

The Relation Between Theory and History in the Writings of Karl Marx

Few propositions appear to be more uniformly accepted by Marxists, non-Marxists, and anti-Marxists alike than the assertion that Marx's theory was, above all else, a dynamic theory of social history. This is typically contrasted with the static equilibrium models that underlie the historical investigations of neoclassical cliometricians.

Critics of the neoclassical approach argue that by using the model of constrained optima their study of history reduces to the observation of historical facts and the mental invention of hypothetical objective functions and constraints such that every observed historical datum constitutes some form of constrained optimum. And since the idea of conscious and purposive alteration of either objective functions or constraints is almost never considered by most neoclassical cliometricians, this approach runs the constant danger of reducing to a rationale or justification of all observed historical phenomena or situations.

Most neoclassical cliometric studies are, in fact, profoundly conservative. Progressive or radical historians frequently argue that the conservatism stems from the neoclassical use of static equilibrium theory as the foundation of much of their historical research. This author disagrees, and in an article devoted to a critique of one well-known neoclassical historical study he argued that the conservatism stems from the assumptions of Paretian welfare economics and not from the use of static equilibrium analysis *per se* (Hunt, 1975, 1981).

The precise intellectual foundations of the Marxian approach to history, however, are rarely examined. Most generally, a few facile references to "dialectical materialism" and "thesis, antithesis, and synthesis" (Marx *never* used any of these terms to describe his own theory) are mentioned, and these terms are supposed, in some manner, to justify the idea that history moves in a machine-like, time-specific, determined manner. Feudalism inexorably and in accordance with scientifically understandable laws is supposed to have created capitalism in the process of its own self-destruction. Similarly, it is believed that capitalism is inexorably, and in accordance with scientific laws, creating socialism in the process of its own destruction.

This version of Marxian history is attributed to Marx by many of his devotees and by nearly all of his detractors. This author believes this conception of Marx's approach to history is fundamentally wrong. Not only did Marx fail to use the words "dialectical materialism" or "thesis, antithesis, and synthesis," he did not propound this general approach to history.

In fact, Marx's methodology consisted of formulating first an abstract, structural definition of capitalism as a historically specific socio-economic system. He then used this structural definition as a means of ascertaining what chronological facts had historical significance—their significance being relative to his conception of capitalism. These relevant facts then provided a more adequate comprehension of contemporary capitalism.

In order to fully understand or appreciate this approach to history, one must understand the role played by the definition of capitalism in Marx's intellectual system—and for that matter the role played by definitions generally. In the empiricist or positivist tradition that dominates academic, intellectual discourse in the English-speaking world, there are only two types of definitions; lexical and stipulative. Lexical definitions indicate how a word is generally used, while stipulative definitions indicate a more peculiar or restricted usage of the word. In either case, within the empiricist tradition, if one says a definition is "correct" or "incorrect," one can only mean that the word is or is not, in fact, used in the manner indicated.

Within the rationalist tradition of epistemology and methodology, however, the assertion that a definition is "correct" has a significantly different meaning. Within the rationalist approach, the first step in the scientific process consists in acquiring an understanding of the distinction

between the essential qualities, features, or facets of the object under study and the inessential or accidental qualities, features, and aspects. The inessential features could be other than what they are and the object would continue to be the kind of object that it is—e.g., a green automobile that is painted red remains an automobile because color is an inessential quality of an automobile. Essential features cannot be other than what they are if the object is to remain the kind of object that it is—e.g., if the automobile's engine were replaced by a pile of scrap metal, the object would cease to be an automobile. A definition is correct within this tradition if it contains all of the features, qualities, or facets that are essential to the thing in question and contains no inessential features.

The second step in the scientific process, within the rationalist tradition, consists in the analytical working-out of all the implications inherent in scientifically correct definitions. The author has argued at length elsewhere that Marx must be put into this rationalist tradition. Most of Marx's writings can be best understood as efforts to ascertain the correct definition of capitalism and then to derive deductively all of the conclusions implicit in this definition (Hunt, 1982, 1983). This paper shall expand that argument to show that Marx's definition of capitalism was the basis upon which he constructed his historical writings and that the ultimate purpose of these historical writings was to give the reader a fuller comprehension of the meaning and implications of his definition of capitalism.

