

Marx's Concept of Socialism
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When Karl Marx broke from bourgeois society and became a revolutionary in the early 1840s, he joined an already-existing socialist movement that long predated his entrance upon the political and ideological scene. Neither he nor any other radical intellectual of the time invented the idea of socialism and Communism. A general notion of an alternative to capitalism, even if vague and misdirected, was already in circulation. It consisted of replacing an anarchic, market-driven competitive society with a planned, organized one controlled by the working class. It may seem that Marx had little to add to this notion, since he refrained from speculating about the future and sharply criticized the utopian socialists who spent their time doing so. Moreover, since Marx's theoretical contribution consisted of an extended critique of the existing capitalist mode of production and he wrote relatively little about post-capitalist society, it may appear that his work has little to offer those seeking to develop a viable alternative to capitalism in the twenty-first century. However, as with so much in life, the appearance is deceptive.

That Marx was not interested in utopian blueprints that are developed in disregard of actual mass struggles does not mean that his work is devoid of a distinctive concept of socialism. On the contrary, his relentless critique of existing social relations is what enabled him to develop a far more expansive concept of socialism than any of his contemporaries. Indeed, it is a conception that goes far beyond what many of his followers and critics today mean by "socialism" or "Communism." Marx never wavered from the proclamation voiced at the start of his career—"I arrived at the point of seeing the idea in reality itself" ([Marx 1975a:18](#)). It eventually led him to develop a concept of socialism that has been overlooked for far too long (and that we ignore at our peril).

Marx used many terms to refer to a post-capitalist society—positive humanism, socialism, Communism, realm of free individuality, free association of producers, etc. He used these terms completely interchangeably. The notion that "socialism" and "Communism" are distinct historical stages is alien to his work and only entered the lexicon of Marxism after his death.

(p. 758) Three crucial determinants impacted Marx's development of his concept of socialism: 1) the influence of Hegelian philosophy; 2) his disputes with other radical tendencies that advanced, in his view, defective visions of a new society; and 3) his comprehensive and rigorous critique of the logic of capital.

1. The Vision of a Post-Capitalist Society in the Young Marx

Marx no sooner announced his conversion to Communism than he began to enter into intense debates with other radical tendencies over their understanding of the alternative to capitalism. Like his fellow revolutionists, he sharply opposed private ownership of the means of production. However, in the *Economic and Philosophic Manuscripts of 1844* he takes issue with what he calls "crude communists" who presume that the abolition of private property and its replacement by collective property constitutes the sum and substance of liberation. Marx sharply disagrees, on the

grounds that “crude communism” represents an “abstract negation of the entire world of culture and civilization” (Marx [1844] 1975b:295) in which alienated labor “is not done away with, but extended to all men.” (Marx [1844] 1975b:294). It leads to a society, he contends, in which “the community [is] the universal capitalist” (Marx [1844] 1975b:295). A “leveling-down proceeding from a preconceived minimum” does not transcend capitalism but reproduces it under a different name. The fullest expression of this is that in such a system “a woman becomes a piece of communal and common property” (Marx [1844] 1975b:294).

The critique is political, but it is grounded in a philosophic perspective—Hegel’s dialectic of negativity. Unlike Feuerbach, who dismissed Hegel’s “negation of the negation” as an idealist illusion, in 1844 Marx views it as expressing “the actual movement of history” (Marx [1844] 1975b:336). The negation of private property, he argues, is only a first, “abstract” negation, since its object of critique is a *juridical* relation on the surface level of society. A negation of this negation is needed in order to focus the emancipatory project on the essential issue—the transformation of conditions of labor. “When one speaks of *private property*,” Marx writes, “one is dealing with something external to man. When one speaks of labor, one is directly dealing with man himself. This new formulation of the question already contains its solution.” Marx critically adopts Hegel’s conception that forward movement occurs through “the negation of the negation” for his revolutionary project. In doing so, he develops a conception of socialism that goes further than the surface level by emphasizing the transformation of *human* relations at the point of production and in society as a whole. He therefore writes that genuine Communism (which he equates to “a thoroughgoing Naturalism or Humanism”) “is the position as the negation of the negation” (Marx [1844] 1975b:306).

It may seem that Marx has a different view in the *Communist Manifesto*, which states, “the theory of the Communists may be summed up in the single sentence: Abolition (p. 759) of private property.” However, right before this he writes, “The abolition of existing property relations is not at all a distinctive feature of Communism” (Marx and Engels [1848] 1976a:498). Marx is not contradicting himself, since by “private property” he does not mean individually owned property as against collective or state-owned property. “Private property” refers to *class* property—to a class other than the working class owning the means of production. Unless the latter is under the effective (and not just nominal) control of the working class, it hardly makes much difference if the property form is individual or collective. This is why he emphasizes, *after* discussing the class basis of property relations, “*In this sense*, the theory of the Communists may be summed up in the single sentence: Abolition of private property” (Marx and Engels [1848] 1976a:498).

