

A note on Marx

Finn Olesen & Frank Jensen
May 2001

All rights reserved. No part of this WORKING PAPER may be used or reproduced in any manner whatsoever without the written permission of IME except in the case of brief quotations embodied in critical articles and reviews.

© University of Southern Denmark, Esbjerg and the authors, 2001.

Editor: Eva Roth

Department of Environmental and Business Economics
IME WORKING PAPER 21/01

ISSN 1399-3224

Finn Olesen / Frank Jensen
Department of Environmental and Business Economics
University of Southern Denmark, Esbjerg
Niels Bohrs Vej 9-10
DK-6700 Esbjerg
Tel.: +45 6550 1514 / +45 6550 4208
Fax: +45 6550 1091
E-mail: finn@sam.sdu.dk / fje@sam.sdu.dk

Abstract

Throughout all his life Karl Marx wrote angrily about capitalism. By use of a dialectic approach he was convinced that the working class had to unite and make a social revolution and thereby free them selves from exploitation. Marx himself was in many ways a dialectic person as we try to show in the note. So in some sense he became one with his scientific methodology.

JEL Classification: B14, B31

Table of contents

1. Introduction.....	7
2. On the methodology and economics of Marx.....	7
3. Marx, the chess player	11
4. When on Marx.....	14
5. Concluding remarks	16
6. Literature	18

1. Introduction

Among economists the saying often goes that if the message of Keynes is dead then that of Marx is stone dead and forever buried. Perhaps a few regrets this the majority certainly do not. In spite of this some years ago a very well written biography on Karl Marx appeared by Francis Wheen, which even became nominated by many as book of the year in the UK. Inspired by this we will give a short contribution to the perhaps renewed debate on Marx. And by so doing we want to acknowledge the contribution made by Karl Marx. He has rightfully earned his place among the other great classical economists. He made a historically unique masterpiece in describing the capitalist system of his time in *Das Kapital*.

In short, we will try to focus a bit on the interrelationship between the personality of Marx and the intellectual thoughts on economic methodology and theory he so thoroughly throughout his life presented to the public. First we give a brief sketch on the message of Marx, methodologically as economically. Then we try to detect some characteristics of Marx as a chess player looking upon in some detail the only known chess game of Marx. In section four, the description of Marx's personality found in Wheen (2000) follows. Based on this we try to answer the question: does this description match the impression we got on Marx from the chess game? Finally, the paper is closed with a few concluding remarks.

2. On the methodology and economics of Marx

As many would argue an economic theory should never be seen apart from its historical context. And in the case of Marx this certainly becomes quite clear indeed. As Galbraith (1987) said:

“...of the classical economists Karl Marx was the pessimist of them all. Opposite Smith, who wrote with great optimism about the adventures of the industrial system to come, Marx had seen empirically that this system did not deliverer the Promised Land at least not to all its

*citizens. Indeed to find oneself as a member of the proletariat of the labour force was depressing and almost without any hope for the future”.*¹

According to Marx, labours were not only alienated by capitalism there were also exploited, as they did not get what could be called the surplus value of their work effort in production.² This overhead the capitalist took as profit. And labour was the very crucial factor of production as only labour could create value. In arguing along these lines Marx as did Smith and Ricardo put forward a labour theory of value, but as Heilbroner (2000:163) says, this theory is not the determination of prices, as Smith and Ricardo thought, but the identification of a kind of social system in which labour power becomes a commodity.³

Methodologically Karl Marx took inspiration from the work of Hegel and his idea of inherent change.⁴

Thus Marx is famous for his dialectical materialism stressing the importance of economic phenomena in the development of society.⁵ And society would develop accordingly to certain rules. Upon each society in history a new one