The method that Marx used to arrive at his definition of capitalism is described in his "Introduction" to *The Critique of Political Economy* (Marx, 1968). It involves some combination of induction and deduction. One begins a social science inquiry with the most concrete datum: a single living human being. One then moves from the concrete to the abstract. In a *social* science, however, one is never concerned with a single individual in isolation, but rather with all individuals—or the population. But, in Marx's view (1968, p 39):

"Population is an abstraction, if we leave out for example the classes of which it consists. These classes, again, are but an empty word, unless we know what are the elements on which they are based, such as wage-labour, capital, etc. These imply, in their turn, exchange, division of labour, prices, etc. Capital, for example, does not mean anything without wage-labour, value, money, price, etc. If we start out, therefore, with population, we do so with a chaotic *conception* of the whole, and by closer analysis we gradually arrive at simpler ideas; thus we shall proceed from the imaginary concrete to less and less complex abstractions, until we get at the simplest conception. This, once attained, we might start on our return journey until we would finally come back to population, but this time not as a chaotic notion of an integral whole, but as a rich aggregate of many conceptions and relations "

Here, Marx is describing a path of inquiry that does not correspond to either orthodox notions of induction or orthodox notions of deduction. He is asserting that those things that are given immediately in perception—individual human beings—are the most complex and difficult to understand in a conceptual scheme. One can proceed from this complex abstraction population to successively simpler abstractions until the simplest abstraction is reached.

The usual notion of induction is a process in which one mentally moves from concrete particulars to more abstract generalizations. Since particulars are apprehended with the senses, induction is usually conceived as a type of empiricism. For Marx, on the contrary, the *intellect* determines that what for the senses is immediately intuited is, in mental or intellectual understanding, the most complex element in the conceptual scheme. Therefore, for Marx, understanding proceeds from the conceptually complex, which is the perceptually given particular, to the conceptually simple, which is the most general. This process is, however, predominantly a mental process, as is clear from the previous quotation. Moreover, the mental

process of moving from the most general (and hence simplest) concept back to the more particular (and hence more complex) concept is *not* merely a process of deduction. In that process Marx introduces an element of inductive reasoning.

For example, it will be seen below that for Marx the ideas of commodities and money are simpler and more general abstractions than the idea of capital. In the reasoning process, one arrives at the essence of capital, not simply by deducing its nature (as a lower level abstraction) from the nature of commodities and money (as higher level abstractions) but by combining this deduction with an inductive examination of the issue of *what in addition to* the necessary features of commodities and money is the necessary feature by virtue of which commodities and money become capital. Thus, the lower level abstractions are much more difficult to fully understand than the higher level abstractions and frequently much more important.

This downward mental deductive process (with induction necessary in each downward step) continues with each lower level of abstraction coming closer to the concrete existential reality of sensuous experience. Each lower level abstraction becomes mentally more difficult to comprehend because it contains all of the conceptual relations of the higher abstraction and *more*. The all important “more” must be apprehended (at least in part) through induction. The process continues until one is thinking about the concrete things of sense perception the things that initiated the entire process. But having ascended to the highest level of abstraction the simplest mental concept—and then descended back to the particulars of sense perception, one now not only sensually perceives the material thing in its immediate existence but also intellectually *understands* the thing as it exists, in all of its relations.

The significance of this issue lies in the tendency of many interpreters of Marx to imagine that Hegel’s view of the relation of mental process to history coincides with Marx’s view. Like Marx, Hegel believed that the mental process began with the sensuous particulars and then proceeded until it grasped the most general. For Hegel but not for Marx—the absolutely general was all that had ultimately real existence. When, for Hegel, the mental process proceeds from the most general to the less general it becomes clear that the less general (or more particular) is in some sense fully contained in, and mentally fully implied in, the more general. History, for Hegel, is the process by which the world moves from the most general abstraction to the more particular. Hence, at any moment in history, all subsequent events, being merely less general abstractions, are fully implied by that moment of history, and, in common parlance, history is totally deterministic.

Since, for Marx, history is also understood in terms of an abstract set of conceptions, it is easy to see how interpreters fall into seeing Hegelian determinism in Marx’s historical writings. This is, however, a mistake. In order to show this, one can construct Marx’s abstract definition of capitalism and then discuss the relation of this definition to Marx’s historical writings. This argument is most clearly articulated in Marx’s *Grundrisse*, but details, bits, pieces, and extensions of the argument are found in a number of the works written throughout his life.

