

Ferdinand Lassalle: State Socialism

The workers in the 1860's were no sooner on the march than a new crop of intellectuals came up with new schema but with old concepts of the passive role of the masses. Ferdinand Lassalle was an entirely new type of intellectual in the sense that he had associated himself with Marx, appealed directly to the working class to form its own independent political party and was a revolutionary. Nevertheless, Marx had to separate himself from his perverse progeny, born at the turning point in modern history -- 1848 -- when the fight against absolutism united for a brief historic moment the bourgeois democrat and the proletarian revolutionary. The 1848 revolutions underlined in rivers of blood the irreconcilability of these two class forces. Where Proudhon tried for compromise between the two, Lassalle tried a short cut to "socialism" through the state -- the Prussian landowners' absolutist state with the Iron Chancellor, Bismarck, at its head.

It was not a question of not understanding the class nature of the state. It was a question of the old concept of labor as the suffering class, without one iota of understanding of its historic initiative, despite the glorious page it wrote in 19th century history. When the class struggle once more assumed open and violent shape, Lassalle conceived it to be his duty to "bridge the gulf between the thinkers and the masses." All the science of the age was evidently incorporated in ~~in~~ him and he would have to bring that science to the "ignorant." In his defense, when on trial for inciting

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the masses, he showed he had a special conception of the role of the intellectuals:

"How is it that the middle classes have ~~we~~ come to be so frightened of the common people? Look back to March and April of 1848. Have you forgotten how things were then? The police force inotent. The common people swarming along the streets. The streets and the people themselves under the sway of unthinking agitators...rough ignorant men thrown up by the storm....Where were the intellectuals then? Where were you, Gentlemen?...You should thank those who are working to bridge the gulf between the thinkers and the masses who are pulling down the barriers between the bourgeoisie and the people."

Because this was his conception of the masses, his theoretic concept of labor moved no further than the Ricardian concept of it as a source of value. The addition that thereby the laborer is entitled to "all the proceeds of labor" was, however, distinguished from the Proudhonian concept of the workers "buying up" all capital from the bourgeoisie. Instead, Lassalle proposed that the workers establish producers' cooperatives with "State aid." Although this meant treating the Prussian absolutist state as if it were a classless animal, it isn't true that Lassalle actually thought so. No. But once he didn't believe in the masses' ability to overthrow the conditions of labor -- and once he convinced himself that for Marx to think so proved that he was "too abstract" and failed to understand real politics -- it was easy for him to convince himself that he could force Bismarck to do so once the masses fought hard for universal suffrage and this could be used against Bismarck's other enemy, the democratic bourgeoisie.

Lassalle's sense of real politics also led him to search for a  
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collaborator ~~in~~ the royal Prussian governmental socialist and economic theoretician Karl Rodbertus. He actually did at first get Rodbertus' approval for his plan of producers' cooperatives with state aid, although the latter's concept of how long the socialist transformation would take numbered no less than 500 years.

Lassalle, on the other hand, wanted socialism "quick" -- within the year if possible.

Yet so strong are the organic ties between intellectuals who have a certain

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concept of labor, that they found themselves to be collaborators for a brief period.

Marx, on the other hand, broke off completely with Lassalle, whom he called a "Bonapartist." The difference between Marx and Lassalle is the difference between the radical intelligentsia and the proletarian revolutionary. Between the aristocratic proletarian type and the Marxist revolution there is as deep a division in thought as there is in the open class struggle between the bourgeoisie and the worker.

Thus, in the radical intellectual, the creative energies of the proletariat nests as fundamental an opponent as the bourgeoisie itself. This representative of labor was no armchair socialist. He was an activist all the way. He did not restrict himself to writing either. He was instrumental in building the first great independent political party of the German proletariat. The plan to bring pressure to bear upon the absolutist Prussian state to give economic aid to the workers who would establish their own factories meant active agitation among the workers. Lassalle issued this appeal:

"The working class must establish itself as an independent political party and make its slogan and banner -- Universal, Equal and Direct Suffrage... To make the working class its own employer, that is the way, the only way, by which this cruel and iron law (of unchangeable minimum wages) can be set aside. Once the working class is its own employer, the contrast between wages and profit disappears. It is therefore the task of the State to facilitate the great cause."

