalist framework are precisely the sorts of defects which would bring about its downfall. The defects of capitalism are causes of its downfall. Capitalism breaks down not because it is bad but because it is defective. Wood convincingly argues that Marx's critique of capitalism is not founded on a principle of justice. It would be wrong to suppose that Marx's critique of capitalism is rooted in any particular moral theory or social ideal. There is no good reason to claim that Marx provides any moral theory. In the words of Wood:

It is simply not the case that Marx's condemnation of capitalism rests on some conception of justice (whether explicit or implicit), and those who attempt to reconstruct a "Marxian idea of justice from Marx's manifold charges against capitalism are at best only translating Marx's critique of capitalism or some aspect of it, into what Marx himself would have consistently regarded as a false, ideological, or "mystified" form.¹

This view is shared by Young.² Young argues that what Marx regards as false and mystified is not the practice of assessing social institutions as just or unjust, but rather the picture of those institutions to be found in bourgeois ideology.

It is, however, difficult to deny that terms such as 'robbery', 'usurpation', 'slavery', 'degradation' and the like are terms of moral condemnation. But Marx does not so to speak bracket them or place them in inverted commas; he condemns theft, not 'theft'. Yet, Ryan³ argues, Marx's scepticism about ethical appeals is well known. When Marx wrote to Engels about his "Address to the International Working Men's Association", he observed, 'I is obliged to insert two phrases about

“duty” and “right” into the Preamble to the Rules, and also about “truth, morality and justice” but these are placed in such a way that they can do no harm.’ Marx, in the *Manifesto*, mocks the believers in eternal moral truths, and seems to suggest that the conception of ideology relegates ideals of all sorts to an epiphenomenal status. Ryan rightly says that Marx’s stand on the status of morality is that he repudiates any suggestion that his condemnation of capitalism rests on ethical or moral considerations. Marx repudiates moral assessments as practically futile and intellectually worthless.

In Marx’s view, capitalist exploitation is not unjust; it has become a historical necessity arising out of antagonistic social relations. As he argues. “Thus only for the workers is the separation of capital, landed property, and labour an inevitable, essential and detrimental separation.”⁴ The inevitable result for the worker is over work and premature death. The worker becomes a mere machine, a bond servant of capital.⁵ He seems to suggest that the sufferings of the workers are the inevitable result of the capitalist system. Marx would never argue for a good life for the workers in the sense that their sufferings are bad. He is never concerned with such normative ideas like ‘goodness’ or ‘badness.’ Rather he is concerned with the very nature of the capitalist system which creates antagonistic social relations, and leads to the sufferings of the workers.

Wood is quite right in arguing that Elster is simply wrong when he says that Marx believes capitalism to be an unjust system. Although he believes that capitalist ‘steals’ from the workers, he explicitly asserts that (despite this act of theft or robbery) the capitalist appropriates surplus value not ‘wrongfully’ or unjustly, but ‘with full right.’⁶ As regards the issue whether Marx thinks capitalism to be unjust, the interesting question is that whether Marx has good reasons for holding the paradoxical view that capitalism, though alienating and exploitative, is not unjust. Wood argues that Marx’s materialistic conception of history, his theory of class struggle, and his conception of revolutionary practice suggests that Marx has very good reasons for refusing to condemn capitalism as unjust and for criticizing those who does so condemn it. He puts it in this way:

The point for which I have been arguing is not a merely textual one. It is rather the point that Marx's immoralism and his critique of justice are important and insightful parts of his intellectual contribution. I hold that we should not ignore or falsify these views.⁷

I agree with Wood that Marx does not attempt to provide a clear and positive conception of justice in his writings. However this negative attitude does not derive from Marx's personal aversion to "moral preaching," it is due to his assessment of the role of juridical conceptions in social life. He attaches considerably less importance to juridical conceptions as measures of social rationality, because he regards juridical institutions as playing only a supporting role in social life. But it does not mean that he tells us nothing about justice as a rational social norm. In *Capital* Marx clearly says that the justice of transactions arise as a natural consequences from the relations of production.

According to Marx, "Justice" is fundamentally a juridical or legal concept, a concept related to law and the rights of men. The concepts of right and justice are the highest rational standards by which laws, social institutions, and human actions may be judged from a juridical point of view. From this point of view, the traditional western conception of society is itself a fundamentally juridical conception. According to this conception of society, right and justice should be taken as the fundamental social principles, the highest standards of all social things. However, Marx rejects this juridical conception of society. In his preface to *A Contribution to the Critique of Political Economy*, he tells us that the origins of his social thought lay in the discontent he feels with this traditional conception of society.

The concept of justice is the highest expression of the rationality of social facts from the juridical point of view. This point of view is always one of the dependent moments of a given mode of production. The political state is a power acting within the prevailing mode of production, an expression of the prevailing mode of production. The conceptions of right and justice which express the juridical point of view, are rationally comprehensive only when seen in their proper connection with other expressions of social life and grasped within the prevailing mode of production. As Wood argues:

Marx gives no argument for his conception of justice, but the reasoning behind it is probably something like the following: Historical materialism holds that the concept of justice is socially important and socially potent because of the way in which standards of justice sanction the production relations corresponding to the current state of a society's productive forces.⁸

Wood holds that Marx's idea about the justice of transactions suggests several important thesis regarding the concept of justice and its proper function in social theory and practice. First, Marx views the concept of justice in terms of function within a given mode of production. Secondly, justice is not a standard by which human reason measures human actions, institutions, or other social facts; it is a standard by which each mode of production measures itself. Hence, there are no general rules of justice applicable to any form of society. Thirdly, the justice or injustice is not determined by a juridical form or a universal principle, but by the concrete requirements of a historically conditioned mode of production. Finally, the justice of acts or institutions does not depend on their results or consequences.

The Elsterian thesis that Marx condemns capitalism as unjust is not tenable. Marx's condemnation does not involve distributive injustice as Husami (as well as Elster) attempts to show. The justice or injustice of an economic transaction for Marx depends on its relationship to the prevailing mode of production. Marx holds this view because he sees right and justice as juridical concepts, whose proper function is in the moral or legal institutions, and in social relations. Such institutions and relations, according to Marx's materialistic conception of history, are part of the social superstructure. They are the juridical expressions of societies' production relations.

For Marx, the standards of right and justice in fact fulfill a function in social production. The exploitation of wage labour by capital is essential to the capitalist mode of production. In this sense, there is nothing unjust about the transactions through which capital exploits labour, and the worker's rights are not violated by capital's appropriation of their surplus value. Of course, the fact that capitalist exploitation is just is no defense of capitalism. In Marx's view, the justice of capitalist transactions consists merely in their being essentially capitalist. Those standards of justice serve the system itself. Therefore, Marx's attacks on capitalism are attacks on the system as a whole, not merely on its system of distribution. In

Wood's view, the justice or injustice of capitalist institutions has little or no significance for Marx, explanatory or evaluative. Unjust institutions or practices are only abuses of the system, and not fundamental defects of it. At most, they are symptoms of such defects.⁹

Although capital exploits labour, it does the workers no injustice and does not violate any of their rights. This view is consistent with that of Marx. That is, the exploitation of labour by capital is essential to the capitalist mode of production. Exploitative transactions between capital and labour correspond to the capitalist mode of production. They are just as long as that mode of production prevails. It becomes clear in the following passage :

The justice of transactions which go on between agents of production rests on the fact that these transactions arise out of the production relations as their natural consequence. [The content of transaction] is just whenever it corresponds to the mode of production, is adequate to it. It is unjust whenever it contradicts it.¹⁰

However, Marx does not regard the justice of capitalist exploitation as any defense of it. What he wants to mean is that a transaction is just whenever it is functional within the existing mode of production. From this it follows that the exploitative transactions between capitalist and worker (and the system of capitalist distribution resulting from them) are just and violate no-one's rights. Thus Marx's conception of justice rests on the fact that moral norms arise out of relations of production.

In capitalist production the justice of transactions rests on the fact that they arise out of capitalist production relations, i.e., they correspond to the capitalist mode of production. Similarly, the justice of property rights arises from the fact that these rights correspond to the production relations. In fact, capitalism is made possible by the existence of labour power as a commodity, by its use as a commodity to produce surplus value and expand capital. If there were no surplus value labour power could not even appear as a commodity, capitalism would not even be possible. Accordingly, capitalist appropriation of surplus value (the exploitation of labour by capital) is just. Marx is quite clear about this. He raises a series of rhetorical questions on this issue in the *Critique of the Gotha Program* :

What is a "fair" distribution? Do not the bourgeois assert that the present distribution is "fair"? And is not it in fact the only "fair" distribution based

on the present mode of production? Are economic relations ruled by juridical concepts, or do not, on the contrary, juridical relations arise out of economic ones?¹¹

Here "fair" distribution presupposes a society wherein the instruments of labour are common property and the total social product belong with equal right to all members of the society. What Marx wants to say is that present-day bourgeois distribution is fair, since it is justified by the present-day mode of production. He does not suggest any specific conception of justice either for bourgeois society or for communist society, for fair distribution corresponds to the prevailing mode of production. The bourgeois assert that the present distribution is just and that it is based on the present mode of production. However, Wood claims, Marx does not mean to say that capitalist exploitation is really just, but only that it is just by bourgeois standards. But to think this is to make the assumption that there might be standards of justice. Marx's conception of justice rejects precisely this sort of assumption.

Nielsen¹² agrees with Wood's claim that Marx does not condemn capitalism for being unjust or for failing to promote any moral conception. For Marx, Justice is a juridical concept dependent on a definite mode of production. On Wood's reading, justice for Marx is not and cannot be an abstract general standard by which human reason assesses social practices and institutions, it is rather a standard by which a mode of production measures itself. We can say that certain things are just or unjust within capitalism or socialism, but we cannot coherently make such judgements of capitalism or socialism itself or use the norms of justice of one mode of production to criticize another mode of production. It is clear that Marx firmly condemns capitalism as exploitative and dehumanizing. But he never explicitly says that capitalism is unjust or that it violates the worker's rights.

Young agrees with the view that Marx never provides any standard or criterion of justice. Marx never tells us by what standard or criterion he regards the extraction of surplus value as unjust and the wage-exchange as just.¹³ His condemnation of capitalist exploitation has nothing to do with justice or injustice. However, Young does not agree with Wood's claim that Marx regards capitalist exploitation as just. He argues that Wood's claim is false. There is no good reason

to ascribe to Marx the conclusion that he regards capitalist exploitation as just. Similarly, there is no good reason to suppose that the extraction of surplus value is unjust.