Marx engaged in polemics with many others over their defective understanding of the alternative to capitalism, foremost among them being Pierre-Joseph Proudhon, who sought to organize exchange in lieu of transforming social relations of production. On the basis of the Ricardian labor theory of value, he argued that money should be replaced by time chits or labor notes that express the “real value” of commodities. Since, as he saw it, the value of a commodity is equal to the value of the labor that creates it, an organization of exchange that computes wages on the basis of the product’s value eliminates the need for a class of middlemen such as bankers and capitalists. Marx castigates this on the grounds that “the equality of wages, as demanded by Proudhon, only transforms the relationship of the present-day worker to his labor into the relationship of all men to labor. Society is the conceived of as an abstract capitalist” (Marx [1844] 1975b:280). Later, in his thorough critique in the *Grundrisse*, he refers to this tendency as wanting to have capitalism without the capitalists.

Marx opposed anarchic market relations since they compel humanity to produce for the sake of an impersonal, abstract entity instead of for human needs. As his critique of Proudhon makes clear,

however, the mere abolition of a “free” market does not constitute socialism. As [Dunayevskaya \(1958:51–52\)](#) pointed out:

Marx argued that to try “to organize exchange,” to try to bring order into the anarchy of the market in a society based on factory production, *must* mean its organization according to the division of labor in the factory where the authority of the capitalist is undisputed. To try to bring that “principle of authority” into society as a whole could only mean subjecting society to *one single master*.

Marx’s critique of Proudhon represents a remarkable anticipation of the defects of twentieth-century “socialist” regimes, which sought to extend the “order” of the factory into market relations.

Marx’s critique of tendencies that define the emancipatory project by opposition to private property and the market suggests that if a critique of capitalism is limited to the surface, phenomenal level, the understanding of the alternative to capitalism will be limited to the surface, phenomenal level. A superficial and erroneous view of the alternative to capitalism necessarily follows from a superficial and erroneous view of the logic of capital. Marx did not have a superficial or erroneous understanding of the logic (p. 760) of capital, and this is why his critique of political economy—despite his innumerable objections to utopianism—provides vital insights into what constitutes an alternative to both “free market” capitalism and statist socialism or Communism. The fullest expression of this is found in his greatest theoretical work, *Capital*.

2. The Impact of Marx’s Critique of Political Economy on his Concept of Socialism

[Marx’s Capital](#) does not provide an exhaustive account of a socialist society, since it is exclusively concerned with delineating the law of motion of *capitalism*. Since a positive alternative becomes knowable only through a negative critique, it can offer no more than *intimations* of the future. However, these intimations—derived from a rigorous analysis and critique of the logic of capital—are of considerable importance, since they reveal a conception of socialism that is radically different from what many followers as well as critics of Marx have upheld for many years.

The distinguishing feature of capitalism, Marx held, is that subjective human activity is governed by the drive to accumulate value (or wealth in abstract, monetary form) as an end in itself. Labor is *treated* as a commodity that is bought and sold. However, Marx takes great pains to show that the capitalist does not actually purchase the workers’ labor but rather their *capacity* to labor—their *labor power*. In slave societies, the master buys the slave’s body. But with wage labor, “It is not the worker’s body that is being sold, but rather its temporary availability” ([Basso 2015:116](#)). As Luca Basso puts it, “The capitalist buys something that exists only as a possibility, which is, however, inseparable from the living personality of the *arbeiter*. There is, then, an element that can never be ‘cashed in,’ since the worker’s body can never be fully ‘captured’ ” ([Basso 2015:116](#)). Hence, workers can never be “coined subjects.” Their subjectivity can never be fully exhausted or congealed in the monetary equivalent obtained for their work. The distinction between labor and labor power reveals, “a corporeality configured as permanent excess, a potential element of resistance to capitalist commands” ([Basso 2015:116](#)). This “permanent excess” is a constituent of the commons from which an alternative to capitalism can arise.

The worker is surely *treated* as an object. But that does not mean he or she *is* an object—if this was the case, he or she could never complain about it. Human relations *take on the form* of relations between things; but the form does not completely annul the content. If human subjectivity were fully absorbed by the object, [Marx’s Capital](#) would be a totalizing system that locks us into a circle from which we can never escape. The transitory and historical character of capitalism would have to be denied.

