

Marx and the so-called 'Law of Increasing Misery'

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The dispute as to whether Marxism postulated the absolute impoverishment of the working class as a law of capitalism, or only a relative worsening of their conditions, had its origin, I believe, in a German discussion of half a century ago—a discussion conducted in a very special context. Those supporting a revisionist and reformist standpoint tended to deny any tendency to absolute impoverishment and to assert that there was a tendency at most to relative worsening. Their critics opposed this doctrine along with the reformist precepts that accompanied it. Since then revolutionary socialists have been apt to think it part of their duty to defend this latter standpoint. The hardening of an attitude of dogmatism which has done so much until recently to obstruct creative Marxism has reinforced the tendency to take a stand on dogmatic assertions instead of studying the facts. To-day we are in a position to reconsider the position, free from controversies of half a century ago and free from an obscurantist 'a priori' approach.

So far as the facts go, there can be little doubt that the absolute level of real wages of the working class in developed capitalist countries has risen very considerably since the middle of the 19th century. I do not believe that this can be seriously disputed, and remains a fact that has to be squarely faced, at any rate as regards Britain, U. S. A. and Scandinavia (it is probably also true of France, although real wages there have been stagnat-

ing if not worsening in recent decades, and of *employed* workers in Italy, although there the position is complicated by the existence of large-scale unemployment in post-war years and by big contrasts between north and south Italy). About the magnitude of such a rise in the level of real wages there is room for a good deal of argument; but about the existence of a rise, large or small, I think there is none. Statistics of the *relative* share of wages in the total national income are notoriously defective, and subject to various limitations of definition and interpretation; but so far as they go they reveal an approximate constancy in the share of wages in the national income over half a century in Britain (where there is no peasantry to complicate the comparison, and only a quite small agricultural sector). Even during the war and immediately after when the unemployed reserve army had dwindled almost to zero, and trade unions were in an exceptionally strong position, the percentage share of wages only rose by remarkably little; which suggests the possible existence of a rather firm *upper limit* to the share of wages under capitalism at any one time.

In other countries, where industry is much less developed, and especially countries of a colonial or semi-colonial status (or recently emerging therefrom), I am aware that the situation is very different. Here quite different tendencies may well prevail: about them at any rate I am not competent to speak.

Non-Marxist economists have always maintained, of course, that there is a 'natural' tendency for wages to rise as capital accumulation proceeds. Some even went so far as to suggest that by gradually raising wages and lowering the rate of profit, capitalism would, of its own inner tendencies, progressively 'socialise' itself; and it was against this kind of 'ameliorist' and 'reformist' claim that Marx's conclusions about "the law of capitalist accumulation" were largely directed. Such claims (derived, e. g., from the marginal productivity theory) rest on the assumption, 'inter alia' of full employment, and ignore the effect on wages of the existence of the industrial reserve army, and (as Marx was concerned to point out) the periodic re-inforcement of this reserve army, periodically by technical progress and in every slump, whenever there was a tendency for surplus-value to be encroached upon. In so far as there has been an advance in the standard of life of the working class in countries of Western Europe and America over a century, this is evidently to be attributed, not to any 'natural tendency' of capitalism, but to the organised struggle of the working class, both economically and politically, for better conditions. (At the same time, of course, it has to be admitted that increased productivity of labour with technical progress—Marx's 'increase of relative surplus value'—has made it easier for capitalism to concede higher wages without encroachment on the rate of surplus value.)

How far any such rise of real wages has been greater or less than the accompanying rise in what Marx called the "value of labour-power" is a question into which I do not propose to enter. It is not a question susceptible of any easy statistical answer. All one can say is that with a substantial increase in skill

and in the intensity of work (needing a higher standard of subsistence and recreation to maintain it) this 'value of labour power' has evidently increased also over the past century, and continues to increase with modern technology, despite reductions in the length of the working week.

How far do such changes in wage-earnings modify what Marx said about the tendencies of capitalism, and how far are they consistent with it? It is my belief that they are not at all inconsistent with it, since Marx never denied—on the contrary he himself affirmed—that the class struggle (and in particular the trade union struggle for better conditions) helped to shape the development-tendencies of capitalism. To suppose the contrary is to give Marx's doctrine a mechanistic, indeed 'fatalistic', interpretation which leaves no place for the human factor and for the effect of class struggle upon history.

Marx's views on this whole matter have been the subject of much misinterpretation. Mr. John Strachey, for example, in a recent book¹⁾, takes Marx to have spoken of absolute worsening of conditions as being "not just a tendency but an irreversible law" of capitalism. Others have treated Marx as being the author and protagonist of the 'iron law of wages', which the subsequent history of capitalism has disproved.

Actually, the mechanistic (and defeatist) 'iron law of wages' is attributable to Lassalle and was repudiated by Marx. This repudiation by Marx comes in his *Critique of the Gotha Programme*, and was enlarged upon by Engels in a letter to Bebel of 18—28 March 1875²⁾.

