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MARXISM AND POSTMARXISM IN ECONOMICS

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This brief paper has three main objectives. We want to defend the thesis that "post-marxism" is largely a misnomer based on a dubious reading of Marx's own work and that of the Marxist tradition. We also want to argue for the re-examination of what is original in Marx so that we neither miss the crucial lessons he taught nor laboriously and wastefully reinvent Marx's wheel. Finally, we will illustrate our general argument with a brief focus on the one particular line of post-marxist theory.

Part One

The phrase post-marxism is now found across texts in both the social sciences and humanities. It often implies that Marx and Marxism have been superseded or refuted by historical change or theoretical developments or both. Little is made of differences between Marx's work and Marxism as a tradition. Hence, rejecting Marxism on whatever grounds usually functions so as to reject Marx too. Conflating Marx and Marxism is a hallmark of post-marxism and also the basis for a critique of post-marxism.

Marx early recognised and commented that his work and the Marxisms of his followers were hardly identical. Modern literary theories of deconstruction a la Derrida et.al. likewise imply the inevitability of differences among the Marxist theories propounded by Marx and Marxists after him. A set of different

theories criss-cross Marx's texts and still other sets inform the various frameworks which readers bring to the interpretation of Marx's texts and later Marxist texts and so on. So we are left with the irreducible conundrum that anything calling itself post-marxism or post-marxist must carefully delineate just what in Marx and just which theories contesting within the Marxist tradition it is post to.

Precisely this is rarely done. Whatever else may be said about post-marxism, sophisticated epistemological self-consciousness is not one of its attributes. Post-marxist texts do not worry about the problematics of reading or interpreting Marx or the Marxist tradition. Rather, post-marxists tend to discard Marxism by unjustifiably reducing it to one single theory - which they reject - instead of exploring and contending with a Marxist tradition encompassing different and often clashing theories. An example of this in economics can be found in a recent post-marxist article by Samuel Bowles: "This approach [post-marxism] may be distinguished from both the classical Marxist economic model and the neoclassical alternatives in its theoretical method, its conception of the economy, and its treatment of structural change."¹ The rejection often sweeps up Marx's own work too, as if it were the core of and identical to Marxism viewed as ultimately a single thing. Even when post-marxist pronouncements are qualified by admitting the incorporation of certain of "Marx's insights," their

post-marxism is rarely justified or clarified vis-a-vis the diversity of Marxist theories which they must, by self-definition, be post to.

Our reading of Marx and Marxism finds them very different and far from reducible to one another or to any single theory. Marx, we want to argue, formulated some original theoretical insights as unique contributions to revolutionary thinking in nineteenth century capitalist Europe. Not surprisingly, like other original contributions, Marx's encountered many difficulties in penetrating the entrenched mindsets of European radicals. The Marxian theories adopted eventually by radicals in Europe and later globally were very often compromises mixing pre-Marxian and Marxian formulations in differing proportions and combinations.

For example, the concept of class is generally agreed to be a central focus of Marx's work and of Marxism generally. Yet Marx's unique theory of class was largely lost in the subsequent Marxian tradition; more precisely, it was replaced by pre-Marxian concepts instead.² The division (or classification) of society into groups has a long history prior to Marx. Ancient Greeks and Romans often analysed societies by dividing their populations into groups - sometimes called classes - according to the property which they did or did not own: propertied vs propertyless, rich vs poor, landed vs landless. These dichotomous classifications appear and reappear over many

centuries in class analyses accompanied by revolutionary strategies aimed to alter property distributions.

The point is that Marx did not invent or contribute the notion of class as a matter of property. That concept of class is hardly, in our view, Marx's original contribution. Similarly, we can return to ancient times to find many examples of a second, somewhat different concept of class. In this case, the classifying dichotomy concerns power: those who wield it vs those over whom it is wielded. Ruling classes confront ruled classes in this kind of analysis and revolutionary thinking focuses on ways to alter and perhaps democratise power distributions.

Again, we don't need Marx for such a power theory of class. While Marx sometimes used the term class as a matter of property and othertimes as a matter of power, his own unique theoretical contribution was, in our view, an altogether different concept of class. Marx's originality lay in his different definition of class as the process of producing and distributing surplus labor.

Class analyses built upon concepts of class as property or power are neither generally consistent with one another nor with analyses based upon the concept of class as surplus production. Owners of property need not also be wielders of power. Most modern observers of the corporate division between owners (share-holders) and managers/directors (effective power wielders) have agreed on this. Political and economic powers are not

linked to property holdings in any neat way: just like corporate bureaucrats, state bureaucrats wield power and may or may not own property. Similarly, the appropriators of surplus labor from productive laborers may neither own much property nor wield many kinds of power in a society. Which concept of class is used will produce different notions of a given society's class structure as well as different projections of preferable class structures and strategies to achieve them.

