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GLOBAL PROBLEMS OF MODERN TIMES AND THE METHODOLOGY OF K. MARX

In the contemporary scientific and socio-political space the works of K. Marx are in total oblivion. Even more, during the whole 20th century in the Western countries, and lately in the Eastern ones, he is anathematized politically and scientifically as an evil spirit. And still - is the scientific heritage of Marx actual and useful in the contemporary realities? Stating such a question in public today sounds almost like a provocation. Science, though, has its own rules, which define its moral.

The paper is an attempt, firstly, to show, that despite the fact that it looks paradoxically at first, the theory of Marx is not only actual, but in the new realities will become even more actual. Secondly, the paper gives arguments for the fact that the intransient significance of Marx' ideology more adequately identifies and meets the global challenges, which the whole humankind has faced and still faces.

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In the second half of the 20th century and especially in the 1990^{ies} *radical qualitative changes* were initiated in the socio-economic reality of the advanced industrial countries. Other countries followed throughout the world. Qualitatively new large-scale changes have been transforming more profoundly not only the economic, but also the non-economic sectors of the advanced economies. They are based on thorough generating and applying the expanding *knowledge* on the objective reality in almost each socio-economic activity. According to the prevailing scientific predictions, the further development of the qualitative changes results in *radical* transformation of the entire socio-economic life in the advanced economies and in the establishment of a ***qualitatively new type of economy and society***.

One of the first *prominent* scholars (but not the first to rationalize the changes), who began evaluating the *vital* significance of the qualitatively new changes for the future transformation of the entire society in a large scale and ahead of his time, is the prominent US sociologist Daniel Bell. In 1970^{ies} he started forecasting, that the qualitatively new changes shall give rise to a *new* society. He argued that this society should be called *postindustrial*¹ and/or *information* society Bell.² Almost two decades later another US scientist – the economist Peter Drucker, defined the qualitative changes that have emerged *meanwhile* as the beginning of a *transition* to a *postcapitalist*³ society and to a *postcapitalist state*

¹ Bell, D. The Coming of Post-Industrial Society. New York: Harper Colophon Books, 1974.

² Bell, D. The Social Framework of the Information Society. – In: M. Dertouzas & J. Moses (Eds.), Cambridge: MIT Press, 1976.

³ The definition “*post-capitalist*” (as an alternative of “*post-industrial*”) society is also used by Dahrendorf, R. et al. to designate *approximately* the same *basic* characteristics of the future socio-economic system.

respectively. He stated, that such type of society is by nature a *knowledge society* Peter Drucker.⁴

The analyses, evaluations and forecasts on the further development of the qualitative changes have been increasing. The theoretical interpretations of the nature of the emerging new type of economy and society are also increasing. Therefore along with the indicated terms, the *latest* publications also include definitions such as *global, information, innovative, knowledge-based* society (or briefly "*knowledge society*"), *postcapitalist, postindustrial, technetronic, digital, posteconomic, knowledgeable* society etc.

One of the reasons for the differences not only in the definitions, but also in the related *essential* interpretations of the objective changes, is certainly that the contemporary socio-economic reality is becoming more and more complicated. But another indisputable fact is, that the differences, resulting in some publications in *mutually exclusive conceptual* interpretations, are indirect evidences for:

- still unsatisfactory results of the studies from *methodological, theoretical* and *practical-application standpoint*, in view of *clarification* and trustworthy *explanation* of the changes;

- the inability of the already established theoretical interpretation of the dynamic realities to perform **as required** *the immanent fundamental* function of a new knowledge in social sciences: *more reliably to reveal* the nature of its object, *more realistically to foresee* its overall further development, *to hold out in due time* the potential capacities and the reliable political and economic instruments for targeting the development in more favorable direction and parameters;

- the considerable lagging behind the contemporary requirements not only of the ever increasing interpretations of the qualitatively new changes, but also of *the theoretical doctrines* for socio-economic set-up and development **dominant** throughout the 20th century. Or the social science has not reached **the required** level, enabling the *duly* and *adequate* clarification of the problems of the reality, which is becoming more and more dynamic, accelerated and integrated on a national and global scale, as a prerequisite to implement the necessary *corrective measures*.

The most-important characteristic feature of the *modern* socio-economic realities, as a result of the actively developing technological, liberalizing, globalizing and integration trends, *is the increasing interdependence and interconnection of the changes among the* economic, technological, political, social, cultural-emotional and ecological processes not only on a national, but already on a planetary scale, expressing the *growing functional integrity* of the ever globalizing reality, requiring **to a certain extent an integrated interdisciplinary methodological approach and correspondingly more large-scale, more complex and more integrated system of theoretical and applied knowledge**. Without such an approach *it is impossible to generate the required knowledge any more*, which *reveal* reliably the qualitatively new nature of the objective reality, *foresee* its future changes in time

⁴ Drucker, P. Post-Capitalist Society. Harper Business Publishers, 1993.

and *offer* consistent *instruments* for **management of the changes** in a direction more favorable for the general human and environmentally-friendly development.

The direct doubtless effect from the qualitatively new changes is the increasing **material wealth** in the *industrial* countries. As a matter of fact however, the changes entail a lot of pressing problems, which are becoming more and more **global**. Due to their intensive world-wide discussion, only the most aggravated problems should be highlighted in a few sentences. Such as: paradoxically (for the general human progress) ever growing gap between the rising material wealth in a relatively small number of *advanced* countries and the ever rising *relative* poverty in most of the *underdeveloped* countries; the menacing depletion of the unrecoverable natural resources, which are lost for ever for the economy of the future generations; over heaping the Earth with more and more waste, threatened to become a waste deposit; destructing the natural environment and the equilibrium *to the crucial* limits; expanding crime and terrorism; intensifying erosion of the moral, emotional and cultural values, which discredits the spiritual and cultural development of the contemporary and future man; a demographic explosive without control.

Therefore in addition to ensuring a *higher material welfare in the industrial countries*, the present and future knowledge should serve reliably the socio-political settlement of the *key* problems, accompanying the qualitatively new *global* changes. Consequently *the overriding imperative* of each scientific initiative in generating the required (and more lagging behind) theoretical-applied knowledge on effective management of the new changes, could be formulated as: applying the **critical minimum of holisticity, integrity, complexity and interdisciplinarity** of the research at each stage *achieved*. I.e. by means of *quite comprehensive* and *integrated* theory on a global-historical scale, *the multifaceted fundamental* characteristics not only of the *future type of society* to be able to come to light, but also of the *current society* – *the corresponding progressive* place, role, limits and historical potential for evolution in the future. However it would not be attainable, *first*, without clarifying the nature and the forms of practical application in order to implement the *general* and *specific rules* (in each type of society and country), showing the inherent *single* nature of the general historic human development and, *second*, without available methodical and instrumental opportunity – to specify and project explicitly on their basis the current and future *trajectories* of *progressive* changes in each country stepping up at a higher and more specific stage of socio-economic development. Or it should mean, that the social science should reach the *cognitive-forecast* opportunities of a wide enough theoretical global-historical coordinate system applicable in practice, which satisfactory and precisely reflects, localizes and measures the multi-faceted qualitative and quantitative characteristic features of development of *all the* countries of the general human progress of the past, present and the future.

Dominant concepts in the modern social science

Among *the numerous* theoretical interpretations of the qualitatively new changes in the last century and respectively of the future society, the concept of

D. Bell on *the postindustrial* (incl. *the information*) society is in the focus with the most considerable impact. This is hardly a coincidence. From the point of view of the above-mentioned major requirements to the contemporary social science, it has a much wider perception of life and *methodological* approach for studying the present changes compared to most of the *previous* and *subsequent* interpretations. Until the 1970^{ies} the prevailing studies of the new changes were restricted *mainly* within *their specific features*. This is the reason why their results are more or less one-sided, contradicting each other, respectively of lower cognitive value. Unlike them, the theory of D. Bell begins not with a *direct* study of the changes, but with a clarification of the global historical and logical *periodization* of the socio-economic development in *all* the countries, as the *necessary wider cognitive context* to study the changes. Or this is the concept, that the in-depth nature of the emerging new type of society, as a *historically more-progressive socio-economic system*, can not be revealed in such an extent, as necessary to settle the current problems, without clarifying *sufficiently* the *specific distinguishing features* and characteristics of the *previous* socio-economic systems.

Most of the *later* research and interpretation of the emerging changes *after* 1970^{ies} were developed through the prism and methodology of the perception of life of the more complex theory on *industrial and the postindustrial* society. Their knowledge on the studied *specific changes* complement each other *to a certain extent* and in general resemble the necessary higher interdisciplinarity, holisticity and complexity.

Yet, the matter is whether it is sufficient and to what extent for the *successful* settlement of the most acute problems facing the modern development by means of science ?

Looking for the most sensible answer to this question, we shall try to derive **as concisely as possible the essence** of the **most significant** concepts, by means of which they contribute to approaching the required *complex* knowledge in general. It should be pointed out, that not their spacious one-sided and contradictory *descriptions of the new changes* are of interest for the purpose of this article. Most important are *mainly* the fragments therein of complementary inferences, conclusions and forecasts, enabling, *first*, the more reliable *interpretation* of the changes and the *prediction* of their further development; *second*, the detailed *elucidation* of certain specific features of the future society; *third*, the outlining of some *realistic opportunities* to settle the global problems:⁵

⁵ Due to the rather limited place there are brief quotations and synthesized paraphrases of *complementary key* concepts (simplified of course) mainly from the publications of: *Bell, D.* The Coming of Post-Industrial Society. New York: Harper Colophon Books, 1974; *Bell, D.* The Social Framework of the Information Society. – In: M. Dertouzas & J. Moses (Eds.). Cambridge: MIT Press. 1976; *Bell, D.* The Third Technological Revolution and Its Possible Socio-Economic Consequences. Tokyo, 1990; *Dahrendorf, R.* Class and Class Conflict in Industrial Society. Stanford, Univ. Press, 1973; *Dahrendorf, R.* Reflections on the Revolution in Europe. Copyright by Ralf Dahrendorf, 1990; Der moderne soziale Konflikt: Essay zur Politik der Freiheit. DVA, Stuttgart 1992; *Dahrendorf, R.* Die Zukunft des Wohlfahrtsstaats. Verl. Neue Kritik, Frankfurt a. M. 1996; *Dahrendorf, R.* Auf der Suche nach einer

- *Especially from historical perspective* the qualitatively new transformations have occurred first in **economy** and especially in the US *military industry*, and *later* – in the *external* economic activities (R. Reich);⁶

- The Production of *services* began to dominate over the production of *commodities*; on its turn the “*traditional*” services have been decreased on the account of the “*intellectual*” services; “blue collars” were being replaced by “white collars”; industries, requiring enormous resources and *capital* were being replaced by industries applying *science*; the investments in *the quality* of *human capital* have higher return and relative share, than investments in *physical labor*; the increasing *knowledge*, *professional skills*, *information networks* and *innovations* (being **unlimited** as an economic resource unlike the **nonrecoverable** natural raw materials and energy) are becoming a *key factor* in the socio-economic development;

- **the private capitalist property remains the Economic basis** of the emerging type of society (D. Bell, R. Dahrendorf etc.). Also therein “probably **the market** shall still integrate effectively *the business activity*” (P. Drucker et al.). Of course, along with the market in a specific way of *creation*, *distribution*, *exchange* and *consumption* of *the new type* of wealth is still in force. However based on private property, market and on *mass* specialization, standardization, concentration centralization of production of *industrial* society, already it /shall/ be replaced in *the postindustrial* (resp. *postcapitalist*) society by the more decentralized, dehierarchized (in the corporations), flexible, small-scale and *much more custom made just-in-time* production (R. Reich, A. Toffler). It assures respectively *more multi-sided satisfaction of the individual requirements* and *higher quality* of life (D. Bell). The higher quality of life, on its part, is favorable for the formation of *versatile creative personalities*;

- The two key *classes* of the *industrial* society – *the physical workers* and *the capitalists* – owners of the Means of Production, were replaced respectively by the *new class* of the *skilled workers/technical specialists* (knowledge-workers) and by the *managing intellectual (technocratic) class of the top management*. The latter “on the *political* level act as consultants, experts or technocrats” (D. Bell). The intellectual class of course, consists of scholars. *The key factor* for further structuring and stratification of the society is the *profession*;

- Along with the private ownership and the market competition, the current key criterion, determining the **motivation** of human activity – **the Profit is still a**

neuen Ordnung: Vorlesungen zur Politik der Freiheit im 21. Jahrhundert. Beck, Munchen 2003; Drucker, P. Post-Capitalist Society. Harper Business Publishers, 1993. Reich, Robert B. The Work of Nations: Preparing Ourselves for 21st-Century Capitalism, Softcover, Random House Inc. 1991; Toffler, A. The Third Wave. London: Pan Books Ltd., 1981; Toffler, A. and H. Toffler. Revolutionary Wealth. How it will be created and how it will change our lives. N. Y.: Alfred A. Knopf, 2006.