-
- 1 Or as Barber (1979:117) has stated the case: “the new working class was herded into urban slums where its members were exposed to miserable conditions of life. In all too many cases even the most elementary provision for sanitation had lagged behind the build-up of the urban working population and such massive menaces to health as typhus and cholera recurred with alarming frequency”.
 - 2 As Marx said himself in 1844: ”Wages are determined by fierce struggle between capitalist and worker. The capitalist inevitably wins. The capitalist can live longer without the worker than the worker can without him ... Labour is life, and if life is not exchanged every day for food it suffers and soon perishes”; Wheen (2000:69-79).
 - 3 And Heilbroner continues: ”That society is capitalism, where historical forces ... have created a property less class of workers who have no alternative but to sell their labour-power – their sheer ability to work – as a commodity”. And as stated by Wheen (2000:73&95): “For Marx alienated labour was not an eternal and inescapable problem of human consciousness but the result of a particular form of economic and social organisation ... Marx and Engels insisted that you are what you produce – and how you produce it”.
 - 4 ”Marx started from the framework of the Hegelian dialectic which envisaged progress as a product of continuous conflict – revolution and counter-revolution”; Deane (1982:126-27).
 - 5 In the words of Paul Samuelson: “Marx peered at the social order from out the windows of the British Museum to chant: This too will pass away. And it did. And it will”, quoted from Bose-rup (1976:172).

would follow right until Marx's vision of the definite society took over: the class free communist one. In such a society people contributes according to his or her ability but consumes according to his or her need; Landreth & Colander (1994:180).

Why then had society historically to develop this way? Well because the relations of production get into conflict with the forces of production or as Marx expressed himself in 1859:

"At a certain stage of development, the material productive forces of society come into conflict with the existing relations of production or ... with the property relations within the framework of which they have operated hitherto ... Then begins an era of social revolution. The changes in the economic foundation lead sooner or later to the transformation of the whole immense superstructure ... No social order is ever destroyed before all the productive forces for which it is sufficient have been developed, and new superior relations of production never replace older ones before the material conditions for their existence have matured within the framework of the old society", Howard & King (1986:5).

So Marx tried to describe, analyse, and to foresee how the capitalist system was functioning and how it would change. From the study of the classical economists around 1844 he began his lifelong task. If the vision on the development of society was not there already in 1844, it certainly was present in the Communist Manifesto from 1848. At last in 1867 after many years of intense study Marx's masterpiece was published: *Das Kapital*. In this book, which has been call the Domsday Book of capitalism Marx wrote with moral indignation on how capitalism works.

The focus is on the entrepreneur who is engaged *in an endless race against his fellow owner-entrepreneurs; he **must** strive for accumulation, for in the competitive environment in which he operates, one accumulates or one gets accumulated*, Heilbroner (2000:156).

He exploits the working class; he saves out of his surplus value to invest to become more competitive.⁶ And through this process of accumulation he sows the seeds to his own final destruction or as Marx said it himself:

*”Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself ... Centralization of the means of production and socialization of labour at last reach a point where they become incompatible with their capitalists integument. This integument bursts asunder. The knell of capitalist private property sounds. The expropriators are expropriated”.*⁷

And yet of course capitalism has its place in history. In going from feudalism to capitalism society would develop in a prosperous way as stated in the Communist Manifesto from 1848.⁸ But in spite of this capitalism would eventually be replaced by a new and even more prosperous society as stated by Marx’s dia-

6 Or according to Joan Robinson Marx gave in *Das Kapital*: “a picture of the capitalist process as a system of piracy, preying upon the very life of workers”; quoted from Boserup (1976:171).

7 Quoted from Heilbroner (2000:160-61).

8 In this Marx wrote: “The bourgeoisie during its rule of scarce one hundred years has created more massive and more colossal productive forces than have all preceding generations together. Subjection of nature’s resources to man, machinery, application of chemistry to industry and agriculture, steam navigation, railways, electric telegraphs, clearing of whole continents for cultivations, canalisation of rivers, whole populations conjured out of the ground—what earlier century had even a presentiment that such productive forces slumbered in the lap of social labour?”, quoted from the book *Marx on Economics*, edited by Robert Freedman, Penguin Books 1978, p. xvi.

lecticism. Only the class communist society would be ever lasting. And yet should not also this type of society according to Marx's methodological approach have to develop further?

Looking back on what Marx wrote about the future development of capitalism some would argue that Marx did not quite get his picture of capitalism right. He did not foresee either the strength or the power of transformation which capitalism as a system of society historically have demonstrated. And yet he was right in arguing that capitalism viewed in the longer run would run the risk of working disharmoniously and that it would often have to follow a pattern of disequilibria. Also many would acknowledge that Marx gave a very true and detailed picture of the capitalist system of his time. As Leontief (1938:8) said about Marx: "...his strength lies in realistic, empirical knowledge of the capitalist system".⁹ Viewed with the eyes of today it is less evident what Marx has to offer in analysing modern economies. But historically he gave a significant contribution to the development of economic thought.