Marx's contribution was precisely to distinguish the production and distribution of surplus labor from the separate albeit related matters of property and power distributions. His major works, CAPITAL and THEORIES OF SURPLUS VALUE, are precisely devoted to establishing the existence and complex social effectivities of the particularly capitalist form in which surplus labor is performed, appropriated and distributed in modern society. CAPITAL, volume 1, specifies how surplus labor is performed, embodied in capitalist commodities, and then appropriated as surplus value by capitalists. Volume 2 examines how commodity circulation interacts with the production and appropriation of surplus value. Volume 3 pursues the complex distributions of appropriated surplus value by capitalists to sustain other groups of people who themselves neither produce nor appropriate surplus value.

Our point here is not to elaborate the complex class analysis we find in Marx's original formulations; such an

elaboration exists elsewhere.³ The point is to stress its difference from alternative Marxist conceptualisations of class. Some of the latter stress distributions of property and power as definitions of class boundaries. Still other Marxist conceptualisations theorise class as determined by (and thus dependent upon) the attainment of certain kinds of self-consciousness (the "class-for-itself vs class-in-itself" positions).

Is any particular "post-marxist" class analysis then post in relation to one or another or all of these alternative Marxist conceptualisations? Unfortunately, influential critiques of Marxist class analysis rarely display any recognition of the profound differences within the Marxist tradition which any comprehensive critique would have to confront.⁴ Perhaps, for many writers, the need to distance themselves from Marxism in general overpowers their willingness to discriminate carefully among the component theories of a rich, diverse Marxist tradition.

Marxists since Marx have actually enunciated quite a range of concepts/theories of class which they have deployed to produce different analyses of many social situations. Paul Sweezy works with a property concept of class.⁵ Ernesto Laclau and Bob Jessop work with power concepts of class, while Nicos Poulantzas proposed a composite concept in which power, ideology and exploitation all figure in a matrix defining multiple classes.⁶ E.P. Thompson makes his Marxist definition of class explicitly a

matter first and foremost of consciousness.⁷

To be post-marxist in terms of class analysis thus requires a complex critique and supersession of the diversity (of which the above paragraph is only a partial indication) of Marxist theories of class. To be post-marxist in the sense, say, of rejecting a property theory of class (as in Dahrendorf and Giddens) may miss the rich literature critical of such a theory WITHIN Marxism. Indeed, it would be a misnomer to call such rejections post-marxist. Would those building on such a rejection end up reinventing one or another of the concepts of class already contesting within Marxism? Would such post-marxism be an advance on anything? We think not, and Part Two will demonstrate our point in terms of one type of post-marxist economic theory.

Let us offer a second example, drawn from the realm of Marxian economics in which post-marxism has taken an interesting twist. In 1942 Cambridge professor Joan Robinson published a short volume on Marx, An Essay on Marxian Economics, that remains very influential to this day. She argued that what was interesting and valuable in Marx's work could and should be extracted from the metaphysical and unsupportable labor theory of value to which Marx was unfortunately addicted. Since then and especially in the last few years, several other writers have echoed these sentiments thereby generating what could well be called a post-marxist school of political economists.⁸ Their

position is that Marx's value theory is wrong in some epistemologically absolute sense and must be jettisoned if what remains useful in Marx is to be rescued. Given how many of Marx's texts depend upon and work with value theory, this is a major "moving beyond Marx" to say the least.

What is striking about such post-marxists is their refusal to imagine or confront the alternative conceptualisations of value which exist and have been argued within the Marxist tradition.⁹ This parallels the post-marxist refusal to recognise the alternative Marxist conceptualisations of class discussed above. At one level this is an epistemological problem. These post-Marxists think in terms of correct vs incorrect theories of economic life, rather than in terms of alternative modes of theorising. Truth for them is one singular set of propositions which all thinkers are presumed to seek through empirical and/or rational means. They do not comprehend truths to be plural, irreducibly different criteria of validity as varied as the different theories which adhere to them. Thus, if they reject the one truth, as they see it, of Marxism, then there is no need to inquire about let alone critically confront alternative notions of what is true within the Marxist tradition.

We are led then to this conclusion. At best, most of the various post-Marxists have rejected and moved beyond one or another particular theory within the Marxist tradition without recognising or criticising alternative theorisations within that

tradition. Tendencies toward summary judgements and sweeping rejections are founded on the very slender bases of critical encounters with only parts of a whole. That leaves the other parts. Will they too be discarded like the proverbial baby with the bath water? Or more ironically, will the neglected theories within the Marxist tradition be newly reinvented by and christened as "post-Marxist" themselves?