Figure 1 may be used to illustrate Marx’s definition of capitalism. It is a set of concentric circles. The larger circle illustrates the more general abstraction and contains all of the smaller circles or less general abstractions within it. The largest circle (A) is social relations and relations with nature. All human productive activities in all societies throughout history are *social* and involve a transformation of nature. Thus, productive activity simultaneously involves one in social relations and relations with nature. In Marx’s words (1976, p. 42):

“The production of life always appears as a twofold relation: on the one hand as a natural [i.e., a relation with nature], on the other hand as a social relation—social in the sense that it denotes the cooperation of several individuals, no matter under what conditions, in what manner and to what end.”

These two most general aspects of all production correspond to what, in other writings, Marx referred to as the “forces of production” and the “social relations of production” and together they constitute a mode of production.

Part B of the figure restricts the consideration to those situations in which the social privileges, and the corresponding social restrictions placed on the individual’s interaction with nature and society, take the form of private property. This is a less general category than Part A, but still contains the possibilities of a number of diverse modes of production.

In Part C, the situation is further restricted to one in which the natural products of human endeavor are not only privately owned property but, as commodities, are produced not for the use value for the owner or his immediate acquaintances but for an exchange through which the owner acquires different use values. Part D considers the type of society in which production is dominated by the production of commodities and exchange is mediated by money. In Part E, the picture is further narrowed by introducing the capital-wage labor relation which is the *differentia specifica* of capitalism.

If one fully grasps Marx’s discussion of what is involved in moving successively from the most general and abstract concept (Part A) to less abstract concepts until the concept is reached that contains the *differentia specifica* of capitalism (Part E), one will comprehend Marx’s concept of capitalism because it contains not only the *differentia specifica* (Part E) but all of the other parts as well.

Looking at this structural, conceptual definition of capitalism, one can also understand Marx’s approach to history. In the *Grundrisse*, after explaining his methodology in which one moves from the simplest, most abstract notions to the more complex and concrete notions, Marx posed the question (1973, p. 102): “But do not these simpler categories also have an independent historical or natural existence predating the more concrete ones?” In other words, does not the order of explanation from the more general and simpler to the less general and more complex, or the path of abstract thought, parallel the order of historical development? Marx’s answer was “that depends.” To some extent, this parallel holds true. In at least one very important respect, however, this parallel gives one a distorted view of the relation between the past and the present.

On the other hand, the simple, more abstract or (Marx, 1973, p. 102):

“... the less developed concrete may have already realized itself before having posited the more many-sided connection or relation which is mentally expressed in the more concrete category; while the more developed concrete preserves the same category as a subordinate relation. Money may exist, and did exist historically, before capital existed, before banks existed, before wage labour existed, etc. Thus, in this respect it may be said that the simpler category can express the dominant relations of a less developed whole, or else those subordinate relations of a more developed whole which already had a historical existence before this whole developed in the direction expressed by a more concrete category. To that extent the path of abstract thought, rising from the simple to the combined, would correspond to the real historical process.”

However, if the quality and importance of the more abstract features of capitalism are to be correctly understood, one must not imagine that either (1) coming first historically makes a category more important in understanding capitalism in fact, such categories are less important, or (2) the quality of a feature in the more abstract category, and hence a historically prior feature, is identical in its precapitalist existences and its capitalist existence—in fact, all such features undergo important qualitative changes in the historical transition to capitalism. Thus, in Marx’s view, one cannot find the most important features of capitalism from a study of precapitalist

history, nor can one ascertain the qualities of any particular feature of capitalism, as that feature appears in capitalism, from a study of that feature in precapitalist history.

It is precisely in the study of history, which Marxists uniformly consider to be of fundamental importance in understanding the present, that the Hegelian misinterpretation of Marx most distorts his views. In the Hegelian view, the more particular is entirely deducible—and in fact derives its very reality from—the more general. This is why it does no damage to the Hegelian view to reject the Aristotelian principle of non-contradiction as descriptive of reality. The principle of non-contradiction, as a principle of existing material reality, amounts to an insistence that the concrete particular is unique, that, despite the fact that the particular contains all of the features by virtue of which it is one instance of a more general category, the *differentia specifica* of the concrete particular can never be contained in the more general category and, hence, it renders each particular uniquely different from every other. This applies, of course, for the temporally or historically unique. Hegelians can reject this because temporally there are, for Hegelians, no concrete, finite, unique things, and historically all subsequent (as well as prior) events are implicitly contained within any historical moment.