3. Marx, the chess player

In this section some of Marx's personal characteristics as a chess player are deduced. Whéen (2000:389) reports that the game is played during a visit in 1867 in Germany at a party given by the grandmaster Gustav R.L. Neuman against an unknown player called Meyer. When personal characteristics are deduced from chess games it is useful to have more than just one game. However, only one of Marx's several chess games has survived until today. In this section our only aim is to try to deduce some personal characteristics of Marx as a chess player. Therefore, variants, which are normally used to state better ways to play, are not discussed as we go along the game. Furthermore, we will not make any comments on any of Meyers moves. Now to the chess game itself.

9 Leontief (1938:5) also acknowledges the foresight of Marx. He states that many of Marx's prophecies of capitalism actually came though looking back on the development of capitalist societies in the late 1930s, e.g. in the case of "*increasing concentration of wealth, rapid elimination of small and medium sized enterprise, progressive limitation of competition, incessant technological progress accompanied by the ever growing importance of fixed capital, and ... the undiminishing amplitude of recurrent business cycles*".

Marx Meyer

Opening: Kings Gambit

e2-e4	1	e7-e5
f2-f4	2	

An opening with Kings Gambit shows that Marx is a rather aggressive player. Kings Gambit is a very offensive opening played with the purpose of setting the opponent chess mate as quickly as possible. A very aesthetic player also likes to play Kings Gambit, because if the player is successful in setting the opponent chess mate, it is often done in a most elegant way.

	2	e5xf4
Bf1-c4	3	g7-g5
Ng1-f3	4	g5-g4
0 – 0	5	

As above this move shows once again Marx as aggressive in his play. A knight is sacrificed in order to obtain an attack on the opponent's king and to obtain a good development in the moves to follow.

	5	g4xNf3
Qd1xf3	6	Qd8-f6
e4-e5	7	

Again we have a move, which shows a very aggressive, but at the same time a very aesthetic person playing. A pawn is now sacrificed in order to place the opponents queen at the middle of the board. In this way, the queen can be chased and Marx can obtain a good development in what follows immediately afterwards.

	7	Qf6xe5
d2-d3	8	Bf8-h6
Nb1-c3	9	Ng8-e7
Bc1-d2	10	Nb8-c6
Ra1-e1	11	

Now, the chase after the queen can begin and Marx has accomplished what he intended to do. All his pieces are full developed and an attack on the king himself can be undertaken.

	11	e5-f5
Nc3-d5	12	Ke8-d8
Bd2-c3	13	Rh8-g8
Bc3-f6	14	

This move of the bishop is part of a very good plan by Marx. By forcing the opponent to change bishops, Marx can make a forceful attack on the king. Indeed, the move illustrates that Marx is creative but at the same time in a very logical way. Furthermore, he has demonstrated a good foresight of how the game could develop.

	14	Bh6-g5
Bf6xBg5	15	Qf5xBg5
Nd5xf5	16	Nc6-e5
Qf3-e4	17	d7-d6
h2-h4	18	

A good combination is detected from these moves. The pawn sacrifice cannot be accepted, as the queen would then be lost. In sum, the moves show good combinatory skills in Marx's way of playing.

	18	Qg5-g4
Bc4xf7	19	Rg8-f8

By now Marx is in a very good position to fulfil his attack.

Bf7-h5	20	Qg4-g7
d3-d4	21	Ne5-c6
c2-c3	22	a7-a5
Nf4-e6+	23	

Again, a very good combination played in order to set the opponent chess mate. It is once more very creative and at the same time very logical.

	23	Bc8xNe6
Rf1xRf8+	24	Qg7xRf8
Qe4xBc6	25	Ra8-a6
Re1-f1	26	Qf8-g7
Bh5-g4	27	Nc6-b8
Rf1-f7	28	Black resigns

Mate is now unavoidable. And then the game ends. Marx has played a good chess game, which shows that he was a very forceful chess player judged by the time the game was played. In short, the game has shown that Marx was very aggressive, aesthetic, and logical in his moves and that he played with foresight. And really this is hardly surprising. Should one not expect a revolutionary person also to be aggressive and an advocate of dialecticisms to be creative in a logical way?

4. When on Marx

Throughout When's book one finds bits of pieces on Marx's personality. In putting these pieces together one gets a picture of a man, which he himself is rather dialectic in nature.

