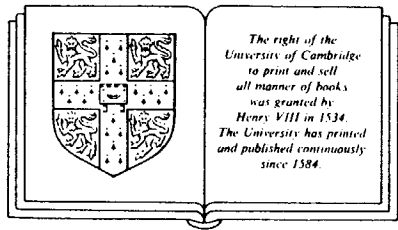


Capitalism and social democracy

Adam Przeworski
University of Chicago



Cambridge University Press
Cambridge
New York New Rochelle
Melbourne Sydney

Editions de la Maison des Sciences de l'Homme
Paris

2. Proletariat into a Class: The Process of Class Formation

Introduction

The difficulties encountered by marxist theory in analyzing the class structure of concrete capitalist societies had already appeared at the time of the formation of the socialist movement. Their roots are to be found in the formulation by Marx of the problematic in which processes of class formation are seen as a necessary transition from a "class-in-itself" to a "class-for-itself," a formulation in which economic relations have the status of objective conditions and all other relations constitute realms of subjective actions.

In place of this formulation we must think along the lines, also suggested by Marx, in which economic, political, and ideological conditions jointly structure the realm of struggles that have as their effect the organization, disorganization, or reorganization of classes. Classes must thus be viewed as effects of struggles structured by objective conditions that are simultaneously economic, political, and ideological.

Class analysis is a form of analysis that links social development to struggles among concrete historical actors. Such actors, collectivities-in-struggle at a particular moment of history, are not determined uniquely by objective conditions, not even by the totality of economic, political, and ideological conditions. Precisely because class formation is an effect of struggles, outcomes of this process are at each moment of history to some extent indeterminate.

Class analysis cannot be limited to those people who occupy places within the system of production. It is a necessary consequence of capitalist development that some quantity of the socially available labor power does not find productive employment. This surplus labor power may become socially organized in a number of different forms. These forms are not determined by the process of accumulation but directly by class struggle.

Processes of formation of workers into a class are inextricably fused with the processes of organization of surplus labor. As a result, a number of alternative organizations of classes is possible at any moment of history.

operates with regard to public as much as private enterprises. Even if these enterprises are self-managed, each is still better off charging high prices for its products. The rigidities which prevent a sudden shift to production of wage goods are physical, not merely organizational. Moreover, nationalization generates economic problems of its own. Whether or not it was a deliberate political strategy, as Bologna (1972) and Marglin (1974) contend, capitalist production became reorganized in the aftermath of the council movement in such a manner that the immediate producers as a class lost the capacity to run the system of production on their own. The working class as seen by Marx was characterized not only by its exploitation but at the same time by its capacity to organize, at the social scale, the socialist system of production. Yet if ever true, it is no longer possible for the immediate producers to instantaneously assume control over the process of societal production: perhaps any cook can be taught how to administer the socialist society but a long apprenticeship is necessary. Socialist transformation requires an organizational and administrative capacity that cannot be acquired overnight. There are no blueprints and the experience is limited. Learning by trial and error and the blunders it involves are inevitable.

A transition to socialism must therefore generate an economic crisis. Investment falls sharply, prices increase, nominal wage gains become eroded, and eventually output falls, demand slackens, unemployment reappears as a major problem. What is not possible is thus the program articulated by Allende when he said that "the political model toward socialism that my government is applying requires that the socio-economic revolution take place simultaneously with an uninterrupted economic expansion." (De Vylder, 1976: 53) What is not possible is the realization of Blum's belief "that a better distribution . . . would revive production at the same time that it would satisfy justice." (Weill-Raynal, 1956: 54) What is not possible is a transition to socialism that begins with "une augmentation substantielle des salaires et traitement. . ." (*Parti Socialiste Français, Parti Communiste Français*, 1972: I.I.I.)

Faced with an economic crisis, threatened with loss of electoral support, concerned about the possibility of a fascist counter-revolution, social democrats abandon the project of transition or at least pause to wait for more auspicious times. They find the courage to explain to the working class that it is better to be exploited than to create a situation which contains the risk of turning against them. They refuse to stake their fortunes on a worsening of the crisis. They offer the compromise; they maintain and defend it. The question which remains is whether there exists a way to escape the alternative defined for the Left of Olof Palme: "either to return to Stalin and Lenin, or take the road that joins the tradition of social democracy." (Brandt, Kreisky, Palme, 1976: 120)

2. Proletariat into a Class: The Process of Class Formation

Introduction

The difficulties encountered by marxist theory in analyzing the class structure of concrete capitalist societies had already appeared at the time of the formation of the socialist movement. Their roots are to be found in the formulation by Marx of the problematic in which processes of class formation are seen as a necessary transition from a "class-in-itself" to a "class-for-itself," a formulation in which economic relations have the status of objective conditions and all other relations constitute realms of subjective actions.

In place of this formulation we must think along the lines, also suggested by Marx, in which economic, political, and ideological conditions jointly structure the realm of struggles that have as their effect the organization, disorganization, or reorganization of classes. Classes must thus be viewed as effects of struggles structured by objective conditions that are simultaneously economic, political, and ideological.

Class analysis is a form of analysis that links social development to struggles among concrete historical actors. Such actors, collectivities-in-struggle at a particular moment of history, are not determined uniquely by objective conditions, not even by the totality of economic, political, and ideological conditions. Precisely because class formation is an effect of struggles, outcomes of this process are at each moment of history to some extent indeterminate.