⁶ The *significant* cognitive and methodological value of this *causal* relation established with facts is in the empirical re-discovery and establishment of the *available* thesis in social science for the *primate of economics* and its development in view of the changes in the *other social* activities.

driver of the socio-economic development. But as knowledge, innovations and information /shall/ become a key *factor* of development, *educated* and *innovative* personalities are required instead, needing more *professional and creative freedom*. Therefore the decisive **motivation** for their professional and social activity /shall/ be *also* the personal *self-improvement, the ambition* to acquire a larger *creative potential* and professional *liberation*. On its part, the recognition of such a motivation /shall/ give rise to aspiration and conditions for *collaboration* (and not *class contradiction* as it used to be inherent for the *industrial* society) between the qualified workers and the managing class. Even more, in the *new* society the “labor conflicts /shall/ be /rather/ *institutionally* limited... and /shall/ not influence the other spheres of society” (R. Dahrendorf);

- The “productivity” in the *capitalist (industrial)* society, due to knowledge as well, has been transforming “the proletarians into a leisure middle class”, and later into a “bourgeoisie” (P. Drucker). Due to *the joint-stock* form of ownership and the so-called *economic democracy*, i.e. of the “forms of sharing the profits and of involvement in the decision-making process” (R. Dahrendorf), “the qualified middle class” is becoming a *partner* with equal rights in the company management. Therefore the *class antagonism* typical for the *capitalist* society remains in history as well;

- In the *postindustrial (resp. postcapitalist)* society the capital-function covers the capital-ownership (being the key *subject* in the *industrial* society of the *economic power* and to a great extent of the **political power**). As far as however in *the postindustrial (resp. postcapitalist)* society the capital-function – embodied by the *intellectual – managers’* class, controls and *sells* as a commodity the *information*, it is the new class, and not that of the capitalists-owners, /shall/ take over the *economic power* (wealth) and respectively the **political power**. This is the reason why here “the power is determined by the degree of information disposed” (D. Bell);

- If in the *capitalist (industrial)* society labor, capital and land (with its resources) are the sources of increasing the value and wealth, in the *postcapitalist* society “*knowledge, productivity and innovations* provide for the creation and self increasing of value and wealth” (P. Drucker). The share of *intangible* assets is increasing by increasing knowledge (A. Toffler);

- In the *postindustrial (resp. postcapitalist)* society *the joint-stock* form of ownership enables the middle class to become one of the key investment entrepreneurs (P. Drucker). It also eliminates the restrictions on the scale of the investments and entrepreneurship, resulting from the accumulation of the *individual capital-ownership* in the *previous* society. The issued shares, sold and purchased on the stock exchange, create already a *qualitatively new form* of mobilizing the capital and organizing the entrepreneurship. It suggests multifunctional forms of *alliance, mutual control* and *cooperation* based on the horizontal contracting, market coordination and *cooperation*. Therefore in parallel with the *further* improvement of the *market competition*, the share of the *extracompetitive*

cooperated activities and respectively new forms of *extramarket* cooperation is increasing (A. Toffler). All this provides for a higher *stability*, *efficiency* and *foreseeability* in the interconnected functioning of the socio-economic activities;

- Although that the “probably *the market* is going to remain the most efficient unification tool of the *economic* activity”, the share of the **extramarket creation, distribution, exchange and consumption** of the new wealth is increasing (A. Toffler);

- In the *postindustrial* society “*the culture, psychology, social life and economy* are generated **under the influence of technology and electronics** – especially of computers and communications”. The development of society is “**in a direct ratio**” to the technological progress. “Due to the communication technologies the culture is available for everyone and syncretic /unifying/”. Unlike the *industrial* society, here the “production process is *no more a decisive factor of the changes*, influencing the habits, *social system* and the values of the society” (D. Bell);

- The evolution of the technological progress along the so-called “social axes” results in intensification of the *integration* processes in the *new* society, resp. increasing the role of the **leading social institutions** and respectively strengthening the *social order*. Therefore “the future belongs to the societies, disposing of more-advanced technologies” (D. Bell);

- “*The knowledge-based economy.../has/ all chances to eradicate forever the global poverty...*, to leave behind the current *energy crisis*...and to settle the *global ecoproblems*” (A. Toffler);

- Gradually also the *evolutionary* (**but not the revolutionary**) setting up of “flexible and innovative *institutions*” of within the political democracy “optimum quantity and quality”, that “make room for the individual activity of people in groups and alliances”, correcting by feedback the work of the institutions, is the “hard way towards the liberation”. *All* the countries and people should go through it to the **high historical goal for them all**: “law-abiding *universal civil society*”, providing for liberation, and in the long run –“*global civil society*” (R. Dahrendorf).

The final conclusion is imposed by itself: the **main factor** of the present and the expected qualitative changes identified by most concepts is **knowledge**. Although not coinciding completely, their futuristic forecasts indicate in general, that the further strengthening of this factor along with the enlarging civil society should result in setting up of a well organized society without any acute *social* and *ecoconflicts*, where the new type of wealth should be created by specialists with higher qualifications.

However such optimistic futuristic predictions are unreal

First of all, indisputably, by means of the new knowledge some of the global problems shall be settled in a satisfactory way. For instance the discovery of new sources of energy and raw materials, of new materials and technologies couldn't but settle at least some of the deepening crises arising from the depletion of the unrecoverable natural resources and the pollution of the planet. The further enormous progress of knowledge, education and information and communication

technologies shall definitely be transforming the socio-economic activities *in advanced economies*, resulting in a *society of knowledge* as formulated in some concepts. On its part, the self-organized *civil society* in the *advanced democracies* has been expanding its functions in public also towards the “*global civil society*”.

Yet under the conditions of the dynamically developing liberalization and global competition of the current *global market system*, based entirely on the *objectives, determining the motivation*, the criteria and mechanisms of the **capitalist** ownership, neither an *universal global society* could ever be achieved (*even just* in the advanced political democracies), nor any further expansion and application of *knowledge* could settle satisfactory the most acute global problems. *Firstly*, because homogeneous *civil society* could not be achieved **before** setting up a homogeneous *economic society* (without any *antagonism and polarization*). The growing “middle class” which is becoming more “bourgeois” in the modern and future society /shall/ really create a better *economic and social* homogeneity, as a necessary environment for the enlargement and efficient functioning of the civil society. However as in the *new society* an *underclass* shall be existing, according to the predictions of D. Bell, R. Dahrendorf etc., consisting mainly of *physical workers* and being “unable to deal with hi-tech activities” (D. Bell), the new society *even only in the most advanced economies* is unable to reach the required *economic* homogeneity, in order to evolve later into a *general (completely self-organizing)* civil society. Due to the same causal relation, the optimistic prediction of Dahrendorf is much more unrealistic for setting up a *global civil society*, even in the far away future. Such a forecast could be reliable in principle, if it is not based on *realistic opportunities, discovered in advance* (but no such opportunities are available) *for aligning*, instead of *lagging behind* (as it is now) of the large number of underdeveloped countries compared to the economic and democratic standards of the leading countries. Without any approximately aligning under such standards even a minimum economic and political *homogeneity* of the countries *worldwide* could not be achieved, which is to result in *global political democracy*.

Secondly, under the contemporary global market conditions, for which no *radical changes* are envisaged in the future even in *the most influential scientific concepts*, knowledge might become a key factor of the socio-economic progress mainly in the few *advanced economies*, but not in the large number of *much more underdeveloped* countries. It is a fact, that the historical time of almost complete industrial age is between the most advanced economies and the most underdeveloped economies. The current global market practice has shown, that it is impossible to overcome the vast destination *in a natural evolutionally - historical way*, as the new knowledge is being developed and applied most dynamically in the most advanced industrial countries, while in the less advanced economies – it is the weakest or lacking. As a result thereof **the new factor – knowledge, contributes in practice to increasing, not decreasing the distance among the leading and underdeveloped countries**. Moreover, due to this factor the more liberalizing global market based on capitalist ownership is becoming a more

powerful tool for *redistribution* of the resources and wealth all over the planet in favor of the most advanced economies.

Thirdly, because by keeping the **economic base** of the current society into the *new* society as predicted in the most influential concepts – *the private capitalist* ownership and *the liberalizing global market*, shall continue to be the key reason in the future, that has been causing the global problems by now. And it will inevitably continue causing them. Such as **the further**: gap between *wealth* and *poverty* not only between the advanced and underdeveloped economies, but also between the “higher” and “lower” classes within the advanced economies; the increasing environment pollution of the planet, as currently 85% of the noxious emissions are from the economically advanced countries; of the demographic overpopulation, as “it seems that...*poverty is favorable for reproduction*” (A. Smith).

Fourthly, because it is methodologically not up to the standard the specific nature and respectively the differences between the “new” and the “old” society to be derived from the exploitation of qualitatively new changes in a relatively small number of *advanced economies*, instead on the basis of the discovered multiaspect and contradictory *nature* and *forms* of the **overall global historical development** of mankind, as a compulsory context for adequate evaluation of such changes in each country. It is becoming more and more groundless the futuristic visions to reach a *universal civil and ecosociety of knowledge* in such countries to be ascribed mechanically as *an analogical future* to any other developing countries, especially the underdeveloped countries worldwide.

Futuristic optimistic concepts to overcome by means of new knowledge and democratic practices of the acute problems in the modern society are actually and utopia and misleading dream for the mankind, that everything could happen *without eradicating the causes, thereof*. Just like in medicine, if only the *consequences* are attacked by the medication, not *the causes* for the disease, here the positive *practical* consequences could be just partial and temporary. The involuntary or deliberate **omission** in the numerous theoretical interpretations of the current and expected socio-economic realities of the deep *causes*, of the global problems, *respectively* makes *unrealistic* their predicted visions on the specific nature of the *new* society. This is an indirect proof for *the insufficiently revealed nature and role of the current (capitalist) society* throughout the human progress. It also means, that the perception of life and the methodological approach, on which they are based, are **insufficiently holistic, complex and interdisciplinary**.