The distinguishing mark of capitalism is that labor assumes a value-*form*. But labor “as such” is *not* the source of value. According to Marx, only a particular *kind* of labor is (p. 761) the source of value. A commodity’s value is determined not by the *actual* amount of time taken to produce it but by the *socially necessary labor time* on a global level. If value were determined by actual labor time, workers would be told to slow down, since the longer they work, the greater the accumulated value. That does not happen because the value of products is instead determined by a social average over which workers have no control. This average varies continuously, due to technological innovations that increase the productivity of labor. It is communicated to the agents of production behind their backs, through the laws of competition. Concrete labor (the varied kinds of labor employed in making products) becomes increasingly dominated by labor conforming to an abstract average—termed by Marx “abstract labor.”

The preponderance of abstract over concrete labor transforms the nature of work, since labor that is not compatible with valorization tends to become denigrated and undermined. It transforms our relation to nature, which becomes valued only insofar as it helps accumulate profit and capital. And it transforms the meaning of time, since we become governed by an abstract, quantitative, and invariable time determination over which we have no control. Abstract labor is the substance of value; the more abstract labor becomes, the more value is produced. And the more value produced, the greater the drive to augment value (and profit) ever more. Capital is self-expanding value. It is an endless quest for an infinite magnitude—in a world of limited, finite resources.

The entire process hinges on actual labor time being forced to conform to socially necessary labor time. As Marx put it, “Time is everything, man is nothing; he is, at most, time’s carcass. Quality no longer matters. Quantity decides everything; hour for hour, day by day” (Marx [1847] 1976a:127). This distortion of the nature of *time* is the pivot of capitalism, and its negation is integral to Marx’s conception of socialism.

A number of recent studies have focused attention on the centrality of time and temporality in Marx’s critique of capital (see Tombazos 2014 and Martineau 2015). There is no capital without labor, and labor, according to Marx, is “a special productive activity, exercised with a definite aim” (Marx [1867] 1976b:133). Labor, generically speaking, is a *teleological* activity that has the “definite *aim*” of shaping and transforming the present on the basis of the future. Through labor, awareness of the three-dimensionality of time becomes an integral dimension of human existence. Karel Kosik conveyed the relation between labor and time in Marx’s work as follows:

Through work, humanity controls time . . . because the being that can resist immediate satisfaction of its craving and can “actively” harness it forms a present as a function of the future, while making use of the past . . . Man surrenders to his (future) fate of a slave or fights for his (future) position as a master only because he chooses his present from the perspective of the future, and thus forms their present and their future on the basis of something that not yet is. (Kosik 1976:121, 138)

In capitalism, however, time takes on a peculiar, *inverted* character. Humanity ceases to organize or control time; time instead organizes or controls humanity. Marx’s critique of (p. 762) capital therefore extends much deeper than the mere existence of private property and anarchic exchange.

It is commonplace to credit Marx for the notion that commodities have a dual character of use value and exchange value. This was no discovery of Marx, however, since the classical political economists knew it well. *What is novel with Marx is the distinction between value and exchange value*. The latter is the form of appearance (*erscheinungsformen*) of the former. This distinction completely evaded the classical political economists as well as their neo-Ricardian socialist successors (such as Proudhon, Thompson, Bray, and others), who focused on the quantitative

determination of value (the amount of labor time embodied in products of labor). Even Marx did not arrive at a clear presentation of the distinction between value and exchange value until the publication of the second German edition of *Capital* in 1872. Marx writes in the section on the value form in chapter one:

When, at the beginning of this chapter, we said in the customary manner that a commodity is both a use-value and an exchange-value, this was, strictly speaking, wrong. A commodity is a use-value or object of utility, and a 'value'. . . [Its] form of manifestation is exchange-value. ([Marx \[1867\] 1976b](#):152)

He reiterated this at the end of his life, in his most detailed defense of *Capital*:

Thus I do not divide value into use-value and exchange-value as opposites into which the abstraction "value" splits up, but the *concrete social form* of the product of labor, the "*commodity*," is on the one hand, use-value and on the other, "value," not exchange-value, since the mere *form* of expression is not its own *content*. ([Marx 1989a](#):545)

The distinction between exchange value and value has crucial ramifications for Marx's conception of the alternative to capitalism, since it implies that efforts to "abolish" the former is completely quixotic so long as the *substance* of value—abstract labor—continues to dominate social relations. Creating a society that no longer prioritizes exchange value over human needs requires a much more thoroughgoing transformation of human relations than tinkering with the market and relations of distribution.