We would like to conclude Part One by recalling an article from Number 6 of Social Text. There Stephen Resnick and Richard Wolff demonstrated in great detail that the Marxist tradition (and in particular the work of Lenin, Lukacs and Althusser) includes theories which specifically reject reductionist (i.e. empiricist and rationalist) epistemologies and includes various kinds of theories which reject economic determinism.¹⁰ Yet the post-marxist literature we encounter seems largely oblivious to many of these Marxist theories. Indeed it most often dismisses Marxism as an economic or technological determinism.¹¹

The Marxist tradition includes a rich and complex web of different theories. In varying combinations, these theories reflect Marx's original formulations as well as pre-marxist, radical ideas. Indeed, all manner of non-marxist discourses have also influenced the constituent theories of the Marxist tradition over the last hundred years. Unfortunately in the United States the Marxist tradition's rich diversity of theories has not yet been well enough understood or debated, we would argue, to

warrant most of what may be called post-marxism.

However fashionable it may sound, post-marxism strikes us as more accurately and usually a term for theories and theorists who want to advance one or another kind of non-marxist theory. That is fine. The adjective "post-marxist" is the problem. It carries the connotation that an exhaustive knowledge and rejection of the multitude of Marxist theories precedes and grounds the theories usually called post-marxist. It is that claim which we reject, above all because it serves to continue the neglect and prevent the debate of alternative conceptualisations of Marxist theory. Since these represent, to us, a still largely untapped source of radical insights and contributions to current strategies for socialism and democracy, we oppose the term post-marxism.

Part Two

Jon Elster and John Roemer are post-marxists in this paper's sense of the term.¹² Both seek a wholesale reworking of Marxist theory to get beyond what are for them the woeful inadequacies of Marxist theory.

Elster thinks Marxism lacks the proper methodology; its methodological foundation is inadequate. His solution is 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 actions." Marxist theory should adopt a methodologically individualist stance "conceived [as] a form of reductionism."¹³ Armed with this new (?) post-marxist methodological prescription from the philosopher Elster, Roemer sets off to re-establish Marxist economics on this, its proper foundation.

Before we consider Roemer's efforts, some comments on the post-marxist quality of Elster's methodological prescription may be useful. As we noted earlier, the Marxist tradition includes a rich literature of debate over the logic of Marxist theory. In recent years there has been a growing dissatisfaction with functionalist and teleological modes of explanation in Marxism. Elster shares this concern and expresses it sharply: "By assimilating the principles of functionalist sociology, reinforced by the Hegelian tradition, Marxist social analysis has acquired an apparently powerful theory that in fact encourages lazy and frictionless thinking."¹⁴ For him, Marxists employ Hegelian functionalist modes of explanation "without the theological underpinning that alone could justify it."¹⁵

We share Elster's and indeed many Marxists' dissatisfaction with functionalist and teleological explanations. However, we strongly reject his call for a methodology which reduces the explanation of all social phenomena to the "properties, goals, and beliefs" of individuals. It is difficult for us to see how such a reduction avoids all kinds of undesirable theological and

ideological underpinnings.

Long before Elster, an alternative literature within Marxism attempted to develop Marxist theory in a nonfunctionalist and nonreductionist manner. Among others, Lukacs, Althusser, Adorno, Horkheimer, and Hindess and Hirst have all argued for a non-reductionist Marxism in contrast to functionalist formulations within the tradition. Elster's post-marxism ignores all this, breezily castigating "Marxism" for the fault of not being reductionist in the right way. In Making Sense of Marx he makes no references at all to Adorno, Althusser, Habermas or Hindess and Hirst. Are these theorists insufficiently important to warrant attention, however critical? Or does Elster really expect us to join him in considering them all as simply so many functionalist sociologists in the Marxist tradition which he rejects?

Further, consider Elster's ringing endorsement of methodological individualism as his preferred "doctrine" on which to refound Marxism. The notion that social analysis should consist of reducing social structures and changes to their essential determinants, individuals, is strikingly pre-marxist in its inspiration. Elster is not at all disturbed by Marx's opening paragraphs in the "Introduction" to the Grundrisse where he ridicules and rejects just such methodological individualism. Remarkably, Elster aims to import the pre-marxist individualist methodology of social analysis rephrased now as a post-marxist

correction of a flawed Marxism.