Methodology of Karl Marx

1. In *comparison*, the scientific perception of the life and methodology of Karl Marx are much more *holistic, complex and interdisciplinary*. Actually, neither *before*, nor *after* his creative work until present, the social science has ever reached the wide-range, multi-aspect, integrated, logically immaculate and *cognitive-prognostic* potential of his theoretical system. Let's try focusing it as concisely as possible (due to the limited place).

To begin with, as an introduction, we shall remind some basic **axioms** of the universal cognition, that have been established long ago by the philosophy of the universal cognitive science, and Marx and his fellow Engels either reproduce, or formulate for the first time as a theoretical and methodological foundation of their scientific system.

In social science, as well as in natural science, there is no coincidence between “**essence**” (“*necessity*”, “*law*”) and “**phenomenon**” (*the specific “single”, “recurring”* and/or “*accidental*” facts, processes and interrelations, by means of which law appears on the surface of reality, usually as a “*trend*”): “if the *form* of expression and *the essence* of the things match exactly, any science would be useless”⁷ “In Nature, which seems to be governed by *accidence*, we have established long ago in each sphere *the inherent necessity* and *regularity*, manifested in this *accidence*. But it is true both to *nature*, and *society*” (Vol. 21, p. 172). The law itself, this “*inherent* and *necessary link* between two phenomena, that *seem* to contradict each other”, “functions rather as a *trend*, i.e. as a law, which is *hindered, retarded, weakened* to be implemented absolutely by the contradicting circumstances” (Vol. 25, part. I, p. 241 and p. 252). Therefore the “*empiric* observation alone is not able to prove the *necessity*” (Vol. 20, p. 533). In order to find the *necessary lawful link*, the researcher, as well as the “reader...should decide whether to step up *from the specific to the general*” (Vol. 13, p. 7). Because the “science ends where the *necessary link*, ends” (Vol. 20, p. 522).

However the world and especially the society consist of *single specific spheres* and of the corresponding single *rules* of functioning and developing, that should be discovered by each science. “The world is a *unified system*, i.e. an *integrated unit*, but the knowledge of this system suggests a knowledge of the *entire nature* and *history*, which is *never* achieved by the people. Consequently, whoever develops /theoretical – I.B./ *systems*, should fill in innumerable gaps with his own fictions, i.e. *irrational fantasies*” (Vol. 20, p. 614-615). And yet the more *integrated, more large-scale, more-complex* a theoretical system is, revealing the essence of as much rules as possible, the closer to the deep *integrated* essence of the studied object, and the less subjective (“*irrational*”) is its incompatibility and contradiction to this object under the same other conditions. Revealing the *integrated essence* of the studied object, required for the qualitative serving of the common practice, it means not only to *describe precisely* its current existence, but its further changes to be *predicted* as well. Therefore the **criterion** for adequacy of a certain theoretical system in terms of *the integrated* ontological characteristics of its object could be formulated as: as complex as possible *elucidation* of the

⁷ Marx, K. and Fr. Engels. Collected Works., Vol. 25, Ch. II, p. 359. As all the following quotations are from the *Collected Works* of K. Marx and Fr. Engels, the different volumes published in Bulgarian language between the years 1957 and 1978 without strict consequence, in order to *save place*, we shall specify only the respective volume and page *directly in the text*. Almost everywhere words and/or phrases in the quotations in *Italic* and *Bold* were highlighted by the author of the article - I. B. As it is well known, that the most important joint or individual works of Marx and Engels are a result of a collaboration – mutual discussions, development and/or corrections, due to the same considerations have not identified the specific author of either of them.

essence, concealed behind *its specific external forms of expression* and reliable *prediction* of the further changes in the essence, and in the specific forms of its **manifestation**.

The compliance with this criterion in *natural sciences* is very difficult, but in *social science* it is much more difficult: "Even the true reflection of nature is *extremely difficult*, as a result of a long history of experience... **In the sphere of the social phenomena reflection is much more complicated**" (Vol. 20, p. 623-624). The great difficulty and complexity is due to the fact, that, *first*, all the *social phenomena* are refracted by the *subjective* consciousness, motivation and *the unintegrated (contradictory) activity of the various people, classes and parties*, due to which *accidental* facts and the *opposing* circumstances here are *much more*; *secondly*, the revelation of the *latent regular links*, expressing in purely theoretical way the development process, requires first of all: "To trace back the *motive powers and causes*, which...are reflected as *conscious stimuli* in the heads of the active masses and their leaders... This is the only way, that could *lead us* to the knowledge of those **rules**, being predominant both in *history*, and in *each period* and in *each country*. Everything setting people in motion...*depends too much on the circumstances*" (Vol. 21, p. 305); *thirdly*, in order to further reveal ("cognize") the *rules themselves* – general and more specific in each period and each country, only on the basis thereof it is possible to *reveal* the deep essence of the social realities and to *foresee* its further development, actually it is *necessary to investigate the entire human history*. It means: to trace back the chronological panorama of specific facts, events and circumstances *throughout* the history (being a *historical method* of investigation); everywhere to separate "*essence from phenomenon, cause from consequence*" (Vol. 13, p. 497); to restrict with the "power of abstraction" *accidental* facts and *single* events from the *essential* characteristic features of the overall development of mankind; finally to derive and formulate *logically* the *significant* changes (*the required interrelations*), expressing the multi- aspect regular *development* of society (to which *the logical method is reduced*). The *insignificant characteristics should be separated from the significant characteristics*, as "history develops with leaps and zigzags and if it should be followed everywhere, a lot of material of minor importance should be studied". Therefore not just a *descriptive historical method*, but a *logical method* is *suitable* for revealing the laws. "However this method is nothing else, but the same historical method, without the historical form and the disturbing contingencies...". It is a "reflection of the historical process in the form of *abstract* and *theoretical succession*; a corrected reflection...*according to the laws*, provided to us by the actual historical process, where each moment could be considered at the point of **development of its complete maturity .../and/ classical form**" (Vol. 13, p. 499).

Consequently unlike *natural science*, where a practically successfully developed theoretical system enables the *shift* of transformations and in the *essence*, and to a great extent *in the specific expressions* of the tested object, in *social science* (mainly due to the refraction of the object by the contradictory

human activity) *potentially* mainly the *essential* changes could be predicted and much less – *the specific* changes in the *contradictory expressions (forms)* of the society. (Adding again, that the possibility is still *potential* only.)

2. The detailed analyses and scientific summaries of Karl Marx cover almost all spheres of society – constitutional and state structure, legal system and actual legislation, political and civil institutions, international and domestic politics, classes and class interrelations, civil, economic, cultural, spiritual life, etc. The corresponding theoretical *ideas* are subject to a critical parallel assessment. They are the forms of “social conscience” or of “ideology”, as he calls them in the sphere of history, philosophy, politics, economics, publicistic, culture, ethics, religion... and although tested most often separately, actually all of them have been analyzed only as a specific of the *common integrated essence*, related with the setup, functioning and development of the *entire society* in *all* countries from the antiquity until now. Therefore Marx was the first (and the last until now) to apply within a *holistic enough perception of life* and respectively *integrated methodological approach* to study the *entire* society.

As it is well known, *the main economic* work of K. Marx was completed, just like A. Smith, in his later creative period. This is not without reason. Lawyer by education and philosopher (PhD) by vocation, first he was interested in the essence and the development of various *specific* public activities. But looking for the inherent *essence* and the *profound (determining)* causes for the progressive changes in each of the analyzed specific social spheres behind their external forms of expression, actually Marx inevitably derived their causal relation from the organization and evolution of the *economic* life throughout the various historical ages. Or he established “the simple fact that had been implied under the layers, that *before* being in a position to be engaged with politics, science, art, religion etc., people should eat, drink, have a dwelling, have clothes; that consequently the production of the immediate tangible means for life at each step of *economic* development of a nation or an age, are the **base**, from which *the government institutions, legal concepts, art* and even *religious notions* of the people evolve and *by means of which* ...they should be *clarified* – and not vice versa, as it has happened before” (Vol. 19, p. 353-354)”. Therefore for example “*law* could not be superior than the *economic system* and the ensuing *cultural* development of the society” (Vol. 19, p. 21), meaning, that the “**prerequisites** of all social changes...should be searched for...not in the *philosophy*, but in the *economy* of a certain age” (Vol. 20, p. 275).

Yet *economy* on its part consists of inherent **prime causes and motive powers**, being the **decisive nucleus** of its *entire* system of *causal* interrelations, for their development into an *integrated* organism. Without being clarified in a satisfactory way, it wouldn't be possible to reveal its profound essence, to “become familiar” with the interrelated system of laws, expressing in a purely theoretical form the manner of its functioning and development both in the particular age, and in a global-historical perspective. In general the causes and the motive powers within

its entire system of causal interrelations are of general historical, material and *specifically* public nature (for each age and country). **The prime basic** and the most powerful of them all, having pushed its development *throughout* the human history and being identified by the social science, is the eternal ambition (since the antiquity) of everyone to provide for better living conditions and quality of life by means of economic activity. Expanding constantly his knowledge on nature and his social environment, man develops his own skills and experience, improving the means, organization and productivity of his labor. Or briefly speaking – man develops his *Productive Forces*. By means of them he takes and processes (“acquires” according to the term of Marx) natural resources, creates more *welfare*, provides for more *consumption, wealth* and *prosperity* respectively for himself and for the next generations. Consequently the increasing consumption and wealth, being the **ultimate** result of the activities of the above-mentioned **prime** cause and motive power, is the main *economic aim, universally valid for any* historical ages. But as the *aim* is attained *not just* through the *own* labor activity of everyone, but through the “*community with the others*”, all the individuals implement their own economic objectives through the objective (established long ago before him and regardless of his will) form of involvement into a *specific system of social relations*, called by Marx *Relations of Production*. *Firstly*, it covers the interrelations among the individuals, classes and *the complete* society not just in the **immediate** *productive* activity, but also in the *distribution, exchange* and *consumption* of the produced wealth⁸; *secondly*, it is an *universal* aspect and a characteristic feature of the economy in *all* historical ages; *thirdly*, it is actually a *qualitatively different* in each of them; *fourthly*, it is not an area, functioning independently along with the *specific* relations of the other public spheres, but on the contrary – it is an integral **decisive substructure (subsystem)** of the *entire* socio-economic system; *fifthly*, it is a very important *transmission* element of the *cause-and-effect* interrelations of the *entire* social system within a certain age and what is more – on its part it is also a historical *phenomenon-effect* (due to the attained level of Productive Forces), and of the newly established *cause*, and *the consecutive* specific (i.e. of the *social* nature) *motive power* for the further development of the Productive Forces, of the *entire* economy and the *entire* society during the new age; *sixthly*, it is an emerging *cause and motive power* replacing the previous one, just because of its *intangibly higher potential* to activate and to implement the *universal* historical motive powers and objectives of each economy by means of *its inherent specific* economic motives, objectives and criteria; *seventhly*, it emerges, develops and declines as a *unique subsystem* of the social organism not arbitrarily, but first of all as an *objectively necessary correspondence and a specific social form of functioning* and further *development* of the level of Productive Forces, attained during a certain age (Vol. 3, p. 21; Vol. 23, p. 192).

⁸ “Each production is an acquisition of nature by the individual *within a certain public form and by means of it...*” (Vol. 12, p. 711).

The objectively required unity and correspondence between certain historical *degrees* by the development of the Productive Forces and a certain *qualitative type of Relations of Production* are formulated by Marx as a *mode of production*. In each age is the *structural-decisive base* for emerging and development of *any other* social relations (spheres) in the *single* socio-economic organism (Vol. 13, pp. 8-9).