According to Lukes,¹⁴ the capitalist's extraction of surplus value is by no means an injustice to the worker. He shares with Wood in that transactions are just if they correspond to the prevailing mode of production. Judgements about justice are not made by reference to abstract principles independent of the existing mode of production, rather they are rational assessments of the justice of specific acts and institutions based on their specific mode of production. Since the exploitation of wage labour by capital is essential to the capitalist mode of production, there is nothing unjust about the transaction through which capital exploits labour.

Wood suggests that capitalist exploitation alienates, dehumanizes and degrades wage labourers, but it does not violate any of their rights and there is nothing unjust about capitalist exploitation. Since the worker is paid the full value of his labour power, capitalist extraction of surplus value is just. Ryan does not agree with the view that capitalist exploitation is just for Marx. He claims that capitalist exploitation for Marx is not in an absolute sense just or unjust because there is no such sense. On Marx's account, capitalism is just-in-appearance according to prevailing notions of justice, but it is unjust-in-reality according to those same prevailing notions. As regards the question—'is capitalist exploitation really unjust?'—Marx's response is neither yes nor no, but an account of why we talk about the world in the way we do. His denial of eternal moral truths and of any principle of justice makes the status of his own distributive principle problematic. He never thinks of this principle as a principle of socialist justice.¹⁵ Thus, there are no socialist standards of justice. Marx does not argue that capitalism is just by its own lights and unjust by socialist lights. In so far as capitalism is unjust, it is unjust by capitalism's own lights, not by any socialist standard of justice.¹⁶

Allen¹⁷ argues that Marx never thinks that capitalism is distributively unjust. He agrees with Wood that Marx assesses capitalist distribution only in terms of standards which correspond to capitalism itself. He thinks that Wood is right in

interpreting Marx's transactional justice in terms of his notion of the function of juridical institutions within a mode of production. Juridical institutions have the function of facilitating the operation of the mode of production to which they belong. Thus, economic transactions which arise as a natural consequences from the relations of production are just if they correspond to the prevailing mode of production.

From Marx's writings Allen and Wood infer that the extraction of surplus value is just. Young, however, argues that this inference is unwarranted. Marx, in his writings is speaking of the worker only in his role as owner and seller of labour power, not as a factor in the production process. In his role as seller, the worker is treated fairly, because the worker receives in the form of wages the value of the labour power he sells. But the worker is not treated fairly as a factor in the process of production. Young goes on to argue that Allen and Wood lose sight of the possibility that the distribution of value might be just, even though the means by which value initially enters the market, and the underlying class distribution of the means of production, is unjust. This possibility invalidates the inference from market justice to justice in capitalist production as a whole. A similar error vitiates Allen and Wood's inference that Marx thinks the extraction of surplus value just. In his writings Marx implies that transactions are just if they correspond to the dominant production relations, and unjust if they contradict them. The transactions Marx speaks of are said to have juridical form of contract. They are exchange transactions which occur in the market. The extraction of surplus value is not an exchange; it is the basic capitalist production relation which occurs in direct production. Hence it cannot be said to be just.

However, Marx's own view seems to be compatible with those of Allen and Wood. His notion concerning the wages of labour shows that nothing is wrong or unjust with the wages of the workers paid by the capitalist. In his own words: "Wages are determined through the antagonistic struggle between capitalist and worker. Victory goes necessarily to the capitalist."¹⁸

This statements clearly shows that capitalist exploitation is not unjust. The exploitation of labour by capital is a historical necessity. Wage-labour creates capital which works as a means of exploitation. As Marx claims :

Wage-labour creates capital, i.e., that kind of property which exploits wage-labour, and which cannot increase except upon condition of begetting a new supply of wage-labour for fresh exploitation.¹⁹

According to Marx, labour-power is sold not with a view of satisfying needs of the worker. His aim is augmentation of his capital, production of commodities containing more labour than he pays for, containing therefore a portion of value that costs him nothing. Production of surplus value is the absolute law of the capitalist mode of production. Labour-power, therefore, reproduces its own value as capital, and yields in unpaid labour a source of additional capital.

It is true that the worker is exploited to a great extent when his labour power is bought below its value. But this does not tend to show that any injustice is done to him. Wood is right in arguing that Marx believes that the exchange between capital and labour involves exploitation, but it does not imply that there is any injustice in the exchanges unless we already assume that all exploitation for Marx is unjust.

Marx rejects the claim that surplus value involves an unequal exchange of commodities between worker and capitalist. That is, the appropriation of surplus value by capital is not an injustice. Marx points out that the value of labour power, like the value of any other commodity, depends on the quantity of labour necessary for its production. That is, the value of labour power depends on what is socially necessary. Like the value of any other commodity, it depends on the level of development of productive forces and on the concrete production relations to which they correspond. Accordingly, it can go up or down, but it cannot be just or unjust.

In Marx's view, the value of labour power depends on the quantity of labour necessary to keep a worker alive and workable. The wage worker is generally paid the full value of his labour power, i.e., he is paid what is socially necessary for the reproduction of his life-activity as a worker. Marx's theory of surplus value postulates that all commodities are bought at their values. Hence his theory of

surplus value postulates that the exchange between capitalist and worker is an exchange of equal values. Surplus value is appropriated by the capitalist without an equivalent value, but there is nothing in the exchange requiring him to pay any equivalent for it. Therefore, the appropriation of surplus value by capital involves no unequal or unjust exchange. Wood convincingly argues :

The exchange of wages for labour power is the only exchange between capitalist and worker. It is an equal exchange, The capitalist buys a commodity (labour power) and pays (Marx postulates) its full value; by using, exploiting, this commodity, capital acquires a greater value than it began with. The surplus belongs to the capitalist; it never belonged to anyone else.²⁰

This view is consistent with that of Marx. Marx says that the circumstance in capitalism is a good fortune for the capitalist (the buyer of labour power), but no wrong or injustice to the worker (the seller of labour power). By appropriating surplus value capitalists are not engaging in an unequal exchange with the workers, but they are 'exploiting' the fruits of their 'unpaid labour'. Marx condemns this kind of exploitation. But his condemnation of capitalism cannot be taken as condemnation of injustice. For Marx, once the purchase of labour-power has been effected, this commodity belongs to the capitalist as a right. Labour-power ceases to belong to the worker as soon as his labour actually begins.

Geras argues that it is only in the narrow perspective of the circulation process (where commodities are bought and sold) that Marx sees no injustice in the wage paid by the capitalist to the labourer. Marx treats the wage relation as an exchange of equivalents (only in the sphere of exchange itself). But once he moves forward to deal with the surplus labour within the production process, and once he sets this individual relationship in its broader class context, he represents the wage relation as not in fact an exchange of equivalents, not a genuine exchange at all. That is the capitalist exchange is a 'mere appearance', not a real exchange.²¹

The relation of exchange between capitalist and worker becomes a mere appearance, a mere semblance belonging only to the process of circulation. It is an appearance whose real content or essence is a radically different one. In the circulation process capitalist and worker treat with one another exclusively as

individuals revealed as mere appearance. But the essence lies in the production process which expresses the relationship of class to class.

Whether or not the wage relation constitutes an exchange of equivalents is, as Geras calls, the dialectical play indulged in by Marx. Considered from the viewpoint of an exchange of commodities in the market, the wage relation is an exchange of equivalents and the accumulation of capital is due to the use of the capitalist. Considered from the viewpoint of a relation in production, the wage relation is not an exchange of equivalents and the accumulation of capital is due to the labour of the worker. The two points of view are simply two different angles of a single phenomenon, i.e., they depend on two different senses of an exchange of equivalents. They are in no way contradictory, but mutually consistent parts of the doctrine that labour is the source and substance of all value.²²

Now, the question is that which (of the two) is the appropriate point of view in the controversy about Marx and justice. Those according to whom Marx sees no injustice in the wage relation belongs to the view that there is an exchange of equivalents. Those according to whom he regards the wage relation as unjust belongs to the view that there is no exchange of equivalents. But, Geras argues, Marx himself has it both ways, and that is at least one root of the difficulty. Here the problem is not that he affirms both points of view, but that he legitimates both of them. 'It is a game with two different senses of equivalence'.²³

According to Young, the standard of equivalency provides a basis for Marx's judgements that the exchange of wages for labour-power is fair. But, the payment of rent and interest do not involve the exchange of equivalents. These payments are unjust by Marx's standards. The exchange transactions which arise naturally from capitalist relations will be regarded as just by bourgeois law and ideology, while the transactions incompatible with capitalist relations will be regarded as unjust.²⁴ The transaction between worker and capitalist, in Young's understanding, yields unequal values to the two parties, i.e., their relation involves an unequal exchange. However, Marx rejects the claim that the transaction between worker and capitalist involves an unequal exchange. What he wants to mean is that there is no real exchange between capitalist and worker, there is only an apparent exchange. The

exchange transactions do not involve any injustice; what it involves is the exploitation of worker by capitalist's extraction of surplus value which arises naturally from capitalist production relations, and hence consistent with it.

Marx, in his first volume of *Capital*, assumes that all commodities, including labour-power, are bought and sold at their full value. The creation of surplus value does not require that labour-power be sold below its value. But in actual price it often is, because it is subject to the vicissitudes of supply and demand. Marx holds that prices correspond to values in every case, only if supply and demand are in equilibrium. In that case, all commodity exchanges are exchanges of equivalents.

In his reply to Husami, Wood denies that the worker is done an injustice by capitalist when the price of his labour power falls below its value. He rightly says that the capitalist does not commit a wrong for which he is blameworthy when he buys labour-power below its value, because the capitalist has no control over the price of labour power. Wood, as Allen says, is also right in arguing that Marx does not have a notion of an (Aristotelian) "just price" for labour power. However, the worker does have a claim based on the law of exchange to the value of his labour power. But the law of exchange is in no sense for Marx a "standard" for "evaluating" capitalist exchanges and Marx does not consider it a moral standard for evaluating exchanges.²⁵

Elster as well as Husami claim that Marx believes capitalist exploitation to be unjust. They cite passages where Marx calls the appropriation of surplus value not only "exploitation" of the worker, but even "theft" and "robbery". In fact, they use these passages as decisive proof in favour of their claim that Marx criticizes capitalism for its injustice to the workers. But Marx nowhere says that the capitalist appropriation of surplus value is an injustice to the worker. Although Marx says that the capitalist "robs" the worker, but nevertheless insists that the capitalist "earns surplus value with full right". This sort of "robbery" or "theft" involved in capital's exploitation of labour does not constitute an injustice to those who are robbed.