Once the proper object of critique is identified, the actual alternative to capitalism comes into view. Value production renders human relations *indirectly* social through the domination of abstract forms such as money. Labor assumes a social or general character not through the self-conscious acts of producers but by exchange relations that are imposed upon them from without. In contrast, socialism is defined by the negation of this state of affairs. Labor takes on a social character *prior* to the exchange of products, on the basis of the communal character of production. No outside force, such as socially necessary labor time, decides the pace or nature of work; the producers decide that for themselves. As a new kind of non-alienated labor comes into being, the split between (p. 763) concrete and abstract labor is overcome. Since abstract labor is the substance of value, its supersession signals the end of production aimed at augmenting value. And since exchange value is the phenomenal expression of value, the former becomes superfluous. Marx explicitly spells out this vision of a new society in the *Grundrisse*:

The general character of labor would not be given to it only by exchange; its communal character would determine participation in the products. The communal character of production would from the outset make the product into a communal, general one. The exchange initially occurring in production, which would not be an exchange of exchange values but of activities determined by communal needs and communal purposes, would include from the beginning the individual's participation in the communal world of products . . . labor would be *posited* as general labor prior to exchange, i.e., the exchange of products would not in any way be the *medium* mediating the participation of the individual in general production. Mediation of course has to take place. ([Marx \[1857–1858\] 1986a](#):108)

Not all forms of social mediation are constitutive of value production. The latter is transcended when social relations become mediated by intersubjective connections between freely associated individuals. It is not without reason that Marx defines socialism in the *Grundrisse* as "the realm of free individuality" ([Marx \[1857–1858\] 1986a](#):95). The alternative to abstract forms of domination is

not, for Marx, domination by concrete collective or social entities (such as characterized pre-capitalist societies). Instead, in a new society individuals collectively learn how to live without the domination of either concrete social hierarchies or the abstractions of value.

Cooperative forms of production and distribution can surely prefigure such forms of life after capitalism. Nevertheless, democratic and cooperative forms of decision making do not by themselves contravene the law of value so long as they are circumscribed by the dictates of socially necessary labor time—if not immediately, then over the long haul. Marx warned of this in Volume 3 of *Capital*: “The opposition between capital and labor is abolished here, even if at first only in the form that the workers in association become their own capitalist, i.e., they use the means of production to valorize their own labor” (Marx [1894] 1981:507). The notion that the alternative to capitalism can spring *sui generis* from isolated, separated experiments in collectivized living—a notion common to the tradition of Proudhon and his successors—was alien to Marx.

3. The Vision of a New Society in Marx’s *Capital*

Remarkably, the fullest discussion of Marx’s concept of socialism is found in the famous section of Volume 1 of *Capital*, “The Fetishism of Commodities.” Commodity fetishism (p. 764) is difficult to dispel, since it is not a mere ideological illusion or misrepresentation of reality. On the contrary, to capitalists as well as “to the producers, the social relations between their private labors appear as what they are, i.e. they do not appear as direct social relations between persons in their work, but rather as material relations between persons and social relations between things” (Marx [1867] 1976b:155–166). Since commodity fetishism is a “form of thought which is socially valid, and therefore objective, for the relations of production” (Marx [1867] 1976b:169) of capitalism, it is by no means self-evident that it is possible to avoid falling prey to its mystification.

So, is there a way out? The mystery of commodities, Marx writes, “Vanishes as soon as we come to other forms of production” (Marx [1867] 1976b:169). The contrast of capitalist with non-capitalist modes of life makes it possible to break from the mind-forged manacles that naturalize transitory social formations. He first turns to the past by briefly surveying pre-capitalist economic forms in which common ownership of the means of production prevail. Relations of personal dependence exist in which “there is no need for labor and its products to assume a fantastic form different from their reality” (Marx [1867] 1976b:170). No abstract entity, such as exchange value, mediates human relations; the connection between producers and their products are transparent. Marx will delve deeper into this subject in his studies of pre-capitalist societies after completing Volume 1 of *Capital*, in his voluminous writings of the 1870s and 1880s on communal forms in India, China, Russia, Indonesia, North Africa, and among Native Americans.

He then turns to the *future*, writing: “Let us finally imagine, for a change, an association of free men, working with the means of production held in common.” In this future socialist society, products are “directly objects of utility” and do not assume a value form. Exchange value and universalized commodity production come to an end. Producers decide how to make, distribute, and consume the total social product. One part is used to renew the means of production; the other “is consumed by members of the association as means of subsistence.” He adds, “The share of each individual producer in the means of subsistence is determined by his labor time.” The latter “serves as a measure of the part taken by each individual in the common labor, and of his share in the part of the total produce destined for individual consumption” (Marx [1867] 1976b:172). Since relations between producers and their products are “transparent in their simplicity,” socially necessary labor time—which is anything but transparent since it imposes itself behind the backs of the producers—has no place in socialism. Remuneration is based on *actual* labor time—the quantum of actual hours

of labor. A new mode of conceiving, relating to, and organizing *time* becomes the cardinal principle of socialism.