Revealing the essence, place and role of a certain type of Relations of Production, as more productive (from the previous one) specific form of society, enabling the *further* development of the Productive Forces and the further implementation of the universally valid for all ages *main economic objective* – the creation of an increasing welfare and prosperity, this is a *methodological key*, opened by the theory of Marx and provided to the social science for the *forthcoming* clarification of the in-depth essence and role of the various types of society throughout the historical ages. In addition, having identified *the immediate cause* for the historical *emerging*, and later *the decline* of a certain type of Relations of Production – being determined *mainly* by *precisely specified levels* of development of the Productive Forces, that “could be established **with the precision of the natural sciences**” (Vol. 13, p. 9), he paves the methodological way for the further revelation and **formalization of the entire** system of *economic* and *social laws*, only on the basis thereof it is possible to *clarify* adequately the past and to *predict* the further development of society.⁹

But “at a certain stage of their development, the material forces of production of the society come in contradiction with the available Relations of Production, or – which is just a *legal* expression thereof – with those relations of *ownership*, within which limits they have been moving. From forms of development of the Productive Forces these relations become fetters thereof” (Vol. 13, p. 9). The *objective necessity* appears of replacing the available Relations of Production by highly productive Relations of Production. But if from the point of view only of the **decisive cause** – *the mature Productive Forces*, the necessity could be established “with the precision of the natural sciences”, *its specific implementation in each country is quite a different matter*. Pursuant to the becoming aware sooner or later of the objective necessity of the “legal, political, religious, artistic or philosophic...forms” of public consciousness, the *actual change* of the old Relations of Production with new ones *could be effected historically more quickly or more slowly, as soon as* their cause *has matured* (Vol. 13, p. 9). And yet, no matter when the *specific* change may be, the theory should not omit the very essential *causal* interrelation, by virtue not the changed forms of public consciousness, but the *already* mature Productive Forces are the **determining factor**, i.e. *the objectively necessary cause* (from the point of view of the *progress*), imposing the change of the Relations of Production, and hence – of the entire social system: **“A social formation can never die, before all the Productive Forces have been**

⁹ Engels: “The entire perception of life of Marx is *not a doctrine*, but a *method*. He does not provide *ready dogmas*, but *bases* for further study and a method for this study” (Vol. 39, p. 340).

developed, under the available circumstances, and new, higher Relations of Production can never emerge, before the material conditions of their existence have *matured* within the old society..." (Vol. 13, p. 9).

The specific nature of the capitalist society in the light of Marx' methodology

1. The specific study of a socio-economic reality should begin with its specific phenomena and processes. This is the usual methodological approach for the social sciences. However the method of K. Marx is quite different. In the enormous specific-historical material studied by him he discovered one phenomenon, in which – similarly to the genome in biology, *the main essential* characteristics are encoded and especially *the determining causal* interrelations of the current socio-economic system - *specific* prerequisites, conditions and causes for *appearance*; its *general* historical and *specific objectives, motive powers, motives and criteria*; imminent *economic and social structure*; *general* historical and *specific individual manner of functioning, development and disappearing...* This specific phenomenon is **the commodity**. Therefore Marx began the investigation of the capitalist economy by mutually corresponding - *specific-historical* and *logical* monitoring of the development of the relations, expressed by this phenomenon for a period of several centuries.

On the one part, as a kind of useful wealth (i.e. as a *use value*), the commodity is an "elementary form" of *wealth* in *each* society, i.e. a "universal *wealth*" (Vol. 23, p. 47). As a such, it contains for *each* stage of the socio-economic progress a synthesized information on: the *general* human ambition of everyone to meet his increasing *needs*, being the *main motive and driving force* of *each* economy, as well as information on the *general* historical economic *objective*; *the productivity* of the *specific* labor (measured with the quantity of commodity of a certain type, manufactured by him), and hence also information on the achieved development of the Productive Forces (Vol. 12, p. 710). Being a product, aimed for exchange, the commodity, its numerous varieties and the productivity of the *specific* labor, covered by its economic parameters characterize also the achieved development *at the specific stage of the public division of labor* and of the *organizational-technical manner*, in which a *system* of relations of *production, distribution, exchange and consumption* of wealth, inherent for each manufacturing of commodities is implemented at this stage.

On the other part, however, the commodity is a *value* as well. In order to have an *equivalent* exchange of the *specific* types of labor, embodied in the different commodities, since the emerging of the commodity relations, the necessity arises for these types to be measured, exchanged and distributed in proportion (as an aggregate productive resource) among the various activities on the grounds of a single (abstract) measure of labor in society – the *value*, realized in practice as the *exchange value*. When the exchange value has reached, due to the *correspondingly increased Productive Forces*, its highest form of *logical historical*

development – *the money* (the completed *abstract* equivalent measure of the value), *the immediate prerequisite* arises for a *capitalist* economy and society to emerge (Vol. 12, p.727; Vol. 23, p. 242; Vol. 23, p. 164). But the very genesis of the capitalist economy, i.e. the “transformation of money into capital” (Vol. 23, p. 158-188) occurs just, when: *first*, the value of the commodities, generated by the immediate producers exceeds considerably (due to the *respectively* increased Productive Forces) the value equivalent of the quantity of commodities, required for their own professional and biological social reproduction (Vol. 23, p. 406), i.e. generating to a great extent a *surplus product* and *respectively a surplus value*; *second*, an important for society large portion of the immediate producers loose – due to (but not exclusively) the market competition – their ownership of the Means of Production and is transformed into a special type of commodity – “the labor force”, being compelled to sell itself and *being able to generate a greater value than its own value* (Vol. 23, p. 205); *third, in order to grow much more*, the Productive Forces require already a *large-scale* application of the Means of Production and labor force for the generation of a definite product, i.e. *cooperation* of labor of a *larger* scale (Vol. 23, p. 337, 346).

As a result from depriving the immediate producers from their ownership on the Means of Production and concentrating the ownership into a relatively small scope of persons, *two main classes* of capitalist society are formed – the labor workers (proletarians) and the capitalists (Vol. 4, p. 425). Especially in the earlier stages of the development of this society the two classes and their corresponding *Relations of Production* were not the only ones, of course.¹⁰ Nevertheless, when the society becomes more mature, they become more dominant on the account of the *reduction* of the inherited previous classes and economic forms, and the *capitalist Relations of Production* start *determining* the qualitative changes and the development of all the other economic relations and the other social relations (Vol. 12, p. 730). Consequently *the adequate* methodological approach to the study of the *capitalist* relations in society requires: first to ignore the “external” (insignificant) relations thereto, and to reveal their purely theoretical (regular) generation, essence and development up to the highest maturity. Having clarified *the regular* capitalist essence – important for the *progress in each* country, the *specific* socio-economic development in this country should be investigated in details, such as the *specific* scope of *mixed* – capitalist and *noncapitalist* relations. Only on this base and applying this methodological approach the investigation can already reveal sufficiently the *specific* nature, the mutual scope and the counter effect between the *capitalist* and *the inherited* (external) forms and relations, that have pushed forward or hindered the own development of the country during the investigated historical period.

¹⁰ Along with them “the vegetation of ancient, outdated modes of production, with the corresponding social and political relations continues” (Vol. 23, p. 11).

2. The large scale cooperation of labor generates correspondingly larger *use values* and “*common wealth*”. But *they are not the specific economic target* and the driving *motive* of the *capitalist* economy and society respectively (Vol. 23, p. 164-165, 600). Their creation is the *prerequisite* to meet *the specific economic target* and motive. In general it is the *production of a surplus value* or, identically – *self-increase* of the value, resp. the capital (Vol. 23, p. 515, 307).

Both from the historical, and from the logical point of view in principle there are two *modes of generation* of a surplus value: *direct mode*, by means of non payment of the portion of the embodied labor, which is *above* the value the labor force and which could be increased by extending and/or intensifying the working day; *indirect mode*, by increasing the *productive force* of the wage-labor on the grounds of *technological* application of more *knowledge*. Marx calls the surplus value created by means of the first mode – an *absolute surplus value*, and by means of the second mode – a *relative surplus value*. The latter is “generated by *reducing* the required working time” (Vol. 23, p. 326), as a function from the increased labor-productivity, which reduces respectively the *relative* amount of the value (resp. the price and the wage) of the labor force in terms of the *complete* value newly created by it and the product respectively. But even when the value and respectively the labor wage are increasing (which *almost* throughout the *entire* capitalist history has been in a *decreasing proportion* compared to the dynamics of the newly created value and output), this is equal to a *relative impoverishment* of the worker and respectively of all the working class – and such a sustainable socio-economic trend has been observed until now.

Also almost throughout the capitalist economy the generation of *absolute* and *relative* surplus value has been fluctuating – being entangled and dominating in the various stages of either way of their generation. And yet, in the initial stage of the capitalist society the production of *absolute* surplus value is clearly dominating, and *after* entering the more mature period - the *relative* surplus value is dominating. On the grounds of a vast empirical material mainly from history of England¹¹ Marx has proven, that in the course of strengthening the position of capitalism the working day was increasing until it reached the critical limits of duration of 14-16 hours, along with increasing intensity. But this was the reality not only in England, but also in most of the European countries. As a reaction against it, all the Western Europe was overwhelmed by a massive wave of worker's riots, strikes, petitions to the parliaments, street unrest, organized syndical, civil and political actions. Some of them turned into large *revolts*. The political power was *forced* to enact laws, limiting the working day, applied universal suffrage (including also the landless people), provided liberties for syndical, economic (especially cooperative) and political associations of the workers. It resulted in a *higher* stage of capitalist development: *the predominant* creation of a *relative* surplus value needs

¹¹ “England has always been a *classical* capitalist country. Due to this reason it was used as a key illustration of my technical presentation...The advanced industrial country demonstrates to the less-developed country its own future” (Vol. 23, p. 8).

correspondingly a *higher* development of the Productive Forces (Vol. 25, Ch. I, p. 279). and even more – an *overall “radical change* in the technical and social working conditions” (Vol. 23, p. 326). Thus, from a necessary *consequence* from *the previous* historical development of the Productive Forces, the *capitalist* Relations of Production turn into a specific *causal* factor and a motive power *for the further* development of the Productive Forces (Vol. 23, p. 600; Vol. 25, Ch. I, p. 282).

“The crucial point” (Vol. 23, p. 481) in the forthcoming development of the Productive Forces and respectively in the generation of a *relative* surplus value was the invention and the use of the **machine**. Replacing the skill of the manual work, it became a *direct* result of the “*technological application of natural sciences*”, converting “...the manufacturing process from a simple labor process *into a scientific process*, subordinating the natural forces to serve him, and making them act in favor of the human needs...” (Vol. 46, Ch. II, p. 187). But the previous use of machines in *single manufacturing operations* was *only the initial stage* in the application of science for the *specific target* of capital. With the development of technologies, the capital proceeded gradually to a *large-scale* elaboration and use of interrelated “**systems of machines**”. *The climax in their* development resulted in the “most advanced form of a *factory*”, i.e. the “*automated factory*” (Vol. 23, p. 429-430). And when this “sporadic industrial revolution” (Vol. 23, p. 484) achieved the *completed* “factory system”, the capitalism already stepped on “*its adequate technical basis*” and entered its mature stage of “*large-scale machine production*” and respectively “*machines manufactured by machines*” (Vol. 23, p. 395-396; Vol. 46, Ch. II, p. 185), which has always been carried out in a “*large-scale cooperation*” (Vol. 23, p. 632). Thanks to all that “at the same rate of development of the large-scale industries, the generation of actual wealth /and hence - *more surplus value* – I.B./ ...depends rather on the general level of **science** and on the *progress of technologies* or on the *application of this science in the production*” (Vol. 46, Ch. II, p. 192). *On the other part* however, one should not forget, that the wealth also depends on the capacity of the *cooperative* form of labor. Because the “machines, with some exceptions...function *only* in the hands of the *immediately common* or *joint* labor” (Vol. 23, p. 341). “Thus... *the cooperative* nature of the labor process has become a technical necessity...” (Vol. 23, p. 397), which is also *adequate* to the capital (Vol. 23, p. 376).