Wood suggests that when Marx uses "robbery" he is not thinking of the practices of thieves, burglars, or holdup men who might steal a car, break into a

house, or take a purse on a dark street. For Marx, the capitalist class stands to the proletariat in a relation somewhat analogous to that of a conquering people to a less organized and less well-armed population which it regularly plunders. If this is the analogy, then it is not so clear that "robbery" has to be unjust. For the relationship between plunders and their victims is not something economically accidental, but constitute a regular production relation and determined by the existing stage of development of the victim's productive powers. Hence, in Marx's view, there is good reason to think that regular transactions between plunderers and plundered do correspond to the prevailing mode of production and are therefore just according to his conception of justice. If this is the analogy, there is good reason to think that Marx regards capitalist "robbery" of the worker as right and just.²⁶

For Marx, an essential feature of all economic exploitation is coercion. In capitalist exploitation, this coercion is masked by a voluntary contract between capitalist and worker. This is why Marx says that capital not only robs but also cheats or defrauds the workers. Yet, Wood rightly argues, Marx never infers from this that capital does the workers an injustice, and there is no reason to draw such an inference. He attacks the illusions built into capitalist production, particularly its illusion that wage labourers are freer than slaves, serfs or other oppressed classes. Marx attacks the juridical conception of the capital-labour relation because it is a prominent vehicle for this illusion. But the illusion here, as Wood argues, is not in the belief that the transactions between capital and labour are just. Rather the illusion is in the false, moralistic idea that this justice guarantees liberty to the workers, or protects them from exploitation.

In the capitalist mode of production the worker lacks control over the means of production, where as the capitalist has absolute control over the means of production. The capitalist coerces through his control over the means of production. That is, he coerces through the constant threat of depriving the worker of his means of livelihood. But this sort of coercion is not unjust for Marx. The worker is compelled to sell his labour power to the capitalist. Thus, there is an element of coercion in the wage exchange itself. In the wage exchange between

worker and capitalist the worker becomes the capitalist's property and is no longer free. The freedom the worker enjoys in exchange is therefore the freedom to choose his exploiter. Marx claims that the worker has no choice within capitalist production as to whether or not he will create surplus value. In this sense, the worker is compelled to create surplus value by selling his labour power. Hence the freedom of the worker is only apparent, the compelled extraction of surplus value is hidden. The worker's freedom is to submit again and again to enter into a relationship in which he is compelled to produce surplus value for another. It is, therefore, no more than a freedom to choose to be robbed.

Marx says that the surplus value is "stolen" and "booty", that capitalist wealth is based on "the theft of alien labour time". He nowhere terms capitalist production "unjust". But if he does not think it unjust, one might ask, why does he unqualifiedly call the extraction of surplus value 'theft'. As Young argues that it is contradictory to call an act both "theft" and "just". It is contradictory to say that Robin Hood stole from the rich to give the poor, and that his conduct in doing so is just.²⁷ On Marx's account, the worker is treated justly as seller in the exchange of labour power for wages, but is then robbed in the production process, during which the capitalist extracts surplus value from the worker. Young goes on to argue that on Marx's view only the extraction of surplus value, not the wage exchange, is real. Therefore, capitalist production in reality is wholly unjust.²⁸

According to Young, when Marx says that the capitalist's appropriation of surplus value is an act of theft he considers it an injustice to the worker, and he has in mind one standard or another when he comes to this conclusion. This view, however, is not consistent with that of Marx. Marx is opposed to assessing the justice of capitalist distribution in terms of standards. He nowhere suggests that the appropriation of surplus value is an act of "theft" or "robbery" in the sense that it is a wrongful taking and hence it is an injustice to the worker. He uses these words ("theft", "robbery") rhetorically only when he condemns capitalist exploitation. Marx uses "theft" or "robbery" in a special sense that does not imply injustice. "Theft" or "robbery" is a special feature in capitalist exploitation in the sense that the capitalist robs the worker's labour time according to bourgeois property rights, not necessarily according to other criteria.

On Marx's account, the capitalist buys from the worker a special kind of commodity, namely 'labour-power'. Labour-power is special because it is such a commodity which creates more value (surplus value) than its production. Labour-power is the worker's capacity to work. When the capitalist buys it, he has the right to set the worker to work for whatever time the labour contract lasts and to appropriate the additional value created by labour-power. This is the way the worker does unpaid labour. Marx insists that only a part of the worker's time is used to repay the cost of his subsistence, the rest goes to the capitalist, which he considers as forced labour or surplus labour. In his words :

. . . if the worker needs only half a working day, then, in order to keep alive as a worker, he needs to work only a half a day. The second half of the labour day is forced labour; surplus labour.²⁹

Marx, however, insists that the capitalist acts 'with full right'. That is, the worker sells his labour-power for its full value, but gives surplus value to the capitalist. The worker is forced to sell his labour power for his subsistence and thus creates surplus value. As Marx claims: "Capital forces the workers beyond necessary labour to surplus labour. Only in this way does it realize itself, and create surplus value."³⁰

In Marx's view, production determines distribution. He looks for the truth about the exploitation of the worker in production, not in distribution. He claims that the surplus is created in production, not in distribution; it is only realized in exchange. It is not because goods are bought at less than their value, but because a surplus appears in the process of production so that the capitalist can appropriate a profit. In the process of production, labour does not belong to the intrinsic nature of the worker, it is external to him. Marx likes to say :

His labour is therefore not voluntary, but coerced : it is forced labour. It is therefore not the satisfaction of a need; it is merely a means to satisfy needs external to it.³¹

In support of his claim that labour is coerced or forced, Marx argues that the external character of labour for the worker appears in the fact that it is not his own,

but someone else's. That is, it does not belong to him, but to another. The following passage makes it more clear :

Hence it is self-evident that the labourer is nothing else, his whole life through, than labour-power, that therefore all his disposable time is by nature and law labour-time, to be devoted to the self-expansion of capital.³²

For Marx, capital is the governing power over labour and its products. The capitalist possesses this power as the owner of capital. Capital cares nothing for the length of life of labour-power. All that concerns it is solely the maximum of labour-power. Capital attains this end by shortening the extent of the labourer's life, by robbing his labour-time. Thus, the capitalist mode of production (essentially the production of surplus value) produces not only the deterioration of human labour-power by robbing of its normal, (mental and physical) conditions of development and function, it also produces 'the premature exhaustion and death of this labour-power itself. It extends the labourer's time of production during a given period by shortening his actual life time'.

Elster claims that Marx's conception of communism in the *Critique of the Gotha Program* entertains a principle of justice. He argues that Marx condemns capitalist society by applying this post-capitalist standard of justice. However, this view is inconsistent with that of Marx. Marx anticipates two sorts of distributive criterion (which Elster seems to consider distributive justice) for two different phases of post-capitalist (communist) society. The first includes the contribution principle ('to each according to his contribution'), which suggests that each will be rewarded according to an equal standard. But, for Marx, this equal right is 'still constantly stigmatized by a bourgeois limitation'. The second includes the need principle (to each according to his needs) which is able to overcome this limitation. Marx speaks of these two phases of communism as criterion of distribution, not as principles of justice. He does not condemn capitalist exploitation as unjust by applying postcapitalist standards of justice. Such standards would not be applicable to capitalism. Right can never be higher than the economic formation of society. Marx believes that a communist revolution will introduce a new mode of production, and with it new standards (of right and justice) as higher than those of bourgeois society. But he does not mean that they are universal moral standards,

what he means is that they only belong to a society which as a whole is higher. New moral standards do not create a new mode of production, they only express and support it. A higher mode of production is not 'more just' than a lower one, it is only just in its own way.

Engels³³ speaks of the 'proletarian morality of the future' and its competition with the 'Christian feudal' and 'modern bourgeois' moralities. He interpretes competing moral codes as class ideologies. These remarks might lead us to expect that Marx and Engels would envision 'proletarian' standards of justice and serve to promote their class interests. However, Engels explicitly denies that the 'proletarian morality of the future' is true as contrasted with its feudal and bourgeois predecessors. Neither Marx nor Engels ever employs the standards of 'future' or 'proletarian' morality to condemn capitalist society. In this regard Wood convincingly argues :

The fact that capitalism is just (by the standards appropriate to capitalist production) provides no real defense of capitalist society. Likewise, the fact that it could be condemned as unjust by applying some foreign standard constitutes no valid criticism of capitalist relations. The rational content of proletarian moral ideologies consists in the real proletarian interests represented by these ideologies, and the non-moral goods which will come about as a result of the victory of these interests in the historical struggle. Marx prefers to criticize capitalism directly in terms of this rational content, and sees no point in presenting his criticisms in the mystified form they would assume in a moral ideology.³⁴

Marx's condemnation of capitalism is based on the real proletarian interests, not on proletarian moral ideologies. He does not condemn capitalism by measuring it against 'proletarian' standards of justice. He does not hold that an idea is correct just because it is a proletarian idea. Marx never provides any rational foundation of these standards, the standards for him are based on correspondence to the prevailing mode of production. Marx's vision of the future communist society is beyond the circumstances of justice. In such a society there will be no place for a 'communist principle of justice' to be used as a standard to measure capitalist society or the earlier phases of socialism. The justification for socialist revolution to topple capitalism and replace it with socialism rests on the collective interests of the proletariat. There is no need to appeal to the proletariat's sense of justice in

justifying revolution. Hence no moral standard is required. In the future communist society, there will be no need for conception like justice and rights.

Marx refers to the earlier and later phases of communist society as higher and lower phases of communism. What he believes is that one phase is a better state of affairs than the other. There seems to be a moral judgement here that 'one form of society is higher than another'. But Marx is not speaking here as a moral philosopher. What he means to say is that one form of society is higher than another, because it is more liberating, more conducive to human self-realization and to a maximal satisfaction of human needs. This view does not at all justify the claim that he is here developing a moral philosophy. There is a vision of a good society and of a humanly more adequate way of distributing things in this judgement. That is, the earlier phase of communism is an improvement over capitalism and the later phase of communism is an improvement over the earlier phase.

The need principle is not a principle of distributive justice. In the higher phase of communism Marx speaks of the circumstances (of scarcity and conflict) that make such principle necessary will no longer exist. The formula is not intended by him as a principle of justice. The need principle is not a general or formal rule, because it does not subsume people under any equal standard but takes them in their specificity and variety. It is, therefore, evident that Marx's *Critique of the Gotha Program* does not suggest any principle of justice. The *critique*, however, suggests a principle of distribution 'from each according to his ability, to each according to his needs', which is to be understood as a practical or rational principle, not a moral principle.