Thousands of workers responded to the call and the formal organization of the General German Workers Association was founded in May 1863. In June, Lassalle sent the statutes adopted (unbeknownst to the workers, it need hardly be added) to Bismarck with the following note: "...this will be enough to show you how true it is that the working class is instinctively inclined to dictatorship if it feels that such will be exercised in the working class interests."

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Now Lassalle was no ordinary traitor. He could not have been bought. He fought for his principles, went to prison for them and could have been ready to die for them. But he simply was incapable of thinking that they (the workers) could rule. To him, they were a mob." He thought so in 1844 when the Silesian weavers revolted and he was only a student and felt the state should restore "order." He did not change his concept when, in 1848, the workers were breaking up not the machines but the bourgeois order, which he approved and whose victims he defended. Yet he continued thinking of them as a "mob" under the sway of "unthinking agitators...thrown up by the storm." Things did not change in 1862 when, he himself, called upon the masses to organize an independent political party of their own. But this was inseparable from the aim "to put myself at its head." The workers were a suffering mass and weak, whereas the state was strong and could "achieve for each one of us what none of us could achieve for himself." He therefore felt called upon to rule "for" the masses. He would lead. They would continue to work in the factories and, in the meanwhile, be so good as to send such as him to parliament.

"His attitude," wrote Marx, "is that of a future workers' dictator. He resolves the question between labor and capital as easily as play. The workers are to agitate for universal suffrage and then send people like himself armed with the shining sword of science into Parliament. They will establish workers' factories, for which the state will put up capital, and by and by these institutions will embrace the whole country...."

Marx wrote this, not because he knew of Lassalle's machinations with Bismarck, but because he knew of Lassalle's concept of labor. Lassalle suffered from the illusion of the age: "classlessness" of science. Such an attitude made it natural to think that he represented "science and the worker" for science was surely incorporated in the intellectual, the leader. Marx, on the other hand, rejected this "guerilla stuff." As he rejected the bourgeois conception that this was the age of "science and democracy," so he rejected the abstraction of

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"science and the worker." Concretely, he stressed, science was incorporated in the machine and democracy in the bourgeois parliament. Lassalle's attitude of the worker leader had this in common with the bourgeois: the workers remained in the factory. That is what Marx examined. He set out to study that system of production which was the concretization of the division between mental and manual labor which characterizes capitalism.

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## II-The 1850s--Years of Reaction, and Proudhonism.

The period following the defeat of the 1848 revolutions culminated in France in the crowning of Louis Bonaparte as Napoleon III. At the same time France's retarded industrial development--where in England the factory system was established in 1820-30, it was not established in France till 1830-48 and even then the average "great" establishment had about 10 employees--enthroned the small peasant, the petty industrialist, the semi-proletarian as the ideal of Proudhonist socialism:

"The French peasant, French cobbler, taylor, merchant, seem to him (Proudhon) something that has existed from time immemorial and hence their existence must be shielded. But the more I occupy myself with this mess, the more I am convinced that agricultural reform and, consequently, (liquidation) of the proprietary swinishness based on it must become the alpha and omega of the future uprising." (Marx to Engels, 8/14/51, Rus. ed., p.37)

Marx keeps placing "Landed Property" as a separate book between the ones on Capital and Wage Labour throughout the period of the 50s. In returning to the study of economics, and keeping out of the emigre squabbles but keeping very close touch with the development of Proudhonism, Marx amasses a great amount of material, mainly on technology, agronomy, and money from English, German, French and American sources. But nothing finished results from all the elaborate monographs, although as far back as April 1851 he had thought he would finish his economic work in "five weeks." More than a year passes and he first then (September 15, 1852) hopes "to get away for two months to ~~xxx~~ finish" his work on:

"Critique of Political Economy,  
"Critique of Socialism, and  
"History of Political Economy."