Due to the expansion of the *technological application of science* in extending and developing *cooperation* of labor, the increasing surplus value is not only generated, but it is also **accumulated** (*capitalized*). More and more “common wealth” and respectively *capital is concentrated* in comparatively small portion of the population, comprising the capitalist class. Due to the *accumulation* the capital starts reproducing itself *in an ever larger scale*. The process is accelerated by the /un/successful involvement of each capitalist in the market competition, as a result of which “a lot of small capitals are becoming a small number of larger capitals” (Vol. 23, p. 635). “One capitalist eliminates many capitalists” (Vol. 23, p. 734). Along with the **accumulation and concentration**, the **centralization** of capital is

developing as well. Its *basic* form is the “fusion of many...capitals.../via/ the easier way of establishment of **joint-stock** companies..., *the starting point* of a *broader organization* of the *joint* labor of numerous workers, *for an extensive development* of its tangible motive powers ... in **socially** combined and **scientifically** targeted production processes” (Vol. 23, p. 636-637). The incorporation of *joint-stock* companies tends to an “immense expansion of the dimensions of the production and to establishment of companies which were impossible for the single capitalist...the Capital, which itself is based on the public mode of production, suggesting a public concentration of the Means of Production and of the labor forces, *here acquires immediately the form of a public capital* (capital of *immediately associated individuals*) in contrast to the private capital, and its companies appear as *public* enterprises in contrast to the private enterprises. This is the *abolition of capital* as a private property *within the capitalist mode of production...*” (Vol. 25, Ch. I, p. 464). “In the joint-stock companies the *function* /of the *managers* of the capital – I. B./ *is separated from the ownership* of the capital... *This is a result of the most advanced development of the capitalist production*, a required *transitional point* to the transformation of the capital back into ownership of the producers, not into a private ownership of the disintegrated producers, but into ownership of the associated producers, into an *immediate public ownership*. On the other part, the *joint-stock companies* are a *transitional point* to the transformation of all the functions..., related to the ownership of the capital,...into functions of the *associated* producers, into *public functions*” (Vol. 25, Ch. I, p. 465. See also p. 466-467). “The capitalist *joint-stock* enterprises, as well as the *cooperative* factories, should be considered *transitional forms* from a capitalist mode of production to the *associated*” mode of production (Vol. 25, Ch. I, p. 469). Therein “...the Productive Forces...insist...in liberating themselves from their capacity of a capital, for the actual acknowledgement of their nature as *public Productive Forces*” (Vol. 20, p. 285).

The external symptoms for the urgent necessity of a *transition* to “*associated*” mode of production, as a result of the growing *concentration* and *centralization* of capital, are the more frequent *economic and financial crises* of different kinds, and especially the crises of the *relative excess production*, as well as the accompanying aggravated social problems and discontent. “In a single **sector** the *centralization* would reach its *marginal limit*, when all the capitals invested therein merge into a single capital. In a single **society** this limit could be reached, only when all the public capital is amalgamated either in the hands of a single capitalist, or in a single company of capitalists” (Vol. 23, p. 636). “Hand in hand...with the concentration and centralization of capital...*the cooperative form of the labor process* *is developing rapidly*, *the conscious technical application of science* *is evolving* ...*The centralization* of the Means of Production and *public nature* of labor reached a point, when the place in their capitalist shell is insufficient for them. The shell bursts open...the Capitalist production creates its own negation

with the *necessity* of the natural historical process...It reinstates again *not the private* property, but the *individual* property based on the gains of the capitalist era: of the cooperation and ... the Means of Production made by means of his own labor" (Vol. 23, p. 764-765).

When however the *centralization* of the capital and the *socialization* of labor (by means of cooperation) reach in a single country their *critical /macro/ limit*, this is *still not sufficient*, to begin a "transition" towards the "*higher form of production*". Further via expansion in *the global economy* of a "free trade" (i.e. of economic liberalism, promoted by Marx, due to his extremely free spirit¹²), of market competition, crediting, stock exchange mechanisms, monopolization and colonization, the capitalist relations should cover and "*entangle...all the people within the network of the global capitalist market*" (Vol. 23, p. 764). As soon as this process of "*universalization*" (a synonym used by Marx – of the contemporary term "*globalization*") is **completed all over the world** and results in the *ultimate* intensification of the endogenous capitalist opposition between *wealth* and *poverty*, the *objective necessity* shall arise for the capitalist economy to be replaced by a more productive economy. But as the growing wealth is concentrated mostly in the *economically advanced countries*, achieving *approximate economic equalization* due to the "free trade" accelerating their mutual processes, it is objectively necessary first the radical historical conversion to take place **in all of them only and almost at the same time**. However **it would be meaningless and without any historical prospects** in the **less-developed** capitalist countries, where the "progressive" and "civilizing" mission of the capital has not been *finalized* completely (Vol. 4, p. 331). **It would be without any prospects and even disastrous only in a single less-developed** country.

3. **Where** and **when** the *objectively required transformation* should actually begin in the *advanced capitalist economies*? This is the most discussed question of social science which is still open.

3.1. Considering **only the main (decisive) factor** for the *necessary change* to occur – **the marginal** development of the Productive Forces within the capital¹³, the mature moment for the change "could be determined with the precision of the natural sciences" (Marx). Of course, this is not only an *economic* problem, as the social evaluation for the stage of development of the Productive Forces is not always refracted through the prism of the specific **socio-economic** objective and

¹² "...The free exchange accelerates the revolution ...I vote *in favor of the free exchange*". If possible to formulate in one sentence the Marx' theory on the essence of the capitalist economy, the formula is: *capitalist* ownership + *absolutely* liberalized market + market competition on national and international scale + technological application of science.

¹³ "*The real margin* of the capitalist production is *the capital itself*, i.e.: the capital and the *self-increase* of its value appear *the input and output, motivation and aim* of the production; the production is just of production for the *capital*, not vice versa: the means of production are not just means for continuous *expansion* of the lifecycle of the *society* of manufacturers." (Vol. 25, ch. I, p. 269); "...its margin...is...a historical mode of production, corresponding to...a **restricted** age of development of the *tangible production conditions*" (Vol. 25, ch. I, p. 279).

consciousness of the various types of society, in some of which it could include other aspects as well. But it is primarily an *economic* problem. If under the conditions of a **completely liberalized market**, which according to Marx is the *adequate mechanism for the most dynamical development* of the capital, the development of the Productive Forces is retarded considerably or even stops – especially due to more frequent and continuous economic crises of the relative excess production, as well as respectively due to strikes and chronic unemployment, it means that, the *real* utilization and development of the Productive Forces themselves differs essentially from their *potential* utilization and dynamics. Consequently if the difference is essential and *continuously rises*, it means, that *in a purely economic perspective* the historical moment for the change is actually ripe.¹⁴ It means especially, that the “surplus labor of the masses has ceased to be a prerequisite for the development of the common wealth” (Marx) and, that the Relations of Production already offer “*more advantageous*” opportunities for the development of the Productive Forces than the previous Relations of Production.

3.2. However the matter of fixing the proper historical moment for the radical change of the **other social relations** and especially the *political relations* is not so apparent and definite, as only after them and by means of them *specific practical* change of the mature economic relations, and gradually of *all the other* social relations could be *really* effected. The indefiniteness is due to the fact, that in each country their *specific practical* change depends on “...a lot of different empirical circumstances, natural conditions, race relations, functioning external historical impacts, etc...” (Vol. 25, Ch. II, p. 333). And yet the *practical* moment of the change depends *primarily* on the sufficient *political consciousness* (“awakening”) on the *entire working class* for the necessary radical social changes. In addition to the corresponding *theoretical-political knowledge*, large scale *organized* economic (syndicate), political and even cultural-educational *associations* should be set up for this purpose, which should gradually become their own *political parties* (such as the first working party in the world the *Chartist Party* in England). Or therefore the necessary more organized *political majority* of the workers should be set up, as a precondition for attaining *social* majority subsequently. According to Marx, on its part, it requires the more powerful political parties of the *workers* to be united with the parties of the numerous stratum of the *peasants*. Thus, by means of the more-massive, more active and efficient involvement into the parliamentary-democratic life, it becomes possible to win the **power by means of elections** in the bourgeois-

¹⁴ Although the issue of the precise assessment of the *difference* between the *actual* and *potential* (*utmost*) use and development of the Productive Forces, and hence of the eventual *maturing* of the replacement of the Relations of Production is of paramount importance, it is a single, detailed and special issue, which is impossible to be focused here. It should be highlighted however, that especially from the point of view of the intensifying global current problems, it requires a *new methodology in principle*, comprising not only **direct economic** assessment of the *social* labour productivity but also of the corresponding scope of wealth, and the compulsory **indirect – social and ecological** aspects.

democratic state. According to the theory of Marx on the transition, this is the **logical, proper, most-reliable and preferred democratic** way of changing capitalism by a historically higher socio-economic system. Consequently both from theoretical, and from socio-practical point of view the concise formula is: **revolution** via *democratic-political evolution*. As the **decisive factor** for the required change is the **economic factor**, the most secure and general success of the revolution in such a “peaceful, evolutionary way” could be achieved in the *most advanced capitalist country Vol 23 p.38*.¹⁵ As the “revolt would be a madness where the peaceful movement could achieve everything quickly and safe”. Due to this reason Marx spares much time from his direct scientific activity for the theoretical and organizational support for the developing workers’ movements of syndical, political and even cultural nature - local, national and international organizations (“leagues”, “committees”, “societies”), such as: the Communist League in London, the Association of the German workers in Leipzig, the Cultural Society of the German workers in London, the International Association of the Workers in London (known as the *International*), the German Labor Party, the German Social Democratic Party, the General Association of the German workers, the German Socialist Labor Party in the City of Gotha, the French Socialist Party etc.