Communist society does not develop on its own foundations, but it emerges from capitalist society, and which is still stamped with the birth marks of the old society. Accordingly, the individual producer receives back from society what he contributes to it. In Marx's sense, this is the first phase of communism, which suggests the following principle:

What he has given to it is his individual quantum of labour. For example, the social working day consists of the sum of the individual hours of work;

the individual labour time of the individual producer is the part of the social working day contributed by him, his share in it. He receives a certificate from society that he has furnished such and such an amount of labour (after reducing his labour for the common funds), and with this certificate he draws from the social stock of means of consumption as much as costs the same amount of labour. The same amount of labour which he has given to society in one form he receives back in another.³⁵

In the first phase of communism, for him, equal right is still in principle—bourgeois right, it is still constantly stigmatized by a bourgeois limitation. The equality consists in the fact that measurement is made with an equal standard (labour). However, since one man is superior to another physically or mentally and so supplies more labour in the same time, this equal right is an unequal right for unequal labour. It is, therefore, a right of inequality in its content. This limitation, as Marx says, is inevitable in the first phase of communism. In order to overcome this limitation he suggests a higher principle in a higher form of communism :

In a higher form of communist society after the enslaving subordination of the individual to the division of labour, and herewith also the antithesis between mental and physical labour, has vanished; after labour has become not only a means of life but life's prime want; after the productive forces have also increased with the all-round development of the individual, and all the springs of co-operative wealth for more abundantly—only then can the narrow horizon of bourgeois right be crossed in its entirety and society inscribe on its banners: From each according to his ability, to each according to his needs.³⁶

This is the way Marx depicts the picture of a communist society. The two phases of communism are the two aspects of the principle of distribution. The principle of distribution is not a moral principle. The higher phase of communism is an improvement over the earlier phase not in the sense that the former is more just than the latter, but in the sense that the former can overcome the limitation of the latter and hence it is more acceptable. So, Elster's suggestion for making sense of Marx's conception of communism by imputing to him a theory of justice is not consistent with Marx's own view. Marx does not suggest any principle of justice in his two phases of communism, he never says that the one is more just than the other. I think that Elster imposes on Marx a theory of justice in his own style of thinking.

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18. *Manuscripts*, p. 21.
19. Marx-Engels, *The Communist Manifesto*, (New York: International Publishers), 1991, p. 23.
20. "Marx on Right and Justice", p. 134.
21. "The Controversy About Marx and Justice", p. 223.
22. *Ibid.*, p. 234.
23. *Ibid.*, pp. 235-236. In so far as the laws of commodity production require that equal values are exchanged in the market, they are. In so far as these laws allow that labour-power may indeed be sold as a commodity, they allow a relation in which the capitalist uses the worker to reap a profit over the wage, while the worker for his part simply works, just giving the portion of value that the other just takes.
24. "Justice and Capitalist Production: Marx and Bourgeois Ideology", p. 243.

25. "Marx on Right and Justice: A Reply to Husami", p. 118 and "Marxism and Morality", pp. 137-138.
26. "Justice and Capitalist Production: Marx and Bourgeois Ideology", p. 235.
27. "Doing Marx Justice", p. 252.
28. *Grundrisse*, p. 324.
29. *Ibid.*, p. 421.
30. *Manuscripts*, p. 71.
31. *Capital*, p. 252.
32. Frederick Engels, *Anti-Diihring*, (Peking: Foreign Languages Press), 1976.
33. "Marxism and Morality", p. 139.
34. "Critique of the Gotha Program", p. 323.
35. *Ibid.*, pp. 324-325.

CHAPTER VIII

SELF-REALIZATION AND GOOD LIFE

Elster claims that there is a specific conception of good life (as self-realization) in Marx's theory of alienation. He argues that the most lasting achievement in Marx's thought is self-realization of the individuals through creative work. This vision gives us an optimism for communist society that would allow greater scope for human creativity. Marx gives greater emphasis on the lack of self-realization in his discussion of alienation¹, which, Elster believes, suggests a normative view of the good life for man. In his words:

... Marx's discussion of alienation only makes sense against the background of a normative view of what constitutes the good life for man. Specifically, this is a life of all-sided creative activity, of which economic production is one, but by no means the only, form.²

Elster finds Marx's conception of good life for man in his vision of communism. Marx argues for communism because he believes it would be a better society than any capitalist society could be. Communism would be better at developing the productive forces and superior from the point of view of distributive justice. It is true that such considerations may motivate people to overthrow the capitalist system they are living in. But, argues Elster, Marx himself condemns capitalism mainly because it frustrates human development and self-realization, and sees communism as a society in which men could become fully human. Marx's critique of capitalism suggests a specific conception of good life for the individual. As Elster says :

Marx believed that the good life for the individual was one of active self-realization. Capitalism offers this opportunity to a few but denies it to the vast majority. Under communism each and every individual will have a rich and active life. Although it will be closely bound up with the life of the community, it will be a life of self-realization.³

However, Marx does not deny that capitalism has expanded the realm of freedom of choice than any earlier form of society. What he wants to mean is that under capitalism freedom of choice is twisted and subverted. Hence, the

individuals are caught in the middle between unintelligible psychological forces that shape their desires and equally opaque social forces that thwart them.

Marx derives the conception of good life for man from the analysis of human nature. He evaluates human nature in terms of needs and capacities. Each need forms the basis of a desire. Any need, if satisfied, is satisfied by the fulfillment of a desire. Physical needs are needs for biological necessities, while necessary needs are needs that in themselves contain historical and moral elements. Marx believes that in capitalism the value of the labour power of the worker is defined by his necessary needs.

Capitalism is based on restricted productive forces which is insufficient for the society. In capitalism some persons satisfy their needs at the expense of others. Therefore, the minority obtains the monopoly of development. Contrary to capitalist society Marx depicts a fully developed communist society where there will be no such incompatibility of needs satisfaction. Elster terms this view as the 'Utopian idea of communist abundance'. He argues that if we disregard this Utopian idea, Marx offers no argument for this view.

The satisfaction of one need gives rise to another. This is the self-expanding process of needs creation in human nature. A mediating element in this process is the development of new human capacities. By capacities Marx means man's cognitive, creative and productive powers. Human capacities, for him, are fully developed in the good society (communist society) where people are rich in needs and their satisfactions. Because of the incompatibility of needs satisfaction, capacities cannot be fully developed in the capitalist society.

Elster rightly points out that the needs and capacities in capitalism are one-sided, i.e., consumptive in character. In capitalism needs and capacities have become fixed, isolated and independent of the individual, instead of being integrated with the personality as a whole. Needs satisfaction of the individual appears as the one-sided satisfaction of a single passion. Elster has made a powerful analysis in this regard :

In particular, needs in capitalism are all needs for consumption, for passive enjoyment, whereas the need to develop and exercise one's capacities is

stifled. This diagnosis is also an indictment. It does not presuppose the strong thesis that in the good society work itself should become a need, but requires only that the good life for man is one of active creation—within or outside working hours—rather than of passive consumption.⁴

It is true that Marx's idea of needs and capacities are associated with his indictment of capitalism. Elster is quite right in this regard. But he is mistaken in rejecting the idea that work itself should become a need in the good society. However, the good life for man as one of active creation is not plausible if work itself does not become a need in the good society. Elster fails to capture the idea that Marx's indictment of capitalism implies the idea of a future communist society. Hence it cannot be termed as a presupposition.

However, Elster is quite right in saying that the one-sided craving for material consumption breeds an obsessional need for money and this is the only need developed in the capitalist economy. These needs in capitalism are one-sided and are directed towards passive consumption rather than active creation. Similarly, capacities imply a one-sided development of some abilities at the expense of others. Elster puts it in this way :

The earlier stage of capitalism, based on manufacture and division of labour, tended systematically to cripple the worker and develop some capacities to the point of hypertrophy, whereas others atrophied.⁵

At the centre of Marxism, there is a specific conception of good life as active self-realization rather than passive consumption. Elster defends this view by arguing that self-realization is superior to consumption. While in consumption, the purpose of the activity is to drive satisfaction, in self-realization, the purpose is to achieve something and satisfaction is supervenient upon the achievement rather than the immediate purpose of the activity.⁶

But Elster disagrees with the Marxist view of fullness of self-realization, the idea that self-realization is the full and free actualization and externalization of the powers and abilities of the individual. He terms it as one of the more utopian elements in Marx's thought. However, he shares the view with Marx that self-realization must be freely made by the individual. He says:

The individual is both the designer and the raw material of the process. Hence, self-realization presupposes self-ownership, in the weak sense of the right to choose which of one's abilities to develop.⁷

It becomes clear from Marx's writings⁸ that in communism there will be no social alienation nor any tendency of needs and capacities of the individual to become fixed, one-sided and isolated. There will be no gap between actual and potential self-realization under communism, and that the self-realization of the individual would be implemented jointly with that of community (i.e., self-realization for others or with others). In this regard, Elster raises some questions, which seems to be very fundamental : Why does Marx place so much emphasis on creation, as opposed to the more passive forms of enjoyment? Does Marx really believe that each and any individual could achieve self-realization through creative work at a high level of excellence? If so, is he right? Is this form of self-realization compatible with the idea of having a broad range of activities?

These questions are related to the issue whether Marx believes that in communism all individuals can achieve self-realization in work or outside of it. Marx's texts, Elster thinks, are ambiguous and do not allow definite answer in this regard. Yet he finds three suggestions in Marx. First: work will become the primary need of life. Second: work will become superfluous in communism. Finally: man will realize himself outside work. From these suggestions Elster gets a reasonable synthesis that in communism, all individuals will realize themselves by creative activities of one form or another.

Marx gives priority of creation over consumption, of activity over passivity. He observes the process of intense competition among the individuals and the priority of consumption over creation in capitalism, which gives rise to an opposition between individuality and community. He gives priority of creativity because it allows for the kind of existence for-others that is necessary for individuation. Thus, in communism creation and production is undertaken for the sake of others. That is, the purpose of the creative process is to bring forth products that can be enjoyed by others. In this process there will be no opposition between individuality and community, but a full complementarity.⁹ Elster, however, finds the germ of an internal inconsistency in Marx's argument. He argues that if

creation is to be valued mainly because it is creation for others, then in a sense it is parasitic on consumption and cannot avoid being contaminated by the low value attached to the latter. He puts his argument in this way:

In all social movements emphasizing altruism and action for the sake of others there lurks the difficulty that other regarding behaviour is logically impossible unless there are some individuals who at least some of the time act in a self-interested manner. "Do not act for your own sake, but for that of the community" is a self-defeating instruction when issued to everybody, as shown perhaps in some of the excesses of the Chinese Cultural Revolution. Similarly, Marx's emphasis on creation and production may in the final analysis be difficult to reconcile with his emphasis on community.¹⁰

Marx is very much concerned with the issue whether the value of self-realization is compatible with that of community. He wants to distinguish communism from capitalism—a society of rampantly individualistic, competitive persons striving for their own personal self-realization at the expense of everything and everybody else. In Elster's view, Marx stresses on the self-realization for others in order to reconcile between self-realization and community. The bond of community arises from the knowledge that other people appreciate the activity of my self-realization, and that I similarly enjoy the external manifestation of their self-realization. This is not a reference to the community of creator-observers, but a community of consumer-producers.