Three more years pass and we find him rereading his notebooks "not with the aim of working out the subject but in order to master the material to be ready to work that out." 2/13/55

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But nothing shapes up, and the 1857 crisis approaches without Marx having written anything fundamental on economic problems.

The 1857 crisis gives greater urgency to his desire to finish with his economic studies and opens the second part of this period. In April 1857 he writes the chapter on Money, and a plan for the entire work. The plan is mentioned broadly in his Introduction to the Critique of Political Economy. When two years later the Critique is finally published, he tells us in the Preface:

"I omit a general introduction which I had prepared, as on second thought any participation of results that are still to be proven, seemed to me objectionable, and the reader who wishes to follow me at all, must make up his mind to pass from the special to the general."

This is true. Both as a revolutionist and as a dialectician Marx it was characteristic of Marx to start with the concrete rather than with the general. But there is, from the view of our present purposes of tracing Marx's own development, a greater truth for the discardment of that justly famous Introduction that needs to be developed here. This brilliant statement of historical materialism remains a critique of political economy, and has not risen to the stature of a critique of the very mode of production which has given rise to this political economy. The production relations at the moment are quiescent, have not burst forth into open class struggles, and has thus not given this gifted intellectual the concrete form of attack. Even while he states capital to be the "all-dominating economic power of bourgeois society", it is bourgeois society, not bourgeois production which he is criticizing. After making that assertion he goes, not into an analysis of capital, that is production relations, but into the order of treatment of the question of national wealth, countering his conception to the concepts forms in the minds of bourgeois economists. Once it remains on a theoretical plane, Marx cannot rise much above Ricardo; he fails fully to transcend Ricardianism.

Thus the greater part of the essay is a defense of production vs. distribution theories. He argues against "the shallow conception of distribution": "The entire history of production appears to a man like Carey as a malicious perversion on the part of governments." (270)

"...the definite manner of participation in production determines the particular form of distribution." (284)

But as concise and of the essence as his formulas are and as profound as is his analysis of labor as a simple category and labor as a concrete category, the leap is not made from Ricardianism; there is no split in the category of labor into abstract and concrete which he will later consider the pivot on which "all understanding" depends. In other words, at this stage in his development Marx's analysis amounts to no more than lending full conscious to the discovery of classical political economy. That is to say, he endows classical economics with the "consciousness of the results of its own analysis" which it had never reached. It is inevitable therefore that in his conception of the order of treatment of national wealth he reverts back to "general abstract definitions", that is, value, with which he intends to begin his Critique. When he discards that introduction in 1859, it is not only because to anticipate results is undialectical, but also because he will not follow the first order of treatment, that is he will not begin with the generality, value, but with the concrete, Commodity. 1857, however closes with the first conception.

1858, or the third stage of this period, opens with his rereading of Hegel's Logic: "I am getting some nice developments. For instance, I have thrown over the whole doctrine of profit as it has existed up to now. In the method of treatment the fact that by mere accident I have again glanced through Hegel's Logic has been of great service to me..." (1/14/58)

Here we see the value of dialectics and also its limita-



tions. There is no doubt that the overthrow of the theory of profit and the method of treatment of surplus value "in general" without its separate fragments of profit, rent, and interest is what will ~~xxxxMarxx~~ make the definitive break with classical economics and the creation of Marxism as we know it. Marx himself will consider this one of the two "best points" in his Capital. But it is also true that he worked this fully out now in 1858 but 1867 and in that period there was the Civil War in America and the establishment of the First International in London. That is to say, until the class struggle grown to a civil war and soon to explode into the Paris Commune had shown how the contradictions would be resolved in practice Marx the intellectual could not make the leap that created Marxism.

As it is, despite finding the general category of surplus value, Landed Property remains in his conception as a separate "book", that is, a separate edition of the revolution, an agricultural revolution, a bourgeois revolution that needs still to be finished, and he remains very much preoccupied with Proudhonism. When the work is finally published he points out to Weydemeyer

(2/1/59) the value of the work: "In these two chapters the foundation is also destroyed of the Proudhonism socialism now fashionable in France, which wants to leave private property in existence but to organise the exchange of private products; which wants commodities but not money. Above all things Communism must rid itself of this 'false brother.'"