Marx notes that a “parallel” exists here with commodity production, in that there is as an exchange of equivalents: individuals work so many hours and receive goods produced in an equivalent amount of hours. But a parallel is not an identity. The exchange could not be more different than what exists in capitalism, since it is defined by a freely associated exchange of *activities* instead of an exchange of *commodities* based on an abstract average over which individuals have no control. Socially necessary labor time confronts the individuals as an impersonal force that acts irrespective of (p. 765) their sensuous needs, whereas actual labor time is the sensuous activity of individuals mediating their relations with nature. Distribution of the elements of production on the basis of actual labor time represents a radical break from capitalism, since its signals that its peculiar social form of labor—the split between abstract and concrete labor—has been abolished. As a result, value production comes to an end with the *inception* of socialism. Marx never ceases to insist on this: “In my investigation of value I have dealt with *bourgeois* relations, not with the application of this theory of value to a ‘social state’ ” ([Marx 1989a:536–537](#)).

This intimation of socialism in chapter 1 of *Capital* is remarkable, not least because the standard narrative among many Marxists is that “imagining” the future is the last thing a historical materialist should be doing. All that is permitted, according to the traditional Marxist conception—one that is shared by many who criticize traditional Marxism—is to discuss the immanent possibilities for emancipation that exist within the present. Since *The German Ideology* stated, “Communism is the actual movement that brings down the status quo” ([Marx and Engels \[1932\] 1846:49](#)), why is imagining the future needed at all? *And yet this is exactly what Marx calls on us to do.*

Has he fallen prey to utopianism? No, because the future is generated within the present, by struggles against the dictates of value production. Marx had occasion to directly witness such a struggle shortly after publishing Volume 1 of *Capital*—the 1871 Paris Commune. It greatly deepened his understanding of value production, since it represented “the political form at last discovered under which to work out the economical emancipation of labor” ([Marx \[1875\] 1986b:334](#)). The contrast between existing society and the vision of the future that he discerned in the praxis of the communards led him to revise his discussion of commodity fetishism in the second German edition of 1872, which devotes for the first time a distinct section to it.

Marx’s support for an actual movement that brought down the status quo did not restrain him from “imagining, for a change” a post-capitalist society. He was surely aware that not all struggles that aim to bring down the status quo are socialist or Communist. To know whether or not a movement is socialist requires *evaluating* it. To evaluate something requires a *measure*. And a measure requires a *conception* that defines it. Marx is supplying such a conception in chapter 1 of *Capital*.

It is therefore not the case that “to locate [socialism] in the future is in effect to leave us in the grip of the [vanguard] party, a form of struggle that has failed and miserably so” ([Holloway 2015:8](#)). As I have shown elsewhere, the idea of a vanguard party that brings Communist consciousness to the masses “from without” was alien to Marx and only entered “Marxism” through one of his bitterest political enemies—Ferdinand Lassalle (see [Hudis 1998](#) and [Hudis 2018](#)). It was Lassalle who first propagated the idea that “vehicles of science,” such as himself, were needed to bring socialist consciousness to the workers, who cannot achieve it through their own activity—a notion that he directly passed on to Karl Kautsky, who in turn passed it on to Lenin. There is not a hint of this conception in Marx’s work, which proclaimed from start to finish that the emancipation of the working class is the task of the working class itself. As the text of *Capital* demonstrates, there is no

necessary connection between imagining the future (p. 766) and adhering to the claim that socialist consciousness must be brought to the masses irrespective of the content of their spontaneous struggles.

But a question remains: Why does Marx pose actual labor time as a determining principle of a post-capitalist society in his brief discussion in chapter one of *Capital*? Isn't socialism supposed to *abolish* labor? Shouldn't free time, rather than labor time, be its governing principle? The *Grundrisse* states that capitalism generates the material conditions for its supersession by reducing the amount of living labor relative to capital at the point of production. The tendency to replace living labor with labor-saving devices, ultimately reaches the point wherein "direct labor as such ceases to be the basis of production." Labor is "transformed more into a supervisory and regulatory activity." This provides the basis for a higher form of society in which "the measure of wealth is no longer, in any way, labor time, but rather disposable time" (Marx 1973:708–709).