In his youth he was in many respects very sensitive – for instance in his love to Jenny von Westphalen, which he finally married in 1843 and in his efforts to write poetry – and it others harsh and cold – as an example he did not find time

to attend his fathers funeral in May 1838 (the journey from Berlin to Trier was too long and Marx said he had more important things to do). A pattern to be found also later in life: although he loved his wife passionately he got a child with the housemaid. He was a very lovely farther and grandfather. Indeed, in his family life above all a very gentle man. And at the same time a man with raving fury towards friend and foe, who did not see things the way Marx himself did. They were to know of his fury orally as well as in writing. Only with Friedrich Engels he seems to have been able to keep up a long lasting friendship. And the Marx family were always helplessly in lack of money and yet Marx as Wheen points out had to have regular seaside holidays, piano lessons for the children and even a private secretary for some years (although his wife Jenny for the main part was the one who made his scribbles readable to others).

Looking upon Marx's working life one sees a similar pattern. He always had high hopes and lots of plans to be fulfilled. But he had serious troubles in meeting the deadlines. Continuously revisions and changes had to be made be it an article to the newspaper or what should eventually become a book. Most extreme in the case of *Das Kapital*, which was very long in process.¹⁰

In short Wheen (2000:1-2) has characterised Marx as:

"a Prussian émigré who became a middle-class English gentleman; an angry agitator who spent much of his adult life in the scholarly silence of the British Museum Reading Room; a gregarious and convivial host who fell out with almost all his friends; a devoted family man

10 As Wheen (2000:169) writes: "To work at his best, Marx needed to keep himself in a state of seething fury – whether at the endless domestic disasters that beset him, at his wretched ill health or at the halfwits who dared to challenge his superior wisdom. While writing **Capital**, he vowed that the bourgeois would have good reason to remember the carbuncles which caused him such pain and kept his temper foul". An image that is verified by Heilbroner as he writes: "Marx ... is the German scholar par excellence, slow, meticulous, and painstakingly, even morbidly, perfectionist. Engels could dash of a treatise in no time at all; Marx was always worrying one to death ... But for all his heaviness, Marx is the greater mind of the two; where Engels supplied breadth and dash, Marx provided the depth".

who impregnated his housemaid; and a deeply earnest philosopher who loved drink, cigars and jokes”¹¹

Looking upon the evidence from the only known chess game of Marx one finds a sketch of a person that is not in contradiction with the personality of Marx given by Wheen (2000).

5. Concluding remarks

Throughout his entire life Marx fought for what he saw as a better world: a society where the capital-labour relationship did not matter much if at all anything and where the class struggle was ended at last. In short, Marx put a focus on the socio-economic distributional problems of his day to make a vision of a communist society where all men were free.

In pursue of this Marx took also some personal sacrifices on himself. Although his father made a great many efforts to have Karl become a lawyer like him, the son resisted. He got stuck on philosophy, economics, and politics. Perhaps this gave him a very interesting life, but it was also in many respects a very troublesome life for him and especially his family. He got in conflict with the authorities, he had to flee more than once and he often made his early editorial and journalistic activities in vain as the various journals he contributed to were closed down. He had great visions of the theoretical work that he wanted to undertake and present to the public. It was very heavy work indeed and he often got stuck in the process, as he wanted to understand almost everything of importance. So deadlines were hardly ever met at least not the first ones. And most of all: he was in a constant lack of money.

11 Another characteristic is given by Heilbroner (2000:140): "Marx **looked** like a revolutionary. His children called him "The Moor", for his skin was dark and his eyes deep-set and flashing. He was stocky and powerfully built and rather glowering in expression with a formidable beard. He was not an orderly man; his home was a dusty mass of papers piled in careless disarray in the midst of which Marx himself, slovenly dressed, padded about in an eye-stinging haze of tobacco smoke".

In the above we have tried to make it plausible that the personality of Marx as a human being also affected the way he worked scientifically. And of course one should not be surprised if Marx's work made some of his personal characteristics more dominating and up front than would otherwise have been the case had he lived a differently and more common life. Some would argue you are what you eat. Marx as stated said you are what you produce and how you produce it. But perhaps you also write the way you do because you are the one you are and in writing as you do you also become in some sense what you write. Marx's method was dialecticism and he himself became dialectic in nature.