But after the first more important historical attempt in history for **nonparliamentary** overthrowing of the bourgeois power – the revolution in France in 1848 and especially after the bloodily suppressed Paris Commune in 1871 (where between 21 000 and 25 000 members were killed, and this couldn’t but give rise to ideas for the *respective* proletarian reaction), Marx further developed a new element in his theory for a “transition” from capitalism to the “higher form of society”. He promoted a new concept, whose continuously discussed and disputed essence will become later *one of* the causes for complete rejection of his *entire* theoretical system for the development of society. This concept is the so-called “**dictatorship of proletariat**”. It is impossible here to focus in details on the place, role and contents of this concept, as an element of his complete philosophy of society. It must be pointed out, that despite the notions by association for *violence*, *dictatorship* and even *terror*, associated with the first part of the concept, actually **not a single line** from the works of K. Marx does not contain neither directions nor appeal to the working class for *forcible overthrowing* of the political power through **dictatorship**. (nor any violence against the capitalist class and other strata of the population). It is well known from his corresponding publications, that he evaluated the Paris Commune as a *historically premature* act, being **bound to failure** due to the *insufficiently developed* economic and socio-political conditions (not only) in France. However the way, in which the workers in Paris and the entire “third class – retail traders, craftsmen and sellers” organized themselves primarily for an armed

¹⁵ Today “England is the only country, where the inevitable social revolution could be carried out *completely peacefully* and legally” (Vol. 23, p. 38).

revolt against Bismarck's Prussian occupation army, **after which they convened general and free democratic elections and gained** the political power, setting up a "lawful government", enabled Marx, and later Engels, to determine the Commune as "a real representation of the people", as a "completed form of proletarian revolution" and consequently as a *practical pattern* (model) of the "dictatorship of proletariat".¹⁶ In the texts, written by Marx on this issue,¹⁷ the *conceptual* meaning of "dictatorship" is reduced *briefly to*: using the *whole power*, won via **universal suffrage** to defend without any hesitation (in case of an eventual *counterrevolution*) of the proletarian economic and political interests (but also of the *social majority*); **democratic elections** and exercising the power without admitting neither *unprovoked* violence, nor even **terror** (considered by Marx to serve only the interests of the bourgeois class); **direct legislation**; *law of the people*; *people's home guard*; **freedom of speech**, keeping the *individual power and the division of the powers* in a **democratic republic**.

Scientific predictions by K. Marx and the specific socio-economic realities of the 20th century

The unscrupulous rejection of the theoretical legacy of Marx and even anathemizing it in some *non-scientific* interpretations "as a supreme fraud" and "offence against mankind" by the political, business and scientific establishment in the "Western countries", and lately in the Eastern ones is due to two artificially created and carefully "cultivated" throughout the 20th century giant *myths*: *Myth No. 1* - "Theory" and "Practice" of "Marxism" and "Leninism" are an integral unit. The "Practice" of "Marxism-Leninism" was subject to an unconditional historical collapse in the 20th century. This is the reason why the theory of K. Marx is void of any scientific value and of socio – practical usefulness for the development of the new realities; *Myth No. 2* – The theory of Marx on capital and capitalism corresponds to the socio-economic realities in the 19th century, but they are different in the 20th century. *The red thread* of this theory, that since its establishment capitalism will create the conditions and the subject of its own destruction by means of the proletariat, was not verified by the historical practice of the 20th century. Consequently "Marxism"¹⁸ is rather a revolutionary *ideology*, a political *banner*, *dogma*, *faith* etc., than a *scientific theory*.

Yet it is not difficult to demonstrate, that contrary to both myths, a lot of the key scientific forecasts of K. Marx *have already come true*. If we come back to the general

¹⁶ *Engels at the day of the 20th anniversary of the Paris Commune*: "Well, Sirs, would you like to know what is a dictatorship of the proletariat? Look at the Paris Commune. That was a dictatorship of the proletariat" (Vol. 22, p. 194).

¹⁷ See mainly Vol. 19, p. 29-33.

¹⁸ The concept "Marxism", used during the lifetime of Marx for speculative-ideological *misinterpretation* –of his scientific theory, **but not to identify the theory itself**, is from scientific point of view **incorrect**. Therefore at the end of his life (in 1880) Marx declared: "For sure,...I am not a *Marxist*... I have created a *science*, not a *sect*".

summaries and conclusions of social science after 1970^{ies} made in the beginning of this article, it is not difficult to see the striking coincidences (**usually without the compulsory quotations**) both in the applied methodology, and in the scientific insight of Marx into the future. *Some* of the most important **coincidences** are:

- Unlike the conviction, prevailing in the 19th century, that capitalism “is the best-possible world”, Marx proved scientifically and predicted, that it is a *historically transitional* society. [a century later this concept was established in social sciences, without quoting him];

- *Economics* and first of all the development of the Productive Forces [and for instance neither the “*Kant’s values*” of M. Weber, nor the *cultural* level of W. Sombart nor the ideas of the so-called *postmodern relativism*] is the **primary tangible** and **decisive reason** of the overall social progress of society. This dependence determines *correspondingly the actually productive methodological* approaches of the social science. [the same theoretical philosophy and the ensuing methodology will be “rediscovered” by the sociologists and economists in the next century. But as something brand new];

- The capitalist development is based on the “technological application of *knowledge*”. But under such conditions it is restricted by its specific objectives. For this reason *the full* (unlimited) spreading and application of *knowledge* shall not become real until the *forthcoming*, “higher form of society”. *Science* shall become the foundation of the “conscious and systematical regulation of the metabolism between Man and Nature”, and its full display and application shall give rise to a **new scientific-& technical revolution**. [Now it is observed in the leading advanced economies. In this regard we could not but remind the fact, that until 1950-60^{ies} the problems of the economic *development*, resp. *the role of the technical progress* therein, were **even beyond the subject** and *the theoretical models* of the economic science];

- At a certain stage the “*capital-function*” is separated from the “*capital-property*” and is becoming a *guiding factor* in its functioning and development;

- *The physical* labor is left behind in history. The human *intellectual activity* comes in the foreground in the new society. At the same time it reveals real opportunities for the harmonious physical and intellectual development of the human beings (in economics the so-called “higher *quality*” of the human capital);

- The development of capitalism and its immanent “free market” shall “entangle all the countries and nations”. This is a process of *universalization* of all the socio-economic, political and cultural processes worldwide, presently called *globalization*;

- As a result of the *market liberalization* which is inherent for capital a relatively small share of the population became richer on the account of the respective (reciprocal) relative impoverishment of the other large part thereof. [Such a trend is observed now in some countries, and globally];

- *Economic* crises and in the first place *the crises of the relative over production* are inherent to capitalism. They are expected to expand and to become

more-aggravated. [For instance it happened with the “Great Depression” on global scale. The same happened with the less minor “Petrol Shocks” in 1970^{ies}. The same refers to the current global financial crisis and economic recession, and if it is going to develop completely according to the internal mechanisms of the capitalist economy, i.e. *without the initiated massive /inter/governmental intervention*, it would probably grow into the consecutive, even larger “economic depression”];

• *The transition* from capitalist society to a “higher form of society” shall start in the *countries with dvanced economies*. [Even much later in history than logically predicted, it was confirmed by the initiated transition to a new type of society in the 1970^{ies}, interpreted by social science as the onset of the “postcapitalist”, respectively “postindustrial” society and other names of societies].

The most significant prediction made by Marx, in view of the *transition* to a new society, which **has not come true in the specific** socio-economic and political realities of the 20th century is, that *instead in the advanced capitalist countries* and in *peaceful parliamentary-democratic* way, the private capitalist ownership was replaced with “public ownership” (or more precisely with **state ownership**) *in one, underdeveloped country*, and moreover *by means of armed violence*. Actually this was the main argument to proclaim the theory of Marx historically irrelevant and “scientifically erroneous” (Keynes). However looking for a direct and automatic link between the requirements for the laws of development of society revealed through this theory and their historical implementation *more slowly or more quickly* (usually as a stronger or weaker *trend*) in the specific practical life, is scientifically wrong on its part. The brief outline of Marx’ theory shows, that in the extremely complicated and conflicting socio-economic reality there is no direct relation between the *objectively necessary* (for **the really progressive development** of mankind) “essential” causal interrelations of this reality and *its specific* “manifestations”, by means of which the *necessary* mutual relations are implemented ultimately. As the *social* changes are the cumulative ultimate result of the *individual* contradictory human activities, *sometimes even a century is not sufficient*, in order to start gravitating to the *objectively necessary characteristics* and respectively to the *midstream* of the historically *true* (at any time) universal progress.

Besides just a part of the scientific prediction of K. Marx about the transition to a higher society has not come true yet. For example *the determinant objective* conditions for the requirement to replace the capitalist ownership with *direct public* ownership were already available in the first decades of the century. These conditions are real and can not be challenged. They are, *firstly*, the large-scale machine production based on the technological application of knowledge and the overall joint-stock ownership (i.e. *socialized in practice*). Meanwhile however, the determinant conditions are always accompanied with the crises of the relative excess production and unceasing unemployment. It means **considerable insufficient utilization** and even *wasting* the aggregate Forces of Production. *Secondly*, since in the second half of the 20th century a *profound* change was initiated in the advanced countries not only in the *way of functioning*,

but also in the *forms* of capitalist ownership, (which was undoubtedly established by the social science at that time), on its part it is a *proof* of the authenticity of the *regular causal* relation discovered by Marx between a *certain* level of the Forces of Production and the *essential* changes in ownership. *Thirdly*, in order to materialize in practice the imminent objective necessity of a radical replacement of the shareholding capitalist ownership (socialized in practice) with a *direct public ownership*, the classes *interested* in the change need historical and technological time, to *realize it*. And later – through their parties organized sooner or later, to defend their interests and the interest of the large masses, they could really implement it in a *parliamentary-democratic way*.

What really has not come true from the scientific prediction of Marx how to carry out in practice the required replacement of the *capitalist ownership* with *direct public ownership in the advanced economies*, is the available *relative impoverishing proletarians*, to carry out the change in *such* countries. On the contrary, as argued by P. Drucker, in the 20th century “the proletarians of K. Marx” were becoming a “leisure middle class”. As a result thereof, one of the basic contradictions of capitalism –*between wealth and poverty*, was fading away. But *only in the advanced economies*.

Actually the enrichment of the proletariat in the *advanced economies* and the unwillingness of the class to carry out the change of ownership was due to *two major historical events* in the beginning of the 20th century. They resulted in essential (“*genetic*”) *mutations* in the main types of societies in the previous century. Both events do not stem from the objective inherent nature and respectively necessity, imposed by the specific laws and mechanisms of the capitalist self regulation and development, *on the basis of which Marx derives his logical predictions*, such as: the so-called **Socialist October Revolution** and followed by (but also resulting from) *the major turn essential turn* to multi-sided **reformism** in the leading capitalist countries. They were implemented *actively* and *exogenously* towards *the inherent, competitive and liberal nature* of the market and laws of capitalism. Therefore the two events could not have been predicted logically. Later they would change radically the *natural historical* way of functioning and development not only of capitalism, but of the entire world reality in the 20th century. Even more, they will even drive them in two, *opposite* directions of global changes, which actually shall *turn out* to be not a prologue, but ultimately a *brake* for the **actual** worldwide *progress of humankind*.

1. In the beginning of the 20th century the population of Russia consisted of 85 % peasants, owners of small, mainly individual farms. The remaining **small part** were traders, clerks, intelligence, capitalists *and*, of course, *workers*. Most of peasants were illiterate, the workers - semi-literate. **There was an enormous difference** between the level of development of capitalism and especially the Forces of Production in Russia and the level in the USA, England, Germany, France, Holland, etc. However this difference would not turn out to be a significant difference in this very “underdeveloped Russia”, with extremely outdated feudal-

bureaucratic government institutions, with “intermediately weak capitalism” and with “semi-Asian lack of culture” (as determined by the future leader of the October Revolution – VI. Ulyanov-Lenin), for a “proletarian revolution” to take place. Therefore he established his own party abroad (in Zurich, where he lived in exile), and not in Russia, as it should have been (but it was not!) a broad organized proletarian movement. Subsequently his party, and not the objectively required for this purpose, numerous politically conscious working class and party respectively, shall turn out to be the possible practical instrument for the successful revolution. Yet, the success was mainly due to the enormous hunger, impoverishment and mass death of the Russian Army (mainly from peasants) After the First World War.