Is this perspective at odds with what is developed in *Capital*? It may appear so—especially since the passages on "the automaton" in the *Grundrisse* do not appear in *Capital*. However, there is little evidence that Marx altered his view that capitalism's drive to reduce necessary labor to a minimum creates a material condition for socialism. As the amount of necessary labor time shrinks, greater time is created for people to develop and enjoy the fully range of their human capacities—what the young Marx called "a totality of human manifestations of life" (Marx [1844] 1975b:299). Marx never held the view that labor would remain the predominant form of social interaction in a post-capitalist society. *Capital* poses actual labor time as *a* measure for distributing the products of labor, but it does not suggest that it serves as *the* measure for social relations as a *whole*.

Moreover, Marx does not state even in the *Grundrisse* that labor is completely abolished in socialism. He contends that with the virtual elimination of *productive* labor working activity is "transformed more into a supervisory and regulatory activity." But does the end of productive, *industrial* labor signal the abolition of *all* kinds of labor? What about the labor that is not productive of surplus value, such as work that involves caring, nurturing, teaching, and critical thinking—which some refer to as *affective labor*? The latter tends to be devalued in capitalism, since it is not productive of surplus value. Which is why the domestic, reproductive labor of women is often downplayed or ignored. But is it a given that affective labor has no place in socialism?—since, as recent studies make clear, "uniquely human characteristics such as empathy, creativity, judgment, or critical thinking will never succumb to widespread automation" (Smith 2014). There is no reason to presume that the abolition of productive labor involves the abolition of all forms of labor—unless instrumental, industrial labor is equated with every kind of laboring activity. But to do so is to naturalize a transitory historical formation.

Marx's critics often overlook this when it comes to the distinction between "productive" and "unproductive" labor. Silvia Federici, for one, has argued that Marx "idealized industrial labor as the normative form of social production" (Federici 2017:80). However, Marx does not suggest that industrial or productive labor—which he defines as labor that produces surplus value—is "better" than unproductive labor. On the contrary, he states, "to be a productive laborer is a misfortune" (Marx [1867] 1976b:644). Nor (p. 767) does he suggest that unproductive labor is *unnecessary* (surely, labor power cannot augment surplus value if it is not reproduced in the domestic sphere). Marx is pursuing a different question—namely, *what social relations are necessary for the production of surplus value?* He does so in order to pinpoint how to abolish value production.

It is not only Volume 1 of *Capital* that contains discussion of the economic content of a post-capitalist society; it is also found in a number of passages in Volumes 2 and 3 of *Capital*. He writes in the former:

With collective production, money capital is completely dispensed with. The society distributes labor power and means of production between the various branches of industry. There is no reason why the producers should not receive paper tokens permitting them to withdraw an amount corresponding to their labor time from the social consumption fund. But these tokens are not money; they do not circulate ([Marx \[1885\] 1978:434](#)).

These and related comments are completely consistent with Marx's discussion of socialism in chapter one of *Capital*.

4. The 1875 Critique of the Gotha Program

The [Critique of the Gotha Program \(1875\)](#) is Marx's fullest discussion of a post-capitalist society. In a sharp rebuke to his followers for capitulating to the doctrines of Lassalle, he points his sharpest barbs at the program's failure to "deal with the future state of communist society" ([Marx \[1875\] 1989b:95](#)). Marx responds by directly discussing a future socialist or Communist society (the two terms are interchangeable in Marx and do not denote distinct historical stages). In doing so he distinguishes between two phases of socialism or Communism: the first as it emerges from the womb of the old society, the second as it stands on its own foundations. He states that with the initial, lower phase the producers "do not exchange their products; just as little does the labor employed on the product appear here *as the value* of these products, as a material quality possessed by them, since now, in contrast to capitalist society, individual labor no longer exists in an *indirect* fashion but *directly* as a component part of the total labor" ([Marx \[1875\] 1989b:85](#)). Generalized commodity exchange comes to an end in the initial phase of socialism, since a precondition for the former's existence is a social substance—abstract labor—that makes it possible for products of labor to be universally exchanged. But with democratic, freely associated control of the means of production, abstract labor comes to an end—since the producers (not an external force) now governs social interactions. And since abstract labor is the substance of value, value production also comes to an end—not only in the higher but also in the "lower," *initial* phase of socialism.

(p. 768) But labor itself does not come to end, since *actual* labor time serves as a measure for distributing the products of communal activity. Marx writes, "The individual producer receives back from society—after the deductions have been made—exactly what he gives to it. What he has given to it is his individual *quantum* of labor." Individuals receive from society a voucher or token that they have "furnished such and such an amount of labor (after deducting his labor for the common funds)" and from this token obtains "the social stock of means of consumption as much as the amount of labor costs" ([Marx \[1875\] 1989b:86](#)). As in *Capital*, Marx is *not* suggesting that the worker's labor is computed on the basis of a social *average* of labor time. Here, labor time simply refers to the actual amount of hours of work performed by the individual in a given cooperative.