The reconciliation between individuality and community is implausible in capitalist societies because of the social nature of capitalist production. Again, production for a mass market breaks the personal bond between producer and consumer. The idea that a person can have a feeling of community by knowing that he produces for "society" has no root in individual psychology. According to Elster, a more plausible way of reconciling the two values is through production with others, or joint self-realization.¹¹ Joint self-realization happens in social interactions. Marx's remarks in the *Manifesto* 'the free development of each becomes the condition for the free development of all' makes it clear.

Marx's ideal of full self-realization suggests that in capitalism the desires (for consumption) of the individuals are flawed in two ways—they tend to be one-sided and compulsive in character. While, in his view, individual desires will become

fully transparent in communism. Communism will do away with all processes operating "behind the back" of the individuals. Individuals will finally be autonomous. He will be in full control not only over their actions but over the causes and consequences of those actions. Capitalism creates the desire for consumption (as one-sided and compulsive), while communism creates the desire for self-realization. However, Elster dismisses Marx's ideal of full self-realization as utopian, from which derives the complaint about one-sidedness. Moreover, he argues that it is not true that all consumption in capitalist societies is compulsive. Most consumption needs that no one need be ashamed of having compulsive desires for consumption goods. Desires for consumption will to some extent exist also in communism because of the inherent addictiveness of many forms of consumption. As Elster says : "These problems derive from deep biological facts about human beings. They are not caused by capitalism, nor they will disappear with communism."¹²

According to Marx, all the ills of capitalism are due to the very system of capitalism and that they could be overcome by changing the system. In Elster's view, one utopian element in Marx's thinking is that each of the various evils of capitalism could be overcome (the belief that all the good things go together). Another is that each of them could be overcome separately (the refusal to consider trade-offs between values). Nevertheless, Marx believes that his communism is scientific, not utopian. Elster, however, thinks that Marx is not totally wrong in this regard, as he emphasizes that communism could not arise until capitalism creates the requisite material conditions. Marx's conception of the communist system itself is utopian, which detracts from his achievement, but does not destroy it. Still the ideals of self-realization and autonomy remain supremely valuable.

For Marx, the self-realization of man under capitalism occurs at the expense of that of individual men. The collective labourer achieves perfection at the expense of the crippling of the individual worker. On the contrary, the self-realization of men is the supreme value in communism, where no such sacrifices can be tolerated. Marx believes that through the self-realization of the individuals under communism there would also occur an unprecedented flowering of humanity.

Moreover, under communism there could be no conflict or trade-off between these two goals. Elster questions this view of Marx. In his view, talents are unequally distributed; not anyone can achieve anything he sets his mind to, not even under the most favourable conditions.

According to Elster, it is not clear whether self-realization is predicted of man or of men, although it is plausible that Marx thinks it to be true of each and every individual. But this view of Marx never refers to differences in natural talents. Elster argues that self-actualization of each and every individual is not possible because of the differences in natural talents. Moreover, Marx overlooks human habit or disposition (to act), which is an obstacle to self-realization. Thus, His theory of self-realization is largely based on wishful thinking, since he denies or ignores the important features of human nature.

Under capitalism, the self-realization of man occurs at the expense of that of individual men, while under communism, the self-realization of men is the supreme value. Marx believes that under communism there could be no conflict between values. Elster, however, argues that the core of Marx's indictment of capitalism does not so much represent his normative view of human nature. Rather it contains the utopian character of his view due to his reluctance to admit that even under communism some hard choices might have to be made, and that conflicts between values might persist. Since normative view only appears when such conflicts arise, it is hard to assess his view that self-realization is the supreme human good.

Elster contends that Marx's idea of self-realization as the full and free actualization and externalization of the powers and abilities of the individual contains utopian elements. The first utopia is that under communism there will be no more specialized occupations. The fullness of self-realization would defeat itself, because it would not allow one to benefit from the increasing marginal utility. The second utopia is that communist society will be in a state of absolute abundance, with no internal scarcity to constrain self-realization. In Elster's view, the freedom of self-realization cannot imply that a good society will guarantee people the right to develop their preferred talents. It is not possible to attain full

self-realization due to lack of talents and material resources. A society cannot guarantee all the individuals their needs for self-realization.

However, Elster attempts to show that the vision of a future communist society (despite its utopian character) is the living idea in Marx's thought. In such a society man can attain self-realization through creative work. In this sense, it is a creative society, a good society of good life for man. It becomes clear in the following passage:

Capital I is a work written for the happy few, by one of them. It makes no concessions whatsoever to the uneducated reader . . . It is, in other words, an extreme feat of creativity. In the future communist society, everyone will be capable of understanding works of this stature.¹³

The most valuable and enduring element of Marx's thought, Elster believes, is the idea of creativity which makes self-realization possible. There is a hope for a good society (future communist society) in Marx's thought where exploitation will be ended, alienation will be abolished and as a result creativity will be achieved. As he says:

Marx was appalled by the miserable, passive, vegetable existence led by mid-nineteenth-century workers. At work they were mere appendages of the machines they operated; at home they were too exhausted to lead any sort of active life. At best they could enjoy the passive pleasures of consumption. Marx, bursting with energy, constantly creative and innovative, even despite himself, when he had a work to finish, was at the extreme opposite pole. He knew the profound pleasures of creation, of difficulties overcome, of tensions set up and then resolved. He knew that this was the good life for man. And he strived for a society in which it would no longer be reserved for a small, privileged minority. Self-realization through creative work is the essence of Marx's communism.¹⁴

Elster finds a kind of 'ethical individualism'¹⁵ in Marx's view of self-realization. That is, communism ought to be justified by what it offers for each and every individual, not by the prospect of great achievements for mankind. In this regard, Elster concentrates on the distinction between self-realization of men and that of man. Class societies allow for the self-realization of man at the expense of the drudgery of most individual men, while communism (in Marx's sense) allows the full and free self-realization of each individual. Elster retains both the ethical

individualism and the emphasis of self-realization except the 'utopian' idea of full self-realization. He revises Marx's ideal of self-realization by suggesting the free and partial self-realization of some as a result of the attempted self-realization of all.

In Elster's view, Marx's most valuable and enduring contribution is his vision of a creative world of communism, a world of self-realization for the individual. North¹⁶ argues that this vision cannot be Marx's most enduring contribution; lots of other utopians had such visions. Yet, it is worth making sense of Marx and Elster's study finally makes that clear. North rightly argues that it is not Marx's utopian vision, nor it is his formal theory, rather it is his larger vision of social evolution, and it is Elster's genius to have captured this at any points.¹⁷

Marx has an integrated perception of the totality of societal relations. Accordingly, institutions, the state, and ideology all are part of his analysis. He explores the integrated relationships of all its parts. He characterizes his contemporaries as vulgar economists who confine their analysis to exploring the surface manifestations of an economy. In the context of economic history, Marx's overall analysis explore human interrelationships as a vehicle for studying the increasing mastery of humans over nature.

Elster's analysis seems to imply that capitalist society in comparison with communist society, will produce suboptimal development. North argues that neither the existing evidence in existing socialist societies nor anything except wishful thinking gives us any real clues about an efficient government structure in any alternative society. We can specify an alternative efficient government in hypothetical terms. But the question is—what political structure would realize such a result and how can it be realized? Neither the system of modern pluralist societies nor the political structure of socialist societies gives us any clues about this issues. However, North admits, it is Marx's genius to realize the complex relationships between the productive forces of an economy, the property rights system of an economy, and that the political structure are at the heart of the dilemma of all economies. Marx provides us with brilliant clues to it a hundred years before modern-transactions-costs literature had begun to explore the issue in

detail. He certainly does not resolve the problems but recognizes the issues and set them in the context of examining overall social change.

Marx's idea of a communist society gives us a hope for a better society (at least in comparison with capitalist society). Elster rightly captures this view. Marx's idea of a good society implies the idea of a good government. He condemns capitalism in terms of freedom and self-realization. In capitalism such 'goods' (freedom and self-realization) are allotted unevenly, where communist society makes them available to all. In Marx's eyes, communist society is a good society in the sense that it will provide freedom and self-realization for each and every individual. Everybody is to some degree unfree under capitalism. Self-realization for each and every individual is not possible under capitalism. Capitalism provides freedom and self realization only for a very few people.

Communism would be the most ideal of human society, because it would make possible the maximum use of human and natural resources to the equal benefit of all. That is, human beings would realize themselves under communism. In direct contrast to capitalism, communism would provide the preconditions for a flowering, a full development of all potentialities. Elster says that the ideal of self-realization is central to Marx's thought but is nevertheless vitiated by an unresolved tension (or conflict) between the principles of individuality and community. On the one hand, Marx speaks of individual human beings fulfilling their potentialities. On the other hand, he stresses the value and achievement of the community, human society as a whole. Elster argues that it is unrealistic of Marx to suggest that these principles of individuality and community will never conflict and that it is utopian to imply that the self-realization of individuals is always and completely compatible with that of community as a whole. However, according to Marx, there is a sense in which human beings realize themselves as social individuals. In that sense, the alleged tension of individuality and community seems to be misstated by Elster.