And he tells Engels that if he is to review his Critique "not to forget: 1) that Proudhonism is destroyed at its root, 2) that already in its simplest form, in the form of a commodity, the specificity and not at all the absolute character of the bourgeois production is analyzed." (7/22/59, Rus.ed., p.77)

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This concrete category/commodity in general he had not found till the end of 1858. As late as April 1858 he wrote Engels an outline of how he intends to begin his Critique. ~~xxxx~~ Value was

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to form the first chapter, and he still argues against those who oppose it from the point of view of pre-Ricardians. "Although an abstraction, this is an historical abstraction which could only be adopted on the basis of a particular economic development of society. All objects to this definition of value are either derived from less developed conditions of production, or are based on a confusion by which the more concrete economic determinations...are set up in opposition to value in this abstract undeveloped form." (4/2/58)

But by October 1858 he makes the leap. "As against the generalization Value\*, he finds the concrete category, commodity, which "in general" pervades all of capitalist production and contains in germ all its contradictions because it embodies in its material form the abstraction value. "As against 1847 (Wage Labor & Capital) where Marx saw only the ~~same~~ particular commodity, ~~xxxx~~ wage-labor, he now has the commodity ~~xxx~~ in general.

It is specifically capitalistic in its dominant position. Once he ~~finds~~ develops the conception of the commodity thus fully, and what took him an entire decade of amassing material, writing monographs, writing out drafts and introductions and discarding them, takes but three short months to write. This rapidity of writing despite the fact, as he explains to Engels: "the first (chapter) of these, Commodity was not written up at all in the rough draft, and the second, Money, or simple circulation, was at hand only in the form of an entirely brief draft...." (11/29.58, Rus. ed., p.71)

He had finally discovered the order of treatment, and this order, will remain the one for Capital. But we need only compare the chapter on Commodity as written in 1858 and that in the definitive edition of Capital, 1872, to see that ~~xxxxxxx~~ that 1858 bears the same relationship to 1871 that, on a higher historic stage will repeat itself in Lenin, in his 1914 Essay on Marx, the section dealing with dialectic, and ~~what~~ section On Dialectic written in 1916 that is the difference between vulgar and dialectical materialism.

The very first thing that strikes us in looking at the chapter on Commodity in Critique and in Capital is that the two factors ~~are~~ listed in the first <sup>are;</sup> ~~are~~ use-value and exchange value, while in the latter ~~it is stated as~~ <sup>they are;</sup> use-value and value. This is not a simple difference in usage of words and the difference cannot be gotten rid of by stating the fact that Marx in 1859 used exchange value in the manner in which he used value in 1867. The concept that this is all there is to it is at the bottom of the vulgarisations of both a Kautsky and a Luxemburg, and up to 1915 all of the Marxists, including Lenin, were brought up under that vulgar concept. Lenin did not hesitate in 1915 to state that "none of the Marxists understood Marx in the past half century!." So that the truth that <sup>implied in</sup> Marx in 1859 ~~meant~~/exchange value all that he meant later implied in value is wholly incidental. The truth that is pivotal is that Marx used value and exchange value interchangeably as classical political economy had done. So long as he had not yet worked out the distinction between the one and the other, between essence and its manifestation, so long had he not yet fully transcended Ricardo. When he does transcend him in Capital, he will be merciless against him precisely on this score: "It is one of the chief fail-  
ing of classical economy that it has never succeeded, by means of its analysis of commodities, and in particular of their value, in discovering the form under which value becomes exchange value...."  
He will further point out that to see an identity where a difference exists can only lead to retrogression and led to a "restored mercantile system (Ganilh & Co.) which sees in value nothing but a social form or rather the unsubstantial ghost of that form." (pp.52-3, I.P. ed.)  
Marx used exchange value where he meant value precisely because-- paradoxical as that may sound--he had not yet worked out the form of value, or exchange value. We will deal with this whole question of form in a separate chapter. Here we merely note it as a fact.

The second and quintessential difference is the failure in the Critique "expressly and with full consciousness" to break up the category, labor, while in Capital this break-up of labor into its two-fold nature is held to be "the pivot on which a clear comprehension of political economy turns".