Since it is easy to conflate actual labor time with socially necessary labor time, this deserves closer examination. It may appear that Marx is adopting Proudhon's notion of labor notes or time chits, which he ruthlessly criticized in *The Poverty of Philosophy* and the *Grundrisse*. But the appearance is deceptive. Proudhon and the socialist neo-Ricardians advocated time chits as a way to measure the "value of labor" on the basis of the average amount of time needed to produce commodities. This meant rationally organizing value production instead of abolishing it. Marx's approach could not be more different. The labor tokens that he discusses are based on actual labor time, not a social average. Actual labor time, unlike socially necessary labor time, varies with each individual and circumstance. It is purely contingent. The actual amount of time taken to produce goods in one cooperative may be very different from another, since the producers decide the pace and nature of work.¹ Moreover, such decisions are dependent on variations in the natural environment. None of this has anything in common with a "rational" or planned organization of value production.

Although supporters as well as critics of capitalism often conflate actual, sensuous, concrete time with time as an invariable non-sensuous abstraction, Marx historically problematizes the conception of time. For him, in a post-capitalist society “time becomes the space for human development” ([Marx 1989c](#):493).

These distinctions are often overlooked. One recent discussion of the *Critique of the Gotha Program*, for instance, takes Marx’s discussion of distribution according to actual labor time to mean that the lower phase of Communism represents universalized value production: “The universalization of this form of domination is the precursor to the end of domination. For Marx, it is only in the higher phase that domination is actually overcome” ([Benanav 2015](#):185–186). It is hard to see how this can be read into Marx’s text, since in the lower phase there are no classes, no alienated or abstract labor, no commodity exchange, and no dual character of labor. How then can there still be value production, let alone universalized value production? The claim is only possible if “labor” of any kind is equated with abstract labor and “time” of any kind is equated with abstract (p. 769) universal labor time. Such claims may be consistent with the logic of capital, but they hardly conform to Marx’s critique of it.

When Marx states in the *Critique* that in the lower phase “the same principle will apply as in bourgeois society,” he is not referring to abstract labor, socially necessary labor time, or value production. He is simply repeating the same point made in *Capital* that there is a “parallel” with commodity production *in the very restricted sense* that an exchange of equivalents persists. As with capitalist “bourgeois right,” what you get from society depends on what you give to it. This defect is “inevitable,” he states, in a society just emerging from the womb of capitalism. But the form of this quid pro quo is a world removed from the exchange of *abstract* equivalents. People now learn how to master themselves and their environment on the basis of a time-determination that does not confront them as a person apart. Far from “universalizing” domination as “the precursor to the end of domination” Marx’s discussion of the lower phase posits the liberating conditions that make it possible to reach “from each according to their ability, to each according to their need” in a higher phase. At that point, the quid pro quo is left behind. With the end of the division between mental and manual and the achievement of the “all-round development of the individual,” a higher phase is reached in which actual labor time no longer serves as a measure of social relations.

Moreover, Marx is not suggesting that what governs the lower phase is “to each according to their ability, from each according to their work.” No such formulation was ever penned by Marx and for good reason—it *is a formula for wage labor*. Wage labor is premised on the notion that you are compensated for the value of your labor. You may rarely obtain the full value, but Marx assumes in Volumes 1 and 2 in *Capital* that *labor power is paid at value*. He does this to show that even if a worker obtains a “fair” wage he or she would still be alienated and exploited by being treated as a mere expression of exchange value. This is why he defined socialism as the abolition of wage labor.

Marx’s discussion of the lower phase should not be read as a normative projection of how a socialist society emerging from the womb of capitalism *ought* to be organized. He is not writing blueprints for the future. He states in the *Critique* that once production relations have been thoroughly transformed on a systematic, societal level, a new form of “distribution of the means of consumption results *automatically*” that defines that given society ([Marx \[1875\] 1989b](#):95).² Distribution according to actual labor time is a great leap, since it marks the annulment of value production, but it is still defective, in that an exchange of equivalents (*actual*, not abstract equivalents) exists.

It may seem odd that a phase of socialism that represents the realm of *freedom* can be *defective*. But there is nothing odd about this. Marx does not have a perfectionist view of human nature, so neither

does he have a perfectionist view of a new society. Each phase of freedom faces limits and barriers—otherwise there would be no impulse to further transcend. Is there any point at which this drive for self-development comes to an (p. 770) end? No, not even in a higher phase of Communism, which does not annul all objective limits or contradictions. This is why the young Marx held that “*Communism* is the necessary form and the dynamic principle of the immediate future, but communism as such is not the goal of human development, the form of human society.” And it is why the *Grundrisse* speaks of “the absolute movement of becoming” (Marx [1857–1858] 1986a:412).