According to Elster, with respect to self-realization the principles of individuality and community cannot be reconciled. Archard¹⁸ argues that this particular problem of self-realization is one example of a very general dilemma :

how to reconcile desires and interests within a context of scarcity. It would seem that Marx simply abolishes the dilemma by making one or both of the following two utopian assumptions: communist abundance abolishes scarcity; individual interests and desires will not come into conflict. Thus, Archard argues, it is mistaken to argue that there is a tension, or contradiction within Marx between the principles of individuality and community. Rather there ought to be such a tension in his work. If a condition of scarcity obtains and individuals pursue their different interests, they must come into conflict. Thus when Marx speaks of a 'synthesis' of individuality and community, and thereby implies that individual interests can be brought into harmonious coordination he is simply guilty of a romantic Utopianism.¹⁹

It is important to understand what precisely Marx means by a 'synthesis' of individuality and community. Elster seems to understand the notions of 'individuality,' 'community' and their synthesis in terms of interests. Individuality means something like self-interestedness, and community means something like a harmony of interests. So Marx's talk of a synthesis of individuality and community seems implausible. Marx's talk of synthesis of individuality and community, in Elster's understanding, means a harmony of interests. That is, Marx's ideal of communist unity is that all individuals share a single common interest. Archard, however, argues that there is an altogether different sense in which Marx understands the notions of individuality, community and their 'synthesis'. Marx's talk of a 'synthesis' of individuality and community is understood only to mean that he envisages communism as being a harmonious society of this kind. But he supposes such a 'synthesis' to mean sociality, not harmony. By sociality Marx does not mean a social harmony wherein all individual interests and desires are totally compatible with one another. So, he cannot be accused of a romantic utopianism. Elster rightly says that the Marxist notion of self-realization is a valuable and enduring ideal. But it would be wrong to restrict it to the creative activity of individuals. For Marx, the essence of man consists not only in his labouring, but also in the community of man, i.e., man realizes himself not just in creative activity but in creating within and for a community which he consciously

recognizes to be that of his members. Thus 'sociality' is the realization of the communal nature of human beings.

According to Marx, the distinctive characteristics of human beings is some set of powers and needs which he refers to as "species-powers". Among species needs, he considers central the need for community. Species-powers which make human labour-power are the basis of the "active personality" of human individuals. The treatment of labour-power as private property does not enhance human communal nature. It results in a lack of freedom and self-realization, and is not conducive to a dignified way of life. From the standpoint of the development or realization of human nature, Marx believes that the best society is that in which a person owns his labour-power, not in the sense of private ownership but in the sense of social ownership. Labour-power is so closely connected with the essential human nature that it should not be treated as private property. Private property is external to human nature, whereas labour-power is part of it. Marx argues that capitalism should be over-thrown because it thwarts the development of human nature. He argues for communism because it will promote the development of human nature.

In Marx's view, freedom as self-realization is not possible through political emancipation, for political emancipation brings about only "bourgeois rights". "Bourgeoisie rights" are intelligible only in bourgeois societies where human communal nature is not realized. According to bourgeois conception, human beings are by nature egoists who are governed by the pursuit of private interests. For Marx, freedom as self-realization is human emancipation and is possible only in a communist society. Freedom as self-realization is the "full development" of human nature. However, Marx does not believe that freedom is a fundamental good. The realization of human nature (not just freedom) is for him the fundamental good. Freedom is one aspect (though a very important aspect) of the realization or the development of human nature. Moreover, Marx places a high value on community. He sees human nature as the community of man, which is essential nature of each individual.

Elster criticizes Marx's idea of communist abundance and the full development of human nature as utopian. I do not think that the idea of communist abundance in

respect to productive forces and needs satisfaction is utopian. Marx is quite right in pointing out the incompatibility of needs satisfaction in capitalism and in indicating the compatibility of needs satisfaction in communism. In Capitalism few people satisfy their needs at the expense of others. In Communism few people cannot satisfy their needs at the expense of others. It is true that the idea of full needs satisfaction is inherently impossible, because needs are inherently limitless. The idea of full self-realization seems to be utopian because of the limitation of human nature. Besides, the idea of full self-realization is incompatible with Marxist dialectics and the notion of creativity. However, by full self-realization Marx seems to mean the maximum development of human nature. In that case, Marx's idea cannot be termed utopian.

Elster is right in making the distinction between the self-realization of man and that of men, but he is mistaken in imputing a kind of ethical individualism to Marx. Marx never offers any kind of ethical individualism. Rather he emphasizes on collectivity, that self-realization is ultimately a collective good that can be achieved through collective action. He believes that communism would bring about a synthesis of individuality and community in the sense of sociality. That is, self-realization is integrated with community when it is production for others. Elster rejects this view as unrealistic and suggests an alternative proposal that the two values might be reconciled in production with others (synthesis of individuality and community as self-realization with others or joint self-realization). I do not think that there is any basic difference between production for others and production with others in this context. On the one hand, people will tend to choose vehicles of self-realization that correspond to their "individual essences" as an activity of his nature. On the other hand, the self-realization of the individual should take place in and for the sake of community.

In his view of ethical individualism Elster tries to constitute a moral foundation for Marxism. I do not think that the idea of self-realization constitutes any moral foundation for Marxism. Alienation or the frustration of human self-realization is not the only evil Marx sees in capitalism. He is also concerned with other evils—hunger, disease, fatigue, and the scarcity and insecurity of the means

of physical survival. Besides, Marx's views about alienation and self-realization are not fundamental moral views. However, there is a sense in which any far-reaching views about human well-being can be treated as moral views. In this sense Marx's idea of human self-realization can be termed as a moral conception. But there is no good reason to support the view that such a conception would provide any moral foundation for Marxism. Marx uses this conception only to condemn capitalism. It is not the case that Marx is looking for human self-realization as a moral good, but that he is criticizing capitalism since it frustrates human development in many ways.

Marx is really concerned with the liberation of each single individual, because individuals have become more and more enslaved under a power alien to them (a power which is identical with private property). This power, will be dissolved by the overthrow of the existing state of society, by the communist revolution. That is, 'the liberation of each single individual will be accomplished' by the abolition of private property.

Marx argues for a good society of good life (life of self-realization and creativity). Communism is that good society which overturns the basis of all earlier relations of production and intercourse. For the first time it consciously treats all naturally evolved premises as the creations of hitherto existing men, strips them of their natural character and subjugates them to the power of the united individuals. Its organization is essentially economic, the material production of the conditions of this unity. It turns existing conditions into conditions of unity. The reality which communism creates is precisely the true basis for rendering it impossible that anything should exist independently of individuals.

According to Marx, individuals appropriate the existing totality of productive forces not only to achieve self-activity but also to safeguard their very existence. The appropriation of this forces is itself nothing more than the development of the individual capacities. The appropriation of a totality of productive forces is, therefore, the development of a totality of capacities in the individuals themselves (individuals self-realization). In the present day only the working class can develop such capacities through collective revolutionary action. As Marx says:

Only the proletarians of the present day, who are completely shut off from all self-activity, are in a position to achieve a complete and no longer restricted self-activity, which consists in the appropriation of a totality of productive forces and in the development of a totality of capacities entailed by this.²⁰

This passage clearly shows that the proletarians can achieve a complete self-activity through revolution, can develop a totality of capacities both in individual and in collective levels.

NOTES AND REFERENCES

1. By alienation Marx means the alienation of the producer from the means of production. (social alienation) That is, under capitalism the products of men gain an independent existence and come into opposition to their producers. Elster considers it as the central problem of Marx's economic writings. The alienation from the means of production underlies the alienation from the means of consumption. It deprives the worker of his claim on the whole net product. The dispossession from the means of production also excludes the worker from full control of the work process and prevents him from fully exercising his creative capacities.
2. *Making Sense of Marx*, p. 51.
3. *An Introduction to Karl Marx*, p. 43.
4. *Making Sense of Marx*, p. 79.
5. *Ibid.*, p. 80.
6. Elster, "Self-Realization in Work and Politics: The Marxist Conception of the Good Life", *Social Philosophy and Policy*, Vol. 3, Issue 2, Spring 1986, p. 100.
7. *Ibid.*, p. 101.
8. Elster cites from Marx's *The German Ideology* and *Grundrisse*.
9. In this context Elster cites textual evidence from Marx's *Comments on James Mill*.
10. *Ibid.*, pp. 87-88.
11. *An Introduction to Karl Marx*, p. 49.
12. *Ibid.*, pp. 51-52.
13. *Making Sense of Marx*, p. 521.
14. *Ibid.*

15. "Self-Realization in Work and Politics : The Marxist Conception of the Good Life", p. 109.
16. Douglass C. North, "Is it Worth Making Sense of Marx", *Inquiry* 29, March 1986.
17. *Ibid.*, p. 57.
18. David Archard, "The Marxist Ethic of Self-realization: Individuality and community" in *Moral Philosophy and Contemporary Problems*, J. D. G. Evans (ed), (Cambridge: Cambridge University Press), 1987.
19. *Ibid.*, pp. 25-26.
20. *The German Ideology*, pp. 96-97.

CHAPTER IX

CONCLUDING REMARKS

In his *Making Sense of Marx* Elster clearly declares that it is still possible to be a Marxist today from the normative point of view, particularly from the moral point of view. This is the way he tries to establish a kind of Normative Marxism. Elster's normative Marxism is an attempt to show how socialism is superior to capitalism. That is, socialism's conception of distributive justice and its capacity for affording greater opportunities for self-realization shows that it is superior to capitalism. However, Marx nowhere suggests that socialism is superior to capitalism. Neither he provides any theory of justice. Rather he provides a scientific analysis of capitalism which shows that socialism is inevitable owing to the crisis of capitalism, not that people will prefer socialism since it is better than capitalism.

Normative Marxism seems to be a latest development of Marxist thought. But that is not the case. I argue that normative Marxism is a version of ethical socialism (or ethical Marxism or utopian socialism). It is possible to be a 'socialist' without being a Marxist, to develop ethical socialism or Marxism as moral vision without a socio-economic underpinning, without a scientific basis of society. Elster is a Marxist of this type. He bases socialism on moralistic conceptions (like justice and good life) which does not appeal to the canonical core conceptions of Marxism. His normative Marxism relies on ethical socialism, which is inconsistent with Marxist scientific theory of society. Marx's materialistic conception of history, however, suggests a scientific theory of society (scientific socialism) that includes a scientific account of the workings of capitalism.

Normative Marxism is nothing but a return to utopian socialism, which puts very great weight on its moral vision. It abandones the Classical Marxist hope that we could develop a science of society which could enable us to understand how societies work and how they may be changed. Normative Marxism seems to be a version of Proudhon's¹ utopian socialism. Marx attacks Proudhon's¹ idea of

socialism in *The Poverty of Philosophy*.² According to Proudhon, society in all its historical manifestations is governed by "Social Genius", "General Reason", or "Human Reason", whose goal is equality. In Marx's view, a Social Genius or any moral principle may support the existence of capitalism and thus play a conservative rather than a progressive role in the class struggle. Moreover, Marx regards Proudhon's vision of socialism as utopian and reactionary. In fact, he consistently avoids social criticism based on moral norms, and consistently shows contempt for those who engage in such criticism. It becomes clear when he rejects the Gotha Program's demand for a just distribution. Thus, Marxism appears as a science separate from and opposed to morality. Contrary to utopian socialism it formulates the theory of scientific socialism.³

Normative Marxism seems to be another tradition of 'Western Marxism' or 'critical Marxism', which arises as a reaction against scientific socialism. Western Marxism claims that Marxism contains a moral critique of capitalism, guided by an ideal of human liberation and a moral vision of a socialist society. In this view, there are powerful moral impulses in Marx's own critique of capitalism and call to socialist revolution. Normative Marxism is compatible with this view. It suggests that Marxism rests on an ethical conception of individuals, society, and revolution in which socialism is conceived of as a process of overcoming alienation and all the evils of capitalism. According to this view, socialism for Marx provides a good society of good life, a human society in accord with the needs and potentialities of human nature. Elster (as well as Western Marxists), thus, provides a normative study of human nature. For him, a good society (human society) can be established through the realization of human nature, through the satisfaction of the needs and powers of each human individual.