1) *Contemporary Capitalism*, London 1956, pp. 101-110.

2) Both are reprinted in Dr. R. L. Meek's collection, *Marx and Engels on Malthus*, London 1953, pp. 106-7.

In this letter Engels wrote: "Our people have allowed the Lassallean 'iron law of wages' to be foisted upon them, and this is based on a quite antiquated economic view, namely that the worker only receives on the average the *minimum* of the labour wage, because, according to Malthus's theory of population, there are always too many workers (this was Lassalle's argument). Now Marx has proved in detail in 'Capital' that the laws regulating wages are very complicated, that sometimes one predominates and sometimes another, according to circumstances, that therefore they are in no sense iron but on the contrary very elastic, and that the thing can by no means be dismissed in a few words, as Lassalle imagines... Thus by adopting Lassalle's 'iron law' we commit ourselves to a false statement with a false basis"

For the purpose of his analysis of surplus-value in *Capital*, Marx assumed, of course, that the price of labour-power was equal to its value. This assumption was no more than a provisional one, which was made (as he wrote to Engels, 2 April 1858) "to avoid having to deal with everything" at once, and to begin with, he advisedly "assumed that the wages of labour are constantly equal to their lowest level". Both in *Capital* and in his famous reply to Weston (published as *Value, Price and Profit*, ed. Eleanor Aveling, 1899, pp. 85—7) he made it clear that "the value of labour is not a fixed but a variable magnitude", dependent not only on "the physical element" but also "in every country determined by a traditional standard of life"; determined not only by "natural wants" but "by the habits and degree of comfort in which the class of free labourers has been formed" (*Capital*, Eng. ed. Moore and Aveling, p. 150). He also speaks of wages as varying "according to the more or less complicated

character of the labour-power" and with the "intensity of labour" (*ibid.*, pp. 151, 571). The trade union struggle for higher wages, he emphasised in his debate with Weston, was not only capable of raising the price of labour-power *above* its value but also of influencing more permanently the value of labour-power itself. True, he is quick to point out that such a process of raising wages is limited: that in the wage-struggle workers "are fighting with effects, but not with the causes of those effects"; that "the general tendency of capitalist production is not to raise, but to sink the average standard of wages, or to push the value of labour more or less to its minimum limit" and that trade union action was retarding this downward tendency, "not changing its direction". But that action by the workers (and even more *political* action by the workers as a *class*) could affect the operation of the tendency he not only did not deny, but emphasised.

The reasons why any "rise of wages is confined within limits that not only leave intact the foundations of the capitalist system, but also secure its reproduction on a progressive scale" (*Capital*, Vol. I, p. 634) form the subject-matter of his famous chapter entitled 'The General Law of Capitalist Accumulation'. Briefly, the reason is twofold. Firstly, because, as capital accumulates, its 'organic composition' alters, the demand for labour does not increase proportionately with the growth of capital, but "the demand for labour diminishes relatively, even while increasing in an absolute manner".³⁾ Secondly, it will happen even "in the case most favourable to the labourers" when capital grows "along with a constant technical composition of capital", as soon as

3) *Theorien über den Mehrwert*, Vol. 2, Pt. 3, p. 263; *Capital*, Vol. I, p. 643.

the growing demand for labour raises wages sufficiently to eat into profits “accumulation lags and the rise in wages receives a check”. (“Either the price of labour keeps on rising, because its rise does not interfere with the progress of accumulation... or, on the other hand, accumulation slackens in consequence of the rise in the price of labour, because the stimulus of gain is blunted”.— *Capital*, Vol. I, p. 634). Thus capital accumulation constantly tends to reproduce the industrial reserve army as soon as it is depleted; and “the general movements of wages are exclusively regulated by the expansion and contraction of the industrial reserve army” (*ibid.*, p. 650—1). This is the law of population peculiar to capitalism.

It is later in this same section that the passage occurs which is usually quoted in connection with the so-called ‘law of increasing misery’. In summary he says: “in proportion as capital accumulates, the lot of the labourer, be his payment high or low, must grow worse”. Several things, however, must be carefully noted to avoid misinterpretation.

Firstly, the words “be his payment high or low” show that he was *not* intending this statement to refer simply to wages. Hence it was evidently not intended as a forecast about wages, and the statement is neither proved nor disproved by plotting curves of real-wage movements over a period to see whether these rise or fall.

Secondly, the context of this statement—discussion of the industrial reserve army—suggests that Marx largely had in mind the growing instability of the worker’s life, with all its attendant consequences (his loss of status and security as well as of earnings, and the degradation that goes with unemployment and fear of it). In fact, his preoccupation here

is with the degradation of the pauperised labour reserve.