The failure to accomplish this split in the category of labor, or to make it in passing only, inevitably led to looking at society instead of at production for the distinction between individual or private and social labor. In fact, in the Critique concrete and abstract labor are used interchangeably with individual and social. Where in Capital the ~~contradiction~~ contradiction between concrete and abstract labor is within the individual worker, that opposition in Critique is an external one, the result of "a certain organization of society" ~~which creates exchange value~~ ~~in the individual worker~~ : "The conditions of labor, which create exchange value, as shown by the analysis of the latter, are social conditions of labor or social labor."

In Capital, on the other hand, Marx will write:

"The two-fold social character of labor of the individual appears to him, when reflected in his brain, only under those forms which are impressed upon that labour in everyday practice by the exchange of products. In this way, the character that his own labour possesses of being socially useful takes the form of the condition, that the product must be not only useful, but useful for others, and the social character that his particular labor has of being the equal of all other particular kinds of labor, takes the form that all the physically different articles that are the products of labor, have one common quality, viz., that of having value." (p.45IP)

What Marx is doing in Critique is explaining how exchange value is determined: ~~ax~~ "To understand how exchange value is determined by labor-time, the following main points must be kept in mind: The reduction of labor to simple labor, devoid of any quality, so to speak; the specific ways and means by which exchange--value-creating, i.e., commodity producing labor becomes social labor; finally, the difference between labor as the producer of use-values, and labor as the creator of exchange values." (p.24)

Note that the first matter "to understand" is the reduction of skilled to unskilled. And he will further emphasize this point: "This is not the place to consider the laws regulating this reduction (p.26) But in Capital he will hardly pay more attention to this point than to the "dull and tedious quarrel over the part played by Nature" (p.54 IP). The whole point will be dismissed with little more than one sentence: "Simple average labor, it is true, varies in character in different countries and at different times, but in a particular society it is given." (p.11 IP)

The entire explanation in fact he will in Capital attribute to classical economics "Political economy has indeed analysed, however incompletely, value and its magnitude, and has discovered what lies beneath these forms." What will become ~~his~~ Marx's contribution is not this at all. It is what classical economy failed/entirely to do: "But it has never once asked the question why this content assumes that form, why labor is represented by the value of its product and labour time by the magnitude of that value." (Ger.ed.)

In the Critique, however, Marx has so little worked out the fetishism of commodities, that he attributed the fantastic form of production relations as if they were relations between things to labor instead of to the commodity-form! "Labor, which creates exchange value, is finally, characterized by the fact that even the social relations of men appear in the reversed form of a social relation of things." In Capital, on the contrary, he will state that since individual labor asserts itself as social labor only in the market, it appears to the producers that "the relations connecting are a relations between things because ~~the commodity-form is the~~ the product of their labor ~~the~~ takes the form of a commodity,. It is true that the character of



labor does not assert itself until it gets to the market but it is present first of all in production for it is there that concrete labor is transformed into abstract labor and the result is self-alienation not alienation through an outside force. Because of the latter limitation, Marx in Critique merely states the contradiction between use-value and value but then proceeds to speak of equivalents and ratios only, neither seeing the relative form of value nor the antagonistic movement between material wealth and fall in capitalist or value wealth. But from the very start in Capital this will be asserted and the connection of that to the two-fold character of labor made inseparable. (p,13 IP)

Although in that first chapter in Capital where Marx is in the market we nowhere see the capitalist workshop, it is so all-dominant that we feel from the start that it is the mechanism of the work in the division of labor in the factory and not in society which creates the self-estrangement, while in Critique we remain in the market not only physically but conceptually. The result is that in the Critique Marx finds it necessary to divide the ~~theory~~ theory from the practice and supplement the chapter with the history of the theory, while in Capital Marx finally breaks the back of the bourgeois conception of theory and state that the classical economists could not strip off the veil of the fetishism of commodities despite their discover of labor as the source of value because:

"The life process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men, and is consciously regulated by them in accordance with a settled plan." (51 IP)