In explicating his methodological individualism, Elster draws on the support of biology which he claims has adopted the methodological individualist position. However, here too he ignores, conflates or reduces the diverse biological tradition to focus on merely one of its constituent theories as if that were all biology. As in Marxism, recent methodological debates in evolutionary biology and ecology prove the opposite of what Elster implies: biology is a field in which alternative methodologies are intensely contested and in which anti-reductionism rather seems to be growing in strength. In the words of Harvard professors, biologist Richard Lewontin and ecologist Richard Levins, "...there has been a growing discontent in the last twenty years with simple Cartesian reductionism as the universal way to truth. In psychology and anthropology, and especially in ecology, evolution, and neurobiology, where the Cartesian program [methodological individualism] has failed to give satisfaction, we hear more and more calls for an alternative epistemological stance."¹⁶ Moreover, they quite clearly name and elaborate the alternative epistemology to reductionism which their biological thinking prefers: "In biology a school of dialectical analysis has announced itself flowing from Marx rather than directly from Hegel."¹⁷

John Roemer is an economist. Like us, he has been steeped in the strictly reductionist and individualist methodology of the

neoclassical economics which rigidly dominates the discipline in the United States. Like Elster, he finds Marxism flawed because it lacks what he calls an adequate "microfoundation" for its macro-statements about capitalist economies and societies. Like Elster, he seeks the "correct" essence to which he can satisfactorily reduce economy and society. Like Elster, he cares nothing for the idea that "correct" is itself perhaps a theoretical problem involving contentious epistemological issues. Roemer ignores the issues concerned with alternative truths, theories, readings of texts; he searches and proudly finds for laggard Marxists the correct new theoretical foundation for Marxist economics.

Roemer's work in recent years has been an exhaustive struggle to find the correct - "proper" is his preferred term - basis for Marxism's notion of exploitation.¹⁸ The fruits of this struggle are a firm commitment to the view that exploitation is reducible to inequalities in the distribution of private property in the means of production. Roemer has produced, in short, a variant form of the old property theory of class. It displays rigor and a deft use of mathematical methods borrowed from neoclassical economics. But it is a property theory of class in which social structures, tensions and change reduce to so many effects of the essential, determinant cause, "consequences of an unjust inequality in the distribution of productive assets and resources."¹⁹

Now Roemer never doubts how to proceed to prove his post-marxist theory of class and exploitation (he calls it Marxist). The way to proceed is to use methodological individualism and the various theoretical devices invented by neoclassical users of methodological individualism to eliminate unsustainable Marxist theories from the tradition until only one "proper" and "correct" theory remains. Roemer does this, and without any messy self-consciousness that the epistemological presumptions and social analytical presumptions of methodological individualism might have predetermined the outcome of his prodigious investigations.

Thus his post-marxist Marxist theory is replete with individual agents choosing paths of action - rather like the rational utility maximisers beloved of neoclassical economists. Roemer then infers social conditions such as exploitation as conditional results of their choices, and so on. There is ingenuity in this effort to marry methodological individualism to Marxism and package the results as the correction of flawed Marxian theory. However, there is likewise the clear presence of pre-marxist ideas refurbished to pass for post-marxist improvements on Marxism.

Only one serious problem is posed by the curious writings of Elster and Roemer and so many other post-marxists. It is the risk that their readers will accept these complicated rejections of Marx's work and return to various pre-marxist and non-marxist

positions as somehow definitively transcending the Marxist tradition. Such readers may then miss all that is original and distinctive in Marx's many contributions - including all that has been debated and remains contentious within the tradition. Then the readers will have slowly and painfully to reinvent Marx's wheel and we will all be the losers for it.

Unfortunately, this is exactly the tact taken by Elster in the closing lament of Making Sense of Marx: "It is not possible today, morally or intellectually, to be a Marxist in the traditional sense. This would be someone who accepted all or most of the views that Marx held to be true and important - scientific socialism, the labour theory of value or the falling rate of profit, together with other and more defensible views." Given his remarkably selective reading of that tradition and his inability to imagine, let alone contend with alternative readings and the problems they pose for the absolute judgements he passes, this statement says more than Elster knows.

The post-marxist theories briefly surveyed here probably sound so much like anti-marxist theories of earlier periods because that's what they are. They certainly do not comprise a post-marxism which might be worthy of the name because it builds critically on the richness of the complex Marxian tradition to produce new and important social analyses for social change. For that we continue to need to wait until more of us take the time and the analytical trouble to learn, critique and thereby surpass

all that the Marxian tradition offers us.