Lenin undoubtedly has studied the theoretical and publicistic works of K. Marx. But out of the foundations of his complete theoretical setup and especially the theory of transition, he would extract and impose for the situation in Russia his own, **interpretations, different in principle**, to *replace* the logical “cornerstones” of Marx’ theory and without them Marx’ theory loses its *scientific* importance (regarding the *specific* realities in Russia). Even more, Lenin and his followers would present later their own interpretations as a further *scientific* enrichment and *practical application* of Marx’ theory. And when *some* of their ideological opponents in the Russian socialist movement – the *Menshevik Fraction*, reminded about the key condition from the theory of Marx to carry out the proletarian revolution – the *marginal economic* development of capitalism, Lenin would accuse them in “vulgar economism” and “pedantism”.

1.1. There are three “cornerstones” in Marx’ theory on the *transition* to a higher society: *simultaneous* victory of the proletariat *in the economically advanced* countries;¹⁹ *democratic-parliamentary* way of victory; *direct* people’s rule/sovereignty of people” (Vol. 19, p. 29). *Instead of them* Lenin successfully imposed in the public policy in Russia three **quite opposite substitutions**: *a/* victory of the proletariat in a *single underdeveloped* country; *b/* dictatorship of proletariat (however, not the complete proletariat, by only of the “avant-garde” part thereof and respectively a *party*, even if it is a *small party*.²⁰ This would not be a hindrance to the proletariat to appropriate the political right to impose their will, interests and power on the *entire society*); *c/ democratic centralism*. Only he – the leader of the revolution, the leader of the Avant-garde party (and later of the state as well), has unlimited decision-making power.

¹⁹ The question: “Is it possible the proletarian revolution to be carried out in a *single country*?”, was answered in 1847 by Engels: “No. Having created the global market, the industrial corporations link all the nations all over the Earth, especially the civilized nations in such a way, that they are interdependent ...The industrial corporations have *aligned* the development of society in all the civilized countries, that...the revolution will be not only national, *but is going to be convened in all the civilized countries, i.e. at least in England, America, France and Germany*” (Vol. 4, p. 332-333).

²⁰ For instance, when in the *summer* of 1917 (i.e. *prior* to the revolution) the Provisional government of the Menshevik – Socialist AI. Kerensky held elections for a new Constituent Assembly of the Russian DUMA (Parliament), Lenin’s Bolsheviks won *just by 148* MPs against 419 MP of the Essers-Socialists of 700 members of the DUMA.

How the *small* Bolshevik Avant-garde party would impose in practice their will on the entire society? According to its leader, only through “power..., strengthened by **violence**,...not subject to **any laws**”²¹ and /even by means of a/ “mass revolutionary **terror**”. The above-mentioned three basic *substitutions*, **quite different** from the scientific nature of Marx’ theory on transition will complement each other jointly and shall become such a monolithic political “alloy”, which is to ensure the victory of the October Revolution. However these substitutions shall bury for a long period of time the derived basic values of the socialist idea, as they would be reproduced in “*socialism*”, without *liberation* and *democratism*. A **superconcentrated** state machine will be born out this “alloy”, which would inevitably degrade later into the traditional Asian pyramidal-despotic regime of power. Therein the *personal* political ideas and the decisions of its commander-in-chief would also be inevitably imposed both as a *public law*, and as a morality, and as a supreme fate for all the other people. Mensheviks (one of the numerous *small* fractions of the *socialist* movement in Russia, along with the Esser party members and the Bolsheviks) shall determine the ideas of Ulyanov-Lenin as a “*mad* attempt to seize power, allegedly for socialist revolution”. A few years later (in 1918) Karl Kautsky shall condemn them as a “*reckless experiment*”, to end (and it ended indeed) with “appalling collapse”. G. Plekhanov will prophecy, that the adventure shall become a “political monstrosity” (and indeed during the age of Stalin it was degenerated into a real “political Frankenstein”). Likewise - Maxim Gorky, R. Luxembourg and many others considered him “intolerable”.

1.2. The procedure and the historical price of this giant social experiment (not only for the Russian people) are well known. Regarding this topic only the directly related events should be reminded, being the practical result from the conceptual “corrections” made by Ulyanov of the Marx’ theory on transition, especially in view of the dictatorship of proletariat.

Since the very beginning of the revolutionary experiment the entire country was seized by an utter chaos, violence and terror. As the *vast* part of the society – peasants, workers (incl. Bolsheviks), intelligence, clergy..., was against the measures imposed by force, they were accused to be “*disloyal*” to the revolution and hence: “unreliable”, “hesitating”, “idlers”, “intrigants”, “conspirators”, “reactionaries”, “counter-revolutionaries”, “banditti”, “pests”, “saboteurs”, “enemies of the people”, “speculants” etc. For this reason they were arrested in a mass, sent to labor camps and concentration camps or executed by firing squad (without court). “*Whoever is not with us is against us!*” – was the main political motto and banner of Lenin. As the bankrupt state as a result of the World War, followed by the Civil War, among other things lacked food, the so-called “overstock” was looted by force and gratuitously from the peasants (i.e. almost the entire population). In most cases they were doomed to starvation. Every resistance by the farmers was

²¹ This quotation and the following are from the *Russian* publication of the works of Lenin, V. I. Vol. 37, p. 245.

suppressed by the especially established *punitive* detached forces. *Hostages* were taken from the defeated rebels but also from the *innocent peaceful* population, being executed in public to serve as an example and as a preventive measure (to strike fear). Let the **“other look, let them shudder and shriek”** – ordered the Leader of the Revolution in one of his telegrams. (And this is not different from Caligula’s words: “to hate, but to fear”). As for instance the great Tambov peasants’ rebellion broke in 1921, it was declared to have been “organized by the Kulaks” and the government sent a **48-thousand military detachment** headed by M. N. Tukhachevsky, to suppress it. The revolt was drawn in blood. Any other real or *supposed potential* resistance was repressed in the same way: “In Nizhny Novgorod probably a revolt is under preparation by the White Guard ...You must set up **three dictators**...and immediately **initiate mass terror, you must execute** and intern hundreds of prostitutes, drunken soldiers, ex offices ...you must intern in **mass Mensheviks** (only because they are *opposition* – I.B.) and the unreliable...” (*Lenin, V. I. Vol. 50, p. 142-143*); **“Merciless mass terror** must begin...**The suspicious ones** must be imprisoned in a **concentration camp** outside the city” (*Lenin, V. I. Vol. 50, p. 143-144*); **“...Execute** the conspirators and the **hesitating people without asking anyone** and without putting off idiotically” (*Lenin, V. I. Vol. 50, p. 165*); “In order to avoid any *plots*, all the cadet and the public surrounding the cadets must be **arrested**... It is a crime not to be **arrested**” (*Lenin, V. I. Vol. 51, p. 52*).

1.3. All that could not be included in the historical, ideological and practical balance of Lenin’s concept about “dictatorship of proletariat”. However **not a single inference** – neither theoretical nor applied, with Marx’s theory on *transition from capitalism to socialism* could be found there. The same refers to the *overall Marx’ theory*. How much it was understood by Lenin, or whether he has become acquainted with its authentic historical essence with scientific application, is shown in his first steps in the major sector – *economy*, after acquiring the political power. This is an **absolutely unrealistic attempt** in an *underdeveloped* and already ruined economy in 1918 to impose the so-called “military communism”. It is a matter of replacing the *market* relations with *natural relations*, i.e. “uniting the **entire** population in **consumer-productive communes by force**” (*Lenin, V. I. Vol. 36, p. 74*). But due to the failure of the most severe, later “revolutionary” measures for “equal forced labor for everyone”, for “labor discipline”, for “party control” and “state control”, the country suffered an acute economic crisis²². Therefore the Leader was forced to move into the reverse (“two steps backwards”) to the so-called New Economic Policy (NEP), recovering the *market* relations, even partially. But even then (in 1922) he has not left his main revolutionary arms: “The key mistake is to think, that the **terror was** eliminated by NEP. We shall come back to **terror** and /even – I. B./ to the **economic terror**” (*Lenin, V. I. Vol. 44, p. 428*).

²² In 1921 the economic results from industry and transport were **13 times lower** than the *pre-war* production.

1.4. Among the numerous analyses and assessments about the historical place and the role of the **Lenin** experiment and especially the causes for its collapse in the end of 20th century (as an already ripe and logically inevitable “end” – the self-collapse of the *Soviet State*), one of the most frequently mentioned causes is Stalin. He was a rude person, very cruel, power-loving above all. This is confirmed by a lot of historical facts. Yet the facts have proven, that whichever personality reaches the top of the super centralized political pyramid, created by *Lenin*, (defined either as “state socialism”, or as “state capitalism”), the result would be the same. *Firstly*, almost no other power, except for the biological laws, is unable to overthrow the latest leader from the top of the pyramid; *secondly*, as a rule he is called the “Great Leader”, “Brilliant Thinker”, “Outstanding Theoretician” etc., worthy a monument during his lifetime, and after his death to become a mummy in a mausoleum; *thirdly*, in the political practice and vocabulary – someone whose eternal fundamental of the socialist idea - *liberation, justice, democracy, self-management* have a symbolic and imaginary meaning, but **not a really practical** meaning. Stalin, Mao, Enver Hoxha, Kim Il-sung, Pol Pot... These are the extreme examples from the too-long list of “socialist” leaders, characterizing this vicious type of political setup as precisely as possible.

1.5. Actually regardless of the high social price of the gigantic historical experiment, made by Lenin and his followers, if ultimately it had evolved in a society, *much more-humane than* capitalism and **mainly** – if it had generated *rationality and efficiency higher* than the capitalist rationality and efficiency, the experiment would have been evaluated by history as “successful” and “*progressive*”. On their part, the ideas and the work of Lenin, called *Leninism*, could later be further substantiated in the *respective* degree as “*further enrichment*” and even as a “*revision*” of Marx’ theory on development of society, and especially the replacement of capitalism by socialism. But this voluntaristically established socio-state system has not passed the historical examination, not only because Russia failed to fulfill *the compulsory “progressive” and “civilizing” mission of the capital and capitalist age*, as outlined and required by laws of development of society developed by Marx. Such type of society was set up **by means of violence in the natural course (i.e. contrary to the laws) of history**. Therefore except for the *common phraseology*, **there is nothing to connect Marx’s theory with Leninism**. The ideas and the work of Lenin are not only **no** further *development* of Marx’ theory. They are generated in *extrascientific* way, **deliberately distorting** this theory and from **strictly scientific standpoint** are groundless. Hence the mix “*Marxism-Leninism*”, speculatively promoted in public, is scientifically unsound. But it is much more ungrounded throughout the 20th century the myths of Marx to be identified with the shorter (“*collective*”) concept “*Marxism*” both in terms of his theory, and its broad, one-sided, inconsequent and contradictory *interpretation* by the numerous imitators, even throughout **the political and ideological practice** in the Soviet-block countries.

2. The main causes for the *radical turn to reformism* made in the capitalist world during the 1930^{ies} are of *endogenous* and *exogenous* nature. On the one

part, the aggravated *internal contradictions* of capitalism, especially in the beginning of the century. On the other part – it is the *external and worrying example* of the *Soviet state* born out of the October revolution for the historical prospects. Although artificially generated, and despite its enormous domestic and international difficulties, due to its gradual strengthening it has become a practical demonstration and argument for the *real* opportunity for *socialist* society, i.e. *alternative* to capitalism.