Does labor play any role a higher phase of socialism? Marx thinks so, since with it “labor has become not only a means of life but the prime necessity of life” (Marx [1875] 1989b:87). Labor as a means toward an end that takes the form of a purely instrumental activity is abolished long before this. However, Marx does not conflate all kinds of labor with instrumental labor. “Labor” also includes *affective* activities, such as caring, nurturing, and sharing, as ends-in-themselves. As he writes in *Capital*, “Labor is the universal condition for the metabolic interaction between man and nature, the everlasting nature-imposed condition of human existence, and it is therefore . . . common to all forms of society in which humans live” (Marx [1867] 1976b:290). It is no more necessary for all kinds of “labor” assume a value form than it is for every human society to assume the form of capitalism. Yet it remains necessary to reduce the amount of actual labor time to a minimum if we are experience a “totality of human manifestations of life.”

Marx’s conception of the phases of socialism should not be confused with “the dictatorship of the proletariat,” which he defines as a *political* transitional stage *between* capitalism and socialism/Communism. The *Critique* clearly states: “Between capitalist and communist society lies the period in . . . which the state can be nothing but *the revolutionary dictatorship of the proletariat*” (Marx [1875] 1989b:95). This is democratic control of society by the “immense majority,” the producers, who use political power as a lever to eliminate class domination by revolutionizing the social relations of production. Once this process is completed, the dictatorship of the proletariat becomes superfluous, since with the end of class society the proletariat is abolished alongside all other classes. *The state as such comes to an end.*

Many post-Marx Marxists, including Lenin, muddied the waters by claiming that in “the first phase of communist society, all citizens are transformed into hired employees of the state” (Lenin [1917] 1972:92). But Marx nowhere mentions the state in discussing the lower phase of Communism. *Nor could he, since the state is based upon the existence of classes—which no longer exists in socialism or Communism.* Marx asks in the *Critique*, “The question then arises: what transformation will the state undergo in communist society? In other words, what social functions will remain in existence that are analogous to present state functions?” (Marx [1875] 1989b:95). This points to the fundamental difference between a *state* and the *functions* now performed by one (representative bodies, coordinating bodies between cooperatives, etc.), which in the future can be handled without a state.

Despite his many contributions, Lenin’s view has had unfortunate consequences, since it continues to place blinders upon accurately rendering Marx’s text. Michael Lebowitz, for example, has argued: “We build communist society *upon its own foundations* by (p. 771) developing new communal relations of production that subordinate the private ownership of labor-power by creating a new state” (Lebowitz 2015:71). Here not only is the state imported into the lower phase of Communism—it exists in a higher phase as well. The state is now fetishized to the point of making it an eternal fact of human existence.

By confusing the “dictatorship of the proletariat” with the initial phase of the new society, post-Marx Marxists have assumed that the state—which in some form prevails in the political transition period—also continues in socialism/Communism. That this was never Marx’s position, however, is clear from his actual writings, which nowhere equate socialism or Communism with state domination. For Marx, the state is an “excrescence” of class society that is superseded in socialism ([Marx 1972:329](#)).

5. Conclusion

Although Marx never devoted a book or even a single published essay to a discussion of a post-capitalist society, here we have managed to touch on only a few of a considerable number of discussions about the nature of socialism found in his work (for a fuller and detailed discussion, see [Hudis 2013](#)). It could be argued that the lack of discussion of this dimension of his thought has less to do with the fact that the texts that contain them are unknown than the ideological blinders that have stood in the way of grasping them. Yet there is one issue on which virtually all commentators agree: Marx held that a socialist society could come into existence only on the basis of existing material conditions. “Seeing the idea in reality itself” was Marx’s point of departure and return. There is no path to the future that does not emerge from the material conditions of the present. But this does not free our generation from envisioning the future as the guide to action in the present. As [Anna Stetsenko \(2015:110\)](#) writes, “It is impossible to imagine a future unless we have located ourselves in the present and its history; however, the reverse is also true in that we cannot locate ourselves in the present and its history unless we *imagine* the future and commit to creating it.”

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Notes:

(¹) For a discussion of how distribution according to actual labor time addresses the problem of efficiency and economizing time, see [Hudis 2013](#):111–112.

(²) Of course, groups of individuals may choose to adopt a form of distribution in a given locale or area without regard for new relations of production. But Marx presumes that it would not be able to sustain itself over the long term and on a societal level.