1. Samuel Bowles, "Post-marxian economics: Labour, learning and history," Social Science Information, (Sage:London, Beverly Hills and New Delhi), 24:3, 1985, pp. 507-528. Notice also the plural attached to neoclassical "alternatives" vs the singular Marxist "model."

2. For useful discussions of and extensive bibliographies on varieties of class concepts within the Marxist tradition, see G.E.M. de Ste. Croix, The Class Struggle in the Ancient Greek World, London: Duckworth, 1981, especially chapter 2; and Stanislaw Ossowski, Class Struggle in the Social Consciousness, London: Routledge & Kegan Paul, 1963.

3. See Stephen Resnick and Richard Wolff, "Classes in Marxian Theory," Review of Radical Political Economics, 13:4 (Winter 1982), pp. 1-18; Resnick and Wolff, "Power, Property and Class," in Socialist Review, March, 1986; and also the same authors' text, Marxist Theory: Epistemology, Class, Enterprise and State, forthcoming, 1986.

4. For example, such different writers as C. Wright Mills, Ralf Dahrendorf and Anthony Giddens all "went beyond Marx" in so far as they read him and Marxism generally to be a narrowly based analysis defining class as property: Mills, The Marxists, New York: Dell, 1962, pp. 106ff; Dahrendorf, Class and Class Conflict in an Industrial Society, London: Routledge and Kegan Paul, 1959, p. 137; and Giddens, The Class Structure of Advanced Societies, New York: Harper and Row, 1975, pp. 107ff.

5. See "The American Ruling Class," in his The Present as History, New York: Monthly Review, 1953, p. 124.

6. See Laclau, Politics and Ideology in Marxist Theory, London: New Left Books, 1977, p. 106; Jessop, "The Political Indeterminacy of Democracy," in Allen Hunt, ed., Marxism and Democracy, London: Lawrence & Wishart, 1980, p. 63; and Poulantzas, Classes in Contemporary Capitalism, London: New Left Books, 1978, pp. 13-35.

7. The Making of the English Working Class, New York: Vintage, 1963, p. 11.

8. See, for two well-known examples, Ian Steedman, Marx After Sraffa, London: Monthly Review Press, 1977, and Samuel Bowles and Herbert Gintis, "The Labor Theory of Value and the Specificity of Marxian Economics," in Resnick and Wolff, editors, Rethinking

Marxism: Struggles in Marxist Theory, New York: Autonomedia, 1985, pp. 31-44. Other writers in this group are John Roemer and Jon Elster who are discussed later in this essay.

9. A discussion of alternative theories of value may be found in R. Wolff, A. Callari, and B. Roberts, "A Marxian Alternative to the Traditional 'Transformation Problem'," Review of Radical Political Economics, 16:2-3 (Summer-Fall 1984), pp. 115-135. See also Anwar Shaikh, "Marx's Theory of Value and the 'Transformation Problem'," in Jesse Schwartz, ed., The Subtle Anatomy of Capitalism, Santa Monica: Goodyear Publishing, 1977; and Susan Himmelweit and Simon Mohun, "The Anomalies of Capital," in Capital and Class 6:3 (1978), pp. 67-108.

10. "Marxist Epistemology: The Critique of Economic Determinism," Social Text, Fall 1982, pp. 31-72.

11. G.A. Cohen's technological ("forces of production") determinist interpretation of Marx - which a remarkable number of post-marxists take as the Marxist theory - was after all directed in part against other Marxists whose interpretations of the tradition rejected technological and economic determinisms: Karl Marx's Theory of History: A Defence Oxford, 1978.

12. See Elster's Making Sense of Marx, Cambridge: Cambridge University Press, 1985; and Roemer's A General Theory of Class and Exploitation, Cambridge: Harvard University Press, 1982.

13. Elster, Making Sense..., p. 5.

14. "Marxism, Functionalism and Game Theory: the Case for Methodological Individualism," Theory and Society 11, 1982, pp. 453.

15. Ibid., p. 454. Elster seems unaware that the range of different interpretations and critiques of Hegel from within the Marxist tradition make it highly problematic virtually to identify Hegel (which interpretation of Hegel?) with Marx (again, which one?).

16. Levins and Lewontin, The Dialectical Biologist, Cambridge: Harvard University Press, 1985, p. vii.

17. Ibid., p. vii.

18. See his "Property Relations vs. Surplus Value in Marxian Exploitation," Philosophy and Public Affairs, 11:4, 1982; "New Directions in the Marxian Theory of Exploitation and Class", Politics and Society, 11:3, 1982; and "Should Marxists Be Interested in Exploitation?", Philosophy and Public Affairs, 14, 1985.

19. "Should Marxists be Interested.....", p. 65.