To some degree at least he tried to look on the economy from a macro- rather than a microeconomic perspective as he focused upon the process of production, the capital-labour relationship and the class struggle in a capitalist society of his time. And he did so not only from an economic point of view. He was much more holistic in his writings as other things did matter as well (history, legal institutions and politics just to mention three). So Deane (1982:126) did quite right in characterising Marx as: *a philosopher first and an economist second – a social scientist rather than a **pure** economist.*¹² As it seems Marx was not only holistic and dialectic in his work but also in his personal life.

12 "His analytical system, while built around economic phenomena, was by no means restricted to economic issues as commonly construed. Instead, it offered a comprehensive view of society in which all events were seen as intimately inter-related. This approach is capable of offering an account of everything, but runs the risk of explaining nothing"; Barber (1979:121).

6. Literature

- [1] Barber, William J. (1979): "A History of Economic Thought", Penguin Books 1979.
- [2] Boserup, Mogens (1976): "Deres egne ord. En antologi over den økonomiske videnskabs historie", Akademisk Forlag 1976.
- [3] Deane, Phyllis (1982): "The evolution of economic ideas", Cambridge University Press 1982.
- [4] Galbraith, John K. (1987): "A History of Economics – the past as the present", Hamish Hamilton 1987.
- [5] Heilbroner, Robert (2000): "The Worldly Philosophers – The Lives, Times and Ideas of the Great Economic Thinkers", Penguin Books 2000.
- [6] Howard, M.C. & King, J.E. (1986): "The Political Economy of Marx", Longman 1986.
- [7] Landreth, Harry & Colander, David (1994): "History of Economic Thought", Houghton Mifflin Company 3ed. 1994.
- [8] Leontief, Wassily (1938): "The Significance of Marxian Economics for present-day Economic Theory", The American Economic Review, Paper and Proceedings, pp. 1-9.
- [9] Wheen, Francis (2000): "Karl Marx", Fourth Estate London 2000.

Department of Environmental and Business Economics
Institut for Miljø- og Erhvervsøkonomi (IME)

IME WORKING PAPERS

ISSN: 1399-3224

Issued working papers from IME
Udgivne arbejdspapirer fra IME

No.

1/99	Frank Jensen Niels Vestergaard Hans Frost	<i>Asymmetrisk information og regulering af forurening</i>
2/99	Finn Olesen	<i>Monetær integration i EU</i>
3/99	Frank Jensen Niels Vestergaard	<i>Regulation of Renewable Resources in Federal Systems: The Case of Fishery in the EU</i>
4/99	Villy Søgaaard	<i>The Development of Organic Farming in Europe</i>
5/99	Teit Lüthje Finn Olesen	<i>EU som handelsskabende faktor?</i>
6/99	Carsten Lynge Jensen	<i>A Critical Review of the Common Fisheries Policy</i>
7/00	Carsten Lynge Jensen	<i>Output Substitution in a Regulated Fishery</i>
8/00	Finn Olesen	<i>Jørgen Henrik Gelting – En betydende dansk keynesianer</i>
9/00	Frank Jensen Niels Vestergaard	<i>Moral Hazard Problems in Fisheries Regulation: The Case of Illegal Landings</i>
10/00	Finn Olesen	<i>Moral, etik og økonomi</i>
11/00	Birgit Nahrstedt	<i>Legal Aspect of Border Commuting in the Danish-German Border Region</i>

12/00	Finn Olesen	<i>Om Økonomi, matematik og videnskabelighed - et bud på provokation</i>
13/00	Finn Olesen Jørgen Drud Hansen	<i>European Integration: Some stylised facts</i>
14/01	Lone Grønbæk	<i>Fishery Economics and Game Theory</i>
15/01	Finn Olesen	<i>Jørgen Pedersen on fiscal policy - A note</i>
16/01	Frank Jensen	<i>A Critical Review of the Fisheries Policy: Total Allowable Catches and Rations for Cod in the North Sea</i>
17/01	Urs Steiner Brandt	<i>Are uniform solutions focal? The case of international environmental agreements</i>
18/01	Urs Steiner Brandt	<i>Group Uniform Solutions</i>
19/01	Frank Jensen	<i>Prices versus Quantities for Common Pool Resources</i>
20/01	Urs Steiner Brandt	<i>Uniform Reductions are not that Bad</i>
21/01	Finn Olesen Frank Jensen	<i>A note on Marx</i>