The endogenous contradictions of capitalism by the end of the 19th and the beginning of the 20th century between: *the achieved level of development of the Productive Forces* and *their considerably incomplete utilization, the relative excess production and insufficiently solvent demand, wealth and poverty* began to exacerbate not only in England – the most economically advanced country in the 19th century. It should be reminded, that in the middle of the century England had completely mature (“classical”) capitalist relations, with a *relatively* highest automatic market regulation worldwide, with the competitive advantages of the largest colonial empire and the largest share in the global capitalist market, with extending joint-stock (socializing) ownership. And nevertheless, in the previous century England has suffered *numerous* economic crises. In international scale its economic dynamics gradually began to weaken – it stepped down from the leading position to the third rank in the world in industrial development. After the First World War (especially in the second and third decades of the 20th century) its economy entered a stage of continuous insufficient utilization of production facilities, high unemployment and a high deficit of the balance of payments. Its economic and social oppositions were extremely intensified, powerful national liberation movements and wars spread throughout its colonies. Nevertheless the endogenous capitalist oppositions were exacerbated also *in the other* industrial countries, which meanwhile have succeeded in *catching-up* the economic development of England. They were: first the USA (but already with 37% unemployment in 1908), followed by France and later Germany, Italy, Japan. As a result of the catching up, they persistently joined the struggle for acquisition of a *corresponding* share of the colonial division of the world. They also need it to ensure cheap raw materials, low paid labor and especially *markets* for the increasing relative excess production therein. Because, when the equilibrium between the relative excess supply and the solvent demand is increased up to such a point, requiring the production **to stop** until the equilibrium is restored, the possibility remains - *either* to increase the wages of the workers (as it *started* after the Great Depression), or to gain markets abroad. At the point when the colonial division of the world and the expanding global market reach their limit, the objective opportunities for extensive geographic expansion of capital and respectively **notdecreasing relative profits** will be exhausted. Therefore Marx *logically* linked the future fading away of the capitalist age with the “*complete* entanglement of all nations into the net of the global capital market”. And as the “free trade” *accelerates* this process, just like Smith, he is a “**proponent**” of the *economic liberalism*.

As it is well known, World War I (as well as World War II) was initiated as a *noneconomic* tool for conquering of new territories, resources, colonies and markets or dominated by other country. But although *indirect*, it had two more *important* tasks. *On the one part*, as a paradox the war created *favorable* conditions for the beginning, and to a certain extent for the success of the October Revolution (due to the weakened countries due to the war). *On the other part*, similarly to any other war – it absorbs and depletes for a short time the *surplus* stocks of military and civil goods, accumulated so far, making way for the production of new goods. Thus it *correspondingly retards* the subsequent cyclic crisis of a relative excess production. However the war *only retards*, but *does not resolve* neither this nor any other problems, arising from the *endogenous capitalist contradictions*. Only a decade later, an evidence that the objective opportunities for the *further* expansion of the colonial possessions of the global markets as well, correspondingly for the extensive increase in the aggregate capital and for *not-decreasing* relative profits, *have been exhausted in practice*, is the **World Economic Crisis** in 1929. Being not only the latest, but unprecedentedly large-scale and acute crisis *of the relative over production*,²³ it is a current doubtless proof, that the endogenous laws and oppositions of the capitalist economy, revealed by Marx **really exist**, that the oppositions are bound to *exacerbate* and, that *in order to survive in the future*, capitalism needs **profound reformation**. The first economist living at the time of the so-called Great Depression, who has identified it as *endogenous* crisis of the over production, resulting in the inability for sufficient self-regulation of the capitalist economy, was J. M. Keynes. His *main* idea for **active** government policy for increasing *correspondingly* the *aggregate "effective" demand*, turned out to be a successful prescription against accumulation of *excess* inventories. Thus one of the *basic endogenous oppositions and hindrances* of the capitalist economy was resolved as a problem (although not finally and not systematically). *To a certain extent* there is a new way for its rather unimpeded functioning and development. But although oriented mainly to the theoretical solving of this *specific* essential problem, with practical application, the Keynesian prescription also *suggests* the **potential basic trend**, where to look for *analogical* decisions for diminishing the *remaining* endogenous capitalist oppositions, i.e. the **corresponding reformation** of capitalism. In general, this trend are the opportunities, investigated mainly *pragmatically*, to *match the* market-price *auto-regulativism* with the *active* role of the state for *further* regulation of *each* public activity, with intensifying oppositions. As a result thereof, despite the theoretical arguing by the neoclassical schools, throughout the 20th century and in the beginning 21st century the state has expanded and improved its *active* functions (especially the *strategic ones*) in all the market countries.

As it is well known, thanks to the "Keynesian revolution" the capitalist *economy* in the advanced countries has been developing comparatively without crises for almost four decades. **But no longer**. Thanks to the sustainable

²³ For instance in the USA the production dropped down *twice* in 1932.

economic development the capitalist *society* flourished as well. But **only as such and only in the advanced economies**. It was the capitalist class that started increasing the labor wages after the Great Depression, weakening the opposition *between wealth and poverty* indeed. Thus the working class in the rich countries was not looking for radical social changes any more. Meanwhile, however, the capitalist class in these countries opened up in parallel *foreign-economic* opportunities and forms to compensate the decreasing *relative* profits in the domestic economy by means of *asymmetric* trade and economic agreements, quotas, prices, prohibitions, relocation of labor-intensive and polluting industries to the poor countries, which are widely applied in its favour and **with the assistance of the government...** As a result thereof, the rich economies and states have become richer, and the poor states – poorer accordingly. On the other part, the increased income of the wage labor, in the industrial countries, as well as their *active* state policy for new job opportunities, for wider social services, for budget investments in public and private partnerships, etc., increased the aggregate solvent demand. In addition, they reached their most aggressive forms and means, they have not reached before, stimulating growing “effective” consumption. Under the pressure of the speculatively promoted “Fashion Seasons” in: clothing, cars, residences, furniture, the prestigious goods until yesterday are to be thrown away in order to give way to more - prestigious ones on the market. Being an end in itself, the lavishing consumption and *excess* consumption have seized not only the opulent, but also the middle class, the intermediary strata of the population. But again just in a *relatively small number of rich countries* worldwide.

3. During the second half of the 20th century the advanced capitalist economies and societies respectively entered a **paradox stage** of their historical place and role in the *general human progress*.

On the one part, as a result of the various *reforms* applied more frequently therein *and* the *respectively* weakened endogenous oppositions, they enjoy *additional* opportunities for the *future* development of the Productive Forces, thanks to a new knowledge. Especially following the economic crisis in 1970^{ies} (“the petrol shocks”), making mankind realize, that the natural resources are actually limited and are running low, large-scale state, international and business-initiatives have begun to generate and apply much more scientific knowledge to the reduce *the energy – intensive and resource intensive nature of the goods, environment and resource capacity* for environment protection and recultivation.

Yet, **on the other part**:

- The lower energy and input intensity of the *individual* goods *as a result of* the reforms **has been increasing as an aggregate consumption** in the *gross* commodity mass, manufactured worldwide. Moreover, as the specific goal of each capitalist economy - higher “growth” of commodity and monetary wealth (as a function of self-increase in capital) requires the Productive Forces to generate more and more goods and services with added value, especially since the end of last century the *economically advanced capitalist economies* **due to this new**

technological knowledge have already started resembling a giant “turbo-pipe” with ever increasing capacity for processing natural resources.²⁴ The inlet end of this “pipe” sucks in more and more rapidly the natural raw materials and energy carriers of the *entire* planet, and the outlet end – throws them away, processed in an *excess-abundance* of commodities to provide for the *excess-consumption* and *excess-wealth* of a *relatively small portion* of the people of our planet. However on the account of **the ever increasing total consumption of energy and inputs in the global economy**. Thus one of the main global problems – the depleting natural resources, has failed to find via new knowledge the required radical and favorable decision for the future development of mankind. On the contrary, as due to the forecasts made by the modern social science the emerging new type of “*postcapitalist society*” or “*society of knowledge*” preserves the capitalist ownership and the ensuing maximization of the increase in goods, this problem shall be aggravating paradoxically for the general human progress.

- The “Pipe” is continuously exhausting waste, pollutants and poisons and filling up the land, water and air, despite the considerable increase in the resource yield by means of new knowledge and technologies and despite the lower *rate* of damaging the Nature. In such a way the natural habitat of all types of populations all over the planet is not only limited, but the clean water, land, forests, ozone protection of the Earth, etc required for their existence and even survival are annihilated. As a result thereof the biodiversity on the Earth is annihilated. Due to the destructed natural food chains, is starts threatening *the poorest* human population. But later the wider portion of the population in the *rich* countries would not be evaded as well.

- *The excess-consumption* in the advanced economies has exceeded long ago *the really useful consumption* for the physical and intellectual development of every human being. Along with the products, proven to be harmful for human health, manufactured mainly by the criminal economy, the consumption, under the influence of the aggressive manipulative advertising of a considerable share of the commodity output, is a tool to meet the objectives of the capital, without satisfying the *real needs* of man, that make him more healthy, more active in various aspects, more interested in culture, more happy, more creative, and *at least* more aligned with the natural environment and equilibrium in his active work and daily life. Likewise the more commercially minded and oriented to the average mass fashion - works of literature, cinema, TV, theatre, fashion, pop music, etc, full of violence, brutality, cruelty, low passions..., instead of developing everyone in all spheres, subdue permanently, depersonalize and *even degrade* the individual – physical and mental talents of man.

Consequently the emerging new type of society, delayed *historically by means of reforming* capitalism, **has not and would not** result in a real progress for

²⁴ According to the latest UN Report on Environment and Natural Resources **Global Environment Output 4, GEO-4, 2007**, due to the speed of depletion of the resources of the Earth *for the last 20 years*, “**Mankind is on the verge of survival**” [<http://www.unep.org/geo/geo4/report>].

all humankind. Because the **main causes**,²⁵ have remained which have aggravated and will continue aggravating the global problems up to the upper limits disastrous for mankind and for the entire planet.²⁶ The practical scientific way, the methodological approach and the civilized way to overcome the above-mentioned **causes** have been revealed and explained in the theory of Karl Marx.

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Like never before, mankind is facing a fateful choice: between the socio-economic realities that have been objectively required *in the past*, but *already discredited* as a specific historical nature and the socio-economic realities of the objectively required and viable for the **real universal progress in the future**.

No matter how enormous and how painful for all mankind is the task of successful solving the global problems and of setting up a really higher society, it should *primarily* pass the stage of gaining *enough knowledge* on the *laws*, explaining adequately the socio-economic processes in the past, present and future, as well as revealing the corresponding socio-political ways to be implemented in practice. Consequently the specific and urgent task of the *social science* is: either to generate as soon as possible this knowledge, based on sufficiently holistic methodological approach, as the speeding up dynamics of the global problems could make fatal any delay, or simply to read again, reconsider and evaluate the theoretical legacy of Karl Marx, but without the speculative-ideological spectacles of the capitalist class, interested in the current status-quo. If the quicker and easier decision of each scientific process is chosen – the values of each scientific achievements must be utilized, and actually an amazingly monolith and logically immaculate theoretical system will be rediscovered, explaining adequately the past and the present, but also enabling the right way into the future to be found. Then probably the unique work of an intellectual colossus, rising high like a Gothic cathedral above the philosophers, economists and sociologists of any kind throughout the human history will be judged according to its merits.

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²⁵ And "in order to get rid of its sins, mankind should declare them as such, as they actually are" (*Marx, K. and Fr. Engels. Collected Works. Vol. 1, p. 367*).

²⁶ For more detailed and scientific argumentation of such a pessimistic prediction see: *Balabanov, I. Global Problems of Modern Times and the Methodology of Karl Marx. - Economic Thought Magazine 2008, N 6, pp. 22-33.*