Marx's scientific socialism, however, suggests a scientific study of human nature. In his view, the needs and powers of human individuals are the real needs and powers of social individuals. They are the distinctive characteristics of human beings. Marx refers to these needs and powers as "species-powers, needs and powers only of a producing community. The species needs and species-powers are objects of empirical investigation. Thus, human needs and powers can be

scientifically studied. This scientific study of human needs and powers is envisaged by Marx in the *Economic and Philosophic Manuscripts of 1844*.

Marx's scientific analysis of capitalism shows that the buying and selling of labour-power (species-power) is an obstacle to the realization of human nature, because in this practice human powers are treated as mere means. The capitalists treat the workers as mere means for making profit, while the workers sell their labour-power in order to survive. Marx believes that the realization of human nature is possible only where each individual's labour-power is used by society for the purpose of satisfying the needs and powers of everyone, not for the sake of profit or mere survival.

Elster's ethical Marxism simply ignores the whole idea of scientific socialism. Scientific socialism is a system of thought which suggests a scientific basis of society. Ethical socialism, on the contrary, provides an ethical or normative foundation of Marxism which suggests an ethical basis of society. The very idea of scientific socialism implies that there can't be any ethical or normative foundation of Marxism. It arises from Marx's materialistic conception of history. His commitment to the inevitability of class struggle and social revolution makes it clear that Marxism is scientific, not normative. Socialism would come about as a result of proletarian revolution, not as a result of any moral impulse. It is not the case that socialism would come about because it is better than capitalism (as Elster argues), rather that socialism would be inevitable due to the very crisis of capitalism. Scientific socialism, thus, entails that Marxism contains no ethical or normative or evaluative claims. Marx's theory is social-scientific in nature, and therefore devoid of any normative theory. So, to base Marxism on normative theory is to reject Marx's idea of scientific socialism.

Ethical socialism is based on a distinctive set of socialist values, not on objective social reality. It is reformist, because in this view socialism would come about through moral reforms or moral norms. Scientific socialism, on the contrary, is based on objective social reality. Accordingly, Marxism is an objective social science. It is scientific in the sense that it provides a scientific theory of society, that it discovers the objective law of social development. It is not based on fixed

social norms or ideals, but on social reality which changes and develops. Thus, as a social science Marxism is normatively neutral or value free.⁴ Hence there is no good reason to believe that there is a distinctive set of fundamental socialist values and to go in search of some specific moral theory in Marxism. It is true that Marx's work contains moral judgements, that he denounces capitalism. In his early work he engages in a moral critique of capitalism. But this does not add up to the claim that Marx's mature critique of capitalism is fundamentally a moral critique or that there is a systematic moral theory in Marx's critique of capitalism. His social theory is an attempt to provide the worker's movement with a science to use in their emancipatory struggles. It does not, however, express any normative viewpoint. As a value-free social science Marx's social theory does not entail any moral commitments.

Marxism starts with the existing class interests of workers and with an empirical account of their objective situation and objective possibilities. It is therefore inconsistent with the idea of constructing normative ethical theories. Although Marx's early work is full of moral judgements, his mature works becomes more scientific. As his work becomes more and more scientific, his social theory becomes value-free. Marx claims that socialism is an objective improvement over capitalism. But the basis for that claim is an empirical claim (scientific, not normative). According to this claim, socialism as a way of organizing society, better fulfills human wants, aims and purposes, and it spells an end to poverty, degradation and exploitation. There are general moral assumptions here. But the Marxist claim here is that socialism can deliver these moral goods far better than can capitalism. The truth of the claim rests on a correct reading of the empirical facts. It does not, however, depend on having any specific Marxist moral theory or socialist values.⁵

There seems to be a normative tone in Marx's thought when he refers to Smith's observation that 'a society is not happy, of which the greater part suffers'. A society based on private interest follows that 'the goal of economic system is the unhappiness of society'.⁶ This observation seems to express normative or moral

theory in Marx. But it would be a mistake to impute any normative or moral view to Marx's thought. What he wants to mean is that unhappiness necessarily arises out of the very nature of the social system based on private interest. The following passage makes it clear:

Whilst the interest of the worker, ... never stands opposed to the interest of society, society always and necessarily stands opposed to the interest of the worker.⁷

From the beginning to the end, Marx provides a powerful critique of capitalism. His critique of capitalism seems to be a moral critique, i.e., critique of capitalism from a moral point of view. But that is not the case. It is rather a critique of bourgeois morality or capitalist morality. Marx never bases his critique of capitalism on any normative or moral theory. He condemns capitalism from the standpoint of his materialistic conception of history, the scientific view of society. It becomes evident in the following passage:

The idea of the ruling class are in every epoch the ruling ideas; i.e., the class which is the ruling material force of society is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, consequently, also controls the means of mental production, so that the ideas of those who lack the means of mental production are on the whole subject to it. The ruling ideas are nothing more than the ideal expression of the dominant material relations, the dominant material relations grasped as ideas; hence of the relations which make the one class the ruling one, therefore, the idea of its dominance.⁸

Thus, Marx's social theory provides a basis for attacking bourgeois morality. In his view, norms or values in class societies are bound to certain forms of social existence and express certain social needs or class-interests. He claims that bourgeois morality serves the 'class-interests' of the bourgeois and the social needs of the preservation of capitalism. Bourgeois morality is rejected by Marx since it serves to preserve the capitalist mode of production. His critique of capitalism, therefore is not moral, but natural because it arises from the natural necessity of the very system. As he says:

In saying that the existing relations—the relations of bourgeois production—are natural, the economists assert that these are the relations in which wealth is created and the productive forces are developed in accordance with the laws of Nature. Consequently, these relations

themselves are natural laws, independent of the influence of time. They are eternal laws which must always govern society.⁹

Marx's writings are filled with bitter denunciations of capitalism. But he does not base his critique on normative or moral conceptions. Moral notions like justice and rights cannot have any transhistorical validity. They only have a sociological juridical reality, they are relative to the mode of production. Justice and rights are superstructural notions dependent on the mode of production of the time. According to Marx:

In the social production which men carry on they enter into definite relations that are indispensable and independent of their will; these relations of production correspond to a definite stage of development of their material powers of production. The totality of these relations of production constitute the economic structure of society—the real foundation, on which legal and political superstructures arise and to which definite forms of social consciousness correspond.¹⁰

Thus, there is no objective transhistorical moral reality, there is no universal moral law independent of history. People mistakenly believe in such type of moral reality. According to historical materialism, moral conceptions are ideological superstructures. Marx's scientific account of social revolution suggests that there cannot be any rational foundation of morality. Moral conceptions distort our understanding of social reality and of our class situation in the interests of the ruling class. They can answer to nothing objective, they are merely vehicles of dominant class interests. Marx's materialistic interpretation of history shows how morality functions in class societies, how it serves the interests of the ruling class. That is, morality is relative to social reality.

Although Marx's critique of capitalism contains moral terms (like "slavery", "misery", "loss of human status", "depravity"), he never criticizes capitalism from a moral point of view. He uses these terms as a social critique, not as a moral critique, not as a moral philosopher. His outlook is social-scientific, not moral. For him, criticism through moral terms is not scientific. The scientific outlook is that revolution, not criticism is the driving force of history. Social change cannot be brought about by moral criticism. In Marx's sense, the crises of capitalism are not moral crises; they are not the results of anyone's misdeeds. Nobody is to be blamed for those crises, nobody is guilty of the crime of constructing capitalism. They are

natural disasters (like cancer or consumption) but not the results of misdeeds or wrongdoings.

Marx's critique of capitalism shows that he is a critique of traditional morality. He rejects morally based social criticism because it represents the interests of the ruling class and distorts social consciousness. Moral norms, on Marx's account, typically perform their social function by hiding that function from people. These norms or ideals represent the interests of the ruling class as universal human interests. In this sense, they are distorted conscious. According to historical materialism, people's moral beliefs are part of the 'ideological superstructure' of society. It is supported by Engels' argument :

Consciously or unconsciously, men create their moral intuitions in the last instance out of the practical relations on which their class situation is founded out of the economic relations in which they produce and exchange.¹¹

Moral beliefs, therefore, contribute to the basic economic tendencies in the society in which they are found. They only protect class-based social system and promote class interests. Marx attacks bourgeois morality because it arises from the capitalist system and protects the interests of the capitalist class. He does not attack capitalist social relations as unjust or morally wrong in any way. In his view, 'exploitation', 'alienation', 'oppression' and 'robbery' are the inherent nature of capitalist relations. Hence, there is nothing unjust or morally wrong in the capitalist relations. As long as capitalist system exists, these features would be inevitable.

According to Marx, moral norms and moral relations, which are valid for a given society, arise out of the economic relations belonging to its mode of production. Mode of production is, therefore, the basis for moral standards. Wood is quite right in arguing:

Material production thus provides a basis for moral standards, the only real basis Marx thinks they can have. For Marx, as for Hegel, the morally rational is determined by the socially actual.¹²

Since mode of production is the basis for moral standards, changes in prevailing standards of right and justice do not cause social revolution. New standards of right and justice, on Marx's theory, come to be valid because revolutionary changes occur in economic relations. It is not the case that revolution occurs or should

occur because post-revolutionary moral standards are already valid for pre-revolutionary society. Marx's argument is that morality is not a blank tablet on which we can write whatever commandments seem best to us. Morality is made by people under definite socio-economic conditions. The very existence of moral concepts (right, justice, duty, virtue) is to be explained by the social functions they perform. Thus, Marx's materialist theory proposes to explain the specific content of moral norms by their correspondence to the prevailing mode of production. That is, valid moral standards (right and justice) consist in what corresponds to the prevailing mode of production. All morality is therefore class morality. Accordingly, all valid moral standards in capitalist society promote bourgeois class interests and serve to protect an inhuman system. Marx himself says that morality in bourgeois society is only 'bourgeois prejudice' masking 'bourgeois interests'.