This explains why the Hegelian interpretation of Marx nearly always reduces to a historical determinism in which one understands the absolute necessity of capitalism if one fully understands feudalism because a “correct” understanding of the concept of feudalism, for them, contains the logical, deductive conclusion of capitalism, and, of course, more importantly, the “correct” understanding of the concept of capitalism logically implies the absolute necessity of the subsequent existence of socialism.

Thus, the second assertion that, for Marx, the conceptually more abstract, and hence historically prior, features of capitalism are qualitatively altered by the *differentia specifia* of capitalism, and that therefore capitalism (or any other mode of production) is absolutely historically unique, is of fundamental importance and must be further substantiated.

In Figure I, human social-natural activity, or labor, is the most abstract general feature. It exists in every human society. If this analysis is correct, then Marx should have believed that the feature abstract human labor should be a category whose meaning has a historical uniqueness within the capitalist mode of production. Marx wrote (1973, pp. 103-050):

“Labour seems a quite simple category. The conception of labour in this general form—as labour as such—is also immeasurably old. Nevertheless, when it is economically conceived in this simplicity, labour is as modern a category as are the relations which create this simple abstraction....”

“It was an immense step forward for Adam Smith to throw out every limiting specification of wealth-creating activity—not only manufacturing, or commercial or agricultural labour, but one as well as the others, labour in general. Now, it might seem that all that had been achieved thereby was to discover the abstract expression for the simplest and most ancient relation in which human beings—in whatever form of society—play the role of producers. This is correct in one respect. Not in another. Indifference towards any specific kind of labour presupposes a very developed totality of real kinds of labour, of which no single one is any longer predominant. As a rule the most general abstractions arise only in the midst of the richest possible concrete development, where one thing appears as common to many, to all. Then it ceases to be thinkable in a particular form alone. On the other side, this abstraction of labour as such is not merely the mental product of a concrete totality of labours. Indifference towards specific labours corresponds to a form of society in which individuals can with ease transfer from one labour to another, and where the specific kind is a matter of chance for them, hence of indifference. The simplest abstraction, then, which modern economics places at the head of its discussions, and which expresses an

immeasurably ancient relation valid in all forms of society, nevertheless achieves practical truth as an abstraction only as a category of the most modern society.”

Contrary to the orthodox interpretation of Marx’s approach to history, the more general concepts which correspond to the earlier historical events are (1) the least important in gaining an understanding of capitalism and (2) qualitatively different in their capitalist and precapitalist manifestations.

There are then two approaches to an understanding of capitalism. First, there is the non-historical or structural economic theory of how capitalism functions. Second, there is the historical approach in which one sees how the *differential specifica* of capitalism historically alters all of those general qualities that capitalism shares with precapitalist societies. Obviously, the first approach is the conceptual prerequisite for the second or historical approach. This is the antithesis of the Hegelian interpretation of Marx, which asserts that the present is comprehensible only in terms of the past. Marx was absolutely clear on the matter, however. For example, in considering ground rent, it was clear to Marx that ground rent historically precedes capital and, hence, is common to capitalism as well as other modes of production and, therefore, is a more general category. But in capitalism (Marx, 1973, p. 107) “ground rent cannot be understood without capital,” whereas “capital can certainly be understood without ground rent.”

Therefore, within Marx’s first approach, i.e., within the structural economic theory approach that must precede historical investigation (Marx, 1973, pp. 107-08):

“...it would ... be unfeasible and wrong to let the economic categories follow one another in the same sequence as that in which they were historically decisive. Their sequence is determined, rather, by their relation to one another in modern bourgeois society, which is precisely the opposite of that which seems to be their natural order or which corresponds to historical development. The point is not the historic position of the economic relations in their succession of different forms of society rather [it is] their order within modern bourgeois society.”