Thirdly, his choice of the word ‘lot’ here cannot have been accidental, and is to be explained presumably by the fact that he meant to refer to the *social status* of the working class as well as to its economic position in a narrow sense (compare his references on the same page, in speaking of “accumulation of misery” to “mental degradation”, “estrangle from him the intellectual potentialities of the labour process” “subject him during the labour-process to a despotism the more hateful for its meanness”, destruction of “every remnant of charm in his work”, etc.)⁴

Fourthly, Marx is evidently speaking here about ‘capitalism in general’—of capitalism, if you like, on a world scale—and not of events in a particular country, in a particular set of concrete circumstances, characterised by complexities which he abvisedly ignores in his analysis of capitalist production in general terms. There will still be national differences in the trend as well as the level of wages, due to circumstances connected with relations of foreign trade, of which he has previously spoken—circumstances complicated in the epoch of imperialism by the effect of super-profit drawn at the expense of colonial peoples and shared in by some strata, at least, of the working class of the imperialist country.

Finally one should notice, again, that having enunciated “the absolute general law of capitalist accumulation”, Marx was quick to add that “like all other laws it is modified

4) Regarding the influence of such conditions on the class struggle, Marx’s statement elsewhere is to be noted: “the position of the classes in relation to each other depends to a greater extent on the proportion which the wage forms than on the absolute amount of the wage”. (*Theorien über den Mehrwert*, II, Erster Teil, p. 141).

in its working by many circumstances, the analysis of which does not concern us here".⁵⁾ (It is to be noted again that he is specifically referring here to the growth of unemployment —of the reserve army relatively to the employed labour force). Like the "falling profit-rate", this is regarded as having "counteracting tendencies"; and Marx's statement here cannot, therefore, be adduced in support of the claim that Marx thought the working class could never secure improvements. The real point is that such improvements come *only* by organised struggle, and do not fall as gifts from the gods. Immediately after describing how "the law of supply and demand of la-

5) *Capital*, Vol. I, p. 660.

bour on this basis completes the despotism of capital", he goes on to show that "as soon as the labourers learn the secret" and "by Trade Unions, etc., they try to organise a regular cooperation between employed and unemployed in order to destroy or to weaken the ruinous effects of this natural law of capitalist production on their class... every combination of employed and unemployed disturbs the 'harmonious' action of this law"⁶⁾—adding however, the prophetic remark that when this occurs, Capital itself "rebels against the 'sacred' law of supply and demand, and tries to check its inconvenient action by forcible means and State interference".

6) *Ibdi.*, p. 655.

マルクスといわゆる「窮乏化法則」

モーリス・ドップ

マルクス主義は、資本主義の法則として、労働者階級の絶對的窮乏化を主張するのか、それとも労働者階級の状態の相對的悪化を主張するだけなのかという論争は、半世紀まえにドイツでおこなわれた議論——きわめて特殊な関連のもとでおこなわれた議論——に端を發しているように思われる。修正主義的、改良主義的立場の支持者たちは、絶對的窮乏化の傾向をいっさい否定して、せいぜい相對的悪化の傾向があるだけだ、と主張するかたむきがあった。彼らにたいする批判者たちは、この學説とそれに附隨する改良主義的勸告とに反對した。それ以来というものは、革命的社會主義者はこの後者の立場を擁護することを、みずからの義務の一部と考えがちであった。つい最近まで、創造的マルクス主義にとって多大の妨害となっていた教條主義的態定の硬化によって、事實の研究よりもむしろ教條主義的斷定によりどころをもとめる傾向が、強められた。今日では、われわれは半世紀まえの論争にはとらわれずに、また、愚かしい「アブリオーリ」なやりかたにもとらわれずに、あらためて考えなおしてみることができる。

事實についていうかぎり、發展した資本主義諸國の労働者階級の實質賃銀が、19世紀中頃いらい、かなりいちじるしく上昇したことは、ほとんど疑いない。私は、こ

のことが重大な論争のまともになりうるとは思わない。どうみても、イギリス、アメリカおよびスカンヂナヴィヤにかんするかぎりには、まともに対決されるべき事實が現存している。(また、フランスについても——このばあいは、最近數十年間實質賃銀がたとえ悪化しないにせよ停滯しているとはいえ——やはりそうであるし、また、イタリーの就業労働者についても——このばあいは戦後における大規模な失業の存在と南北兩イタリーのひどく對照的な状態によって、事態が複雑にされているとはいえ——やはりそうである。) 實質賃銀水準のこの上昇がどれくらいの規模かという点については、大いに議論の餘地がある。けれども、大なり小なり、上昇があったということ自體については、全く議論の餘地がないように思われる。國民所得總額の中での賃銀の相對的わけまえにかんする統計が不完全なことは、かくれもない事實であるし、また、定義や解釋の上でのさまざまの制約がある。けれども、統計に示されているかぎりでは、過去半世紀にわたってイギリスでは國民所得の中の賃銀のわけまえがほぼ一定であったことが、知られる(イギリスには、比較を複雑にする農民層というものが存在しないし、また、ごく小さい農業セクターしか存在しない)。戦時中や終戦直後のように、失業豫備軍がほとんどゼロにま