There cannot be any independent standard of morality transcending history in the light of which Marx condemns capitalism. He bases his critique of capitalism on the claim that it frustrates many important non-moral goods,¹³ such as, self-realization, community, and freedom. Marx's condemnations of capitalism are often based quite explicitly on its failure to provide people with these non-moral goods. The future communist society (rationally organized) could provide these goods to all members of society. Marx, however, never claims that these goods ought to be provided to people because they have a right to them, or because justice demands it. He condemns capitalism by showing how it starves, enslaves and alienates people, that is, how it frustrates human self-realization, prosperity and other non-moral goods. He rejects moral norms (such as right and justice) as acceptable vehicles of social criticism, because such norms are only the juridical and ideological devices by which a given mode of production enforces its social relations, or a class attempts to promote its own interests. Moreover, moral consciousness typically masks the real basis of its norms.

Marx's view that 'labour is the source of all wealth and all culture' seems to suggest a kind of justice. One may cite the following passage in this regard :

Since labour is the source of all wealth, no one in society can appropriate wealth except as the product of labour. Therefore, if he himself does not

work, he lives by labour of others and also acquires his culture at the expense of the labour of others.¹⁴

This passage seems to suggest a principle of labour the violation of which is not just, i.e., to live at the expense of others is unjust. But Marx does not mean it. He never provides any principle of justice. The treatment of wage labour by capital is commonly perceived to be unjust in the sense that capitalism is becoming a historically untenable social system. But this historical untenability of capitalism does not imply that capitalism is unjust. According to the laws of capitalist economics, the greatest part of the workers' product is appropriated by the capitalist and not by the worker. To say that it is unjust is merely to say that this economic fact is in contradiction to our sense of morality. To say that it is unjust has nothing to do with the laws of economics.

Marx's idea of communism as the abolition of private property seems to have a normative tone, when he declares:

We communists have been reproached with the desire of abolishing the right of personally acquiring property as the fruit of man's own labour, which property is alleged to be the groundwork of all personal freedom, activity and independence.¹⁵

The capitalist live at the expense of the worker by means of private property. Nothing is wrong with this situation, this is the law of capitalism. Whether capitalist exploitation should be abolished or not does not depend on whether it is just or unjust. It depends on whether capitalist social relations correspond to the prevailing mode of production. The laws and moral precepts which arise out of the existing system are only to protect the very system. Hence, in revolutionary situations, for Marx, morality is an obstacle to human progress, a fetter on human development.

Generally philosophers are concerned with moral philosophy as a means for arriving at universal moral principles, abstract universal norms of right and wrong, good and evil, freedom and necessity. Marx is not concerned with this traditional form of moral philosophy. Rather he is concerned with the historical and social formations, with their particular institutional and organizational networks for the

production, distribution, exchange, and consumption of social wealth. He is interested in the socio-economic context within which morality arises. However, he denies that communism is an "ideal". Rather, communism is "an actual movement" and "the workers have no ideals to realize". Historical materialism has "broken the staff of all morality". Thus, Marx's idea of communism rules out the possibility of any kind of morality. It is quite clear in the following passage:

There are, besides, eternal truths, such as Freedom, Justice, etc. that are common to all states of society. But Communism abolishes eternal truths, it abolishes all religion, and all morality, instead of constituting them on a new basis; it therefore acts in contradiction to all past historical experience.¹⁶

Communist revolution therefore is the most radical break with all traditional property relations, with all traditional ideals or moralities. Marx never thinks of history as made by "great men" or "world historical individuals", but by a revolutionary class, and a revolutionary class destroys all traditional ideals or norms. The moral norms or standards violated in a revolution will be the standards of the old system. It is not the case that a revolution does occur or should occur because communist moral standards are already valid for capitalist society.

Marx has powerful grounds for attacking capitalism and advocating its overthrow. The grounds are the real basis of society. That is, the miserable conditions of the working class, their grinding poverty and the degradation of their mode of life. These conditions of life are the artificial products of an obsolete and irrational social system. Marx never bases his attack upon capitalism as an obsolete and inhuman system on moral norms or ideals. Wood rightly argues :

.... Marx has dissatisfyingly little to say about his reasons for denouncing capitalist society. He does not ask the sorts of questions philosophers are fond of asking about the assessment of social institutions. He takes no pains to specify the norms, standards, or values he employs in deciding that capitalism is an intolerable system. Marx may exhibit his acceptance of certain values in the course of attacking capitalism, but he seldom reflects on what these values are, or on how they might be justified philosophically.¹⁷

I think Wood is right in his argument that Marx never provides any philosophical basis of his critique of capitalism, and accordingly there is no moral or normative foundation of Marxism. Jon Elster constitutes the moral or normative foundations for Marxism by arguing that exploitation and alienation are the major evils of capitalism on the basis of which Marx denounces capitalism as an inhuman system. However, they are not the only evils Marx sees in capitalism. Moreover, Marx is concerned about philosophically less interesting evils to which the working class is the subject, such as, hunger, disease, fatigue, poverty, insecurity and so on.

For Marx, capitalism is inhuman, but not morally wrong. In the assessment of capitalist social relations he shows a consistent aversion to using moral norms. In *The German Ideology* he declares that historical materialism has "broken the staff of all morality" by showing the foundation of all moral ideals to lie in the class interests. *The Communist Manifesto* says that the dictates of morality are "so many bourgeois prejudices". Marx consistently repudiates moral norms (such as right and justice) as vehicles of radical social criticism, because he sees morality as serving a definite social function, that of motivating people through ideological illusions and superstitions. He wants to overthrow capitalism so that people might be emancipated. He never appeals to moral norms in urging people to overthrow capitalism. Marx never claims that the workers should be emancipated because they have a right to be free or that they should work for a just society. The following passage makes it more clear that Marx does not base his theory on morality for overthrowing capitalism and establishing communism:

My inquiry led me to the conclusion that neither legal relations nor political forms could be comprehended whether by themselves or on the basis of a so-called general development of the human mind, but that on the contrary they originate in the material conditions of life ...¹⁸

When capitalist exploitation is described as an "injustice", it implies that what is wrong with capitalism is its mode of distribution. When the appropriation of the worker's unpaid labour by capital is thought of as "unjust", it implies that the worker is being given a smaller share of the collective product of society according

to the moral rules. But, for Marx, such a conception of what is wrong with capitalist exploitation is entirely mistaken. Distribution is not something which exists alongside production, indifferent to it. Any mode of distribution is determined by the mode of production. The appropriation of surplus value and the exploitation of labour are not abuses of capitalist production, or arbitrary and unfair practices, rather they belong to the essence of capitalism. As the capitalist mode of production progresses to later and later stages of its development, this exploitation must in Marx's view grow worse and worse as a result of the laws of this development itself. It cannot therefore be removed by the enforcement of laws regulating distribution, or by any moral reforms which capitalist political institutions could bring about. According to Marx, the capitalist exploits many workers by appropriating surplus value. This appropriation is accomplished by the action of the immanent laws of capitalistic production itself.

In Marx's view, I believe, it would be wrong to say that the end to exploitation constitutes the rectification of "injustice", or the reformation of capitalism. The revolutionary theory does not consist of moral rules or "principles of justice". Rather it consists in the replacement of the juridical institutions of society to a new mode of production. Therefore justice cannot be a revolutionary notion by means of which a new mode of production can be brought about. A new mode of production can only be brought about by social revolution, not by social reforms. Exploitation cannot be eliminated by reforms in the distribution of income. Since exploitation is the very nature of capitalism, the capitalist system itself must be overthrown. It would be a mistake to attribute any principle of morality (such as, justice) to Marx. Elster does the same mistake. To bring about fundamental social change through moral norms is utopian. Elster's normative Marxism is utopian in the sense that it seeks to establish new human society through moral norms not through social revolution.

NOTES AND REFERENCES

1. P.J. Proudhon. *Philosophy of Poverty*, Paris, 1846. Proudhon was a leading utopian socialist during Marx's time. His *Philosophy of Poverty* is an example of utopian socialism. Utopian socialists engage themselves in morally based social criticism. For them, moral norms and principles can cause fundamental social change and thus a fundamental betterment of human condition. They try to deal primarily with the effects instead of causes.
2. Karl Marx, *The Poverty of Philosophy*, (Moscow Progress Publishers), 1975. *The Poverty of Philosophy* is an answer to Proudhon's *Philosophy of Poverty*. It is one of the most important theoretical works of Marxism and Marx's principal work is directed against Proudhon.
3. Scientific socialism tends to dismiss morality as mere ideology, which serves as a camouflage for class interests. Morality, in this view, is conceived of as part of the ideological superstructure. It is a false consciousness, containing lies and illusions, blinding the working class to their own class interests and exploitation by the ruling class. However, it seduces the bourgeoisie into self-satisfaction and complacency.
4. Nielsen, "Coming to Grips with Marxist Anti-Moralism", *The Philosophical Forum*, Vol. XIX, No. 1, Fall, 1987, p. 1. Nielsen supports Andrew Collier's view of Marxist conception of value-free social science. Collier agrees with Max Weber's notion of value-free social science. See also Andrew Collier, "Scientific Socialism and the Question of Socialist Values", in Kai Nielsen and Steven Patten (ed.), *Marx and Morality*, (Guelph, ON: Philosophy), 1981, pp. 121-154.
5. *Ibid.*, p. 18.
6. *Manuscripts*, p. 26.
7. *Ibid.*, p. 27.
8. Marx-Engels, *The German Ideology*, in *Karl Marx: Selected Writings in Sociology and Social Philosophy*, Bottomore & Rubel (ed.), p. 93.
9. Marx, *The Poverty of Philosophy*, in *Selected Writings*, p. 78.
10. Marx, *A Contribution to the Critique of Political Economy*, in *Selected Writings*, p. 67.
11. Engels, *Anti-Dühring*, Quoted in Wood, "Marxism and Morality", p. 130.
12. "Marxism and Morality", p. 132.
13. Wood distinguishes moral goods from non-moral goods in order to make proper sense of 'moral'. This distinction, however, is not explicitly drawn by Marx. According to Wood, right and justice are moral notions, and they must be distinguished from non-moral goods such as self-realization, community, and freedom. Moral facts are facts about the relation of an act, transaction, or institution to the prevailing mode of production. While non-moral facts depend on the degree to which people understand and control the conditions of their existence.
14. "Critique of the Gotha Programme", p. 319.
15. *Manifesto*, p. 23.
16. *Ibid.*, p. 29.
17. *Karl Marx*, p. 125.
18. *A Contribution to the Critique of Political Economy*, Preface, p. 20.

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