Marx’s point is that (1973, pp. 106-07) “in all forms of society there is a specific kind of production which predominates over the rest, whose relations assign rank and influence to the other ... and modifies their peculiarity.” In terms of Figure I, the *differentia specifica* of capitalism is the capital-labor social relation. It is the most concrete (least general) concept and also the last category to develop historically. Yet, in a theoretical investigation of capitalism, one must begin with the fact that (p. 107) “capital is the all-dominating economic power of bourgeois society. It must form the starting-point as well as the finishing-point.” In other words, each of the economic categories in Figure I that are more general than capital will have the qualities of their particularity modified when one understands their specific existence in capitalism or their relation to capital.

In the structure of Volume One of *Capital* one can clearly see Marx’s use of the two approaches as they have been described here. He first develops an abstract theoretical understanding of commodities, then money, then capital. This corresponds with their order from the more general to the more concrete. He then shows that in capitalism the specific nature of commodities and money derives from their relation to capital. Then, and only then, does he examine history.

Critics of Marx have frequently argued that his historical investigation does *not* show the historical necessity of feudalism creating capitalism nor of capitalism creating socialism. Moreover, these critics have argued that his historical facts are chosen simply to illustrate his theory. These critics are right on both counts but wrong to imagine that this constitutes a critique of Marx. This constitutes a critique only of the Hegelian interpretation of Marx in which history

is the analogue of the Hegelian Absolute and specific modes of production are merely history's necessary chronological creation in the process in which it attains its final end in communist society. While this historical criticism of the Hegelian interpretation of Marx is indeed decisive, this author believes that the Hegelian interpretation is erroneous in the approach to history that it attributes to Marx and, hence, this criticism has no relevance to Marx's views on history as this author has outlined them.

Marx's study of history was a study of the historical prerequisites of capital. In Figure I, each of the concepts which is more general than the capital-wage labor relation represents a historical prerequisite of capital. But the degree of their importance as historical prerequisites of capital must first be deduced from the economic theory of capital itself. Thus, Marx could write that his (1973, p. 460):

“...method indicates the points where historical investigation must enter in, or where bourgeois economy as a merely historical form of the production process points beyond itself to earlier historical modes of production. In order to develop the laws of bourgeois economy, therefore, it is not necessary to write the *real history of the relations of production*.”

Thus, the existence of commodities and money were historical prerequisites of capital's existence. This is purely a deductive conclusion from the general economic theory of capital, and it indicates the necessity to investigate the historical origins of commodities and money. Contrary to the Hegelian interpretation, Marx stated flatly that (1973, p. 46): “a correct grasp of the present, then, also offers the key to the understanding of the past.” There could hardly be a more direct refutation of the notion that Marx was a historical determinist. While it remains highly significant that the more abstract categories in Figure I represent historical prerequisites for the existence of capitalism, nevertheless, when capital comes into existence the qualities of these more general features are transformed. Thus, the form in which these more general features exist as historical prerequisites of capitalism is destroyed by capitalism (Marx, 1973, p. 459):

“The conditions and presuppositions of the *becoming* of the *arising*, of capital presuppose precisely that it is not yet in being but merely in *becoming*; they therefore disappear as real capital arises, capital which itself, on the basis of its own reality, posits the conditions for its realization.”

This means that while the historically prior existence of commodities and money was a necessary prerequisite for capital to come into being, once capital exists it creates and determines the nature of commodities and money as the means of its self-perpetuation. But the commodities and money determined and created by capital are by no means qualitatively the same as the commodities and money which were its historical prerequisites. This is merely another way of saying what has already been said, that the qualities of the most general abstractions are significantly altered when they are modified by the concrete *differentia specifica* of capitalism.

In conclusion, this paper has demonstrated from Marx's own writings that, for him, a theoretical understanding of the present is the necessary foundation upon which to build an understanding of the past. An understanding of the past based on this foundation will, in turn, contribute to a fuller, richer understanding of the present. Historical determinism, which is attacked by opponents of Marx because it can nearly always be shown to be, in the last analysis, tautological and hence Marx can be debunked as unscientific and defended by a certain segment of Marx's followers because it shows the inevitability of socialism, simply cannot be attributed to Marx. Moreover, Marx's economic history, no less than the economic history of the neoclassical economist, derives from a static theoretical structure that is primarily concerned with explaining the present. Thus, the distinction between “static” and “dynamic” conceptions of history does not

per se, give one any basis whatsoever for choosing between Marxian economic theory and neoclassical economic theory.

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Figure I

The Levels of Generality of Marx's Abstractions