Class analysis cannot be limited to those people who occupy places within the system of production. It is a necessary consequence of capitalist development that some quantity of the socially available labor power does not find productive employment. This surplus labor power may become socially organized in a number of different forms. These forms are not determined by the process of accumulation but directly by class struggle.

Processes of formation of workers into a class are inextricably fused with the processes of organization of surplus labor. As a result, a number of alternative organizations of classes is possible at any moment of history.

Scientific Socialism as of 1890

Karl Kautsky's *The Class Struggle* is of interest for a number of reasons. It was a semiofficial document of the German Socialist Party: an extensive commentary on the program adopted by the party at its Erfurt Congress in 1891, a program largely designed by Kautsky himself. As such, it constituted the authoritative exposition of the socialist doctrine for the purposes of political activity by socialist militants. It represented the theory of scientific socialism in its politically operational form, as that theory was known to active socialists.¹ In addition to the *Communist Manifesto* and parts of Engels' *Anti-Duhring*, it was precisely Kautsky's "catechism of Social Democracy," as he himself described the book in the preface to the first German edition, that organized the thoughts and the efforts of socialists, not only in Germany but wherever socialist parties existed.² Kautsky, as editor of the party's theoretical journal, was at the time the official theoretician of the party, the "Pope of Socialism," as Joll calls him (1966: 91)³

Perhaps even more importantly, Kautsky's book represents "orthodox marxist thought," as this thought functioned not only within the context of the debates of the time, but in the form in which it has been perpetuated for nearly a century. Afraid of simplifying orthodoxy, Marx disclaimed being "a Marxist." Kautsky was a marxist, and his book is a codified summary of "marxism."⁴

¹ We must not forget, in the midst of the contemporary discussions of Marx's thought, that the *Grundrisse* and several other notes written by Marx after 1853 were not known to marxist theoreticians until recently, while his early manuscripts were first published in the 1920s and did not become generally known until the 1950s. Whatever is the thought that can be recognized today as that of Marx, this is not the thought that underlay the activity of socialists during the greater part of the history of working-class movements. According to Hans Kelsen, "the works of Kautsky not only systematized the thought of Marx and Engels and made them, in an exemplary fashion, fruitful in the current historical situation but also contributed to making this thought accessible to broad circles. Marxism spread around the world not so much in the form of original writings of Marx and Engels as through the work of Kautsky." (Waldenberg, 1967: 3) Similar statements concerning the impact of Kautsky were made by the Mensheviks of Nikolayevski and Abramovitch concerning Russia, by Topolevic concerning Serbia, by Daszynski concerning Poland, and up to a certain moment by Lenin. *The Class Struggle* was translated into fifteen languages before 1914; in Russia eight editions appeared during this period.

² For the status of Kautsky as the successor to Marx see Droz (1966). Werner Sombart (1909) cites an anecdote that best illustrates Kautsky's position. At the Amsterdam Congress of the Second International, Jaures attacked the German comrades: "You hide your importance behind the verbiage of mere theoretic formulas, which your distinguished comrade Kautsky will supply you with until the end of his days." On the role of Kautsky at the Erfurt Congress, for which *The Class Struggle* was written, see Lichtheim, *Marxism* (1965: 259-78).

³ Benedict Kautsky's assessment of the work of his father merits citing: "Kautsky was - as his master, Marx - simultaneously an economist, a sociologist, and an historian. Only because of this he could have created a consistent system, constituting only then marxism out of fragments left by Marx - fragments which Engels only began to build as a unified structure. In order to complete this task, Kautsky had to simultaneously strive towards two goals: he had to popularize Marx and to fill with his own investigations the numerous gaps left in Marx's legacy. In both tasks he was highly successful, and it is principally Kautsky's merit that marxism was not only a scientific doctrine but also a force exerting strong influence upon politics and social development." (Waldenberg, 1967: 3)

To understand the place of *The Class Struggle* in the history of marxist thought is to understand that 1890 was precisely the moment when marxism, socialist theory, and the socialist movement became fused within continental socialism. Earlier socialist thought was motivated by moral and thus ahistorical ideals, and this ethical foundation reappeared in an altered form in Bernstein's return to Kant. Socialism was originally an invention of a morally sensitive bourgeoisie. This socialism, which Marx and Engels described as utopian, was founded upon individual judgments of rights and wrongs of existing and future societies.

Marxism was the theory of scientific socialism. The existing society, identified as capitalist, was historical, doomed to extinction. A new, socialist society was inevitably present on the historical horizon not because capitalism was morally wrong or unjust, but because an inquiry into the laws of development of capitalist society was sufficient to persuade any impartial observer that it is a necessary consequence of the very organization of the capitalist society that this society would "burst asunder."⁵

Marx was thought to have discovered the laws of motion of capitalist society. These are laws in the sense that they operate with inevitability in some, even if not specified, long run. The developments they describe are necessary: neither the ingenuity of capitalists exercised in defense of capitalist relations, nor the passivity on the part of the workers can alter the long-term developments. But these developments can be retarded or accelerated by actions of organized classes. Moreover, this inevitability itself operates through human agency. It imposes a historical mission on the specific class that suffers most under capitalist relations and that is uniquely in the position to alter these relations, namely, the proletariat. Socialism, the inevitable consequence of capitalist development, and the working class, those who "having nothing to lose but their chains" and whose emancipation would bring a universal emancipation, are related as mission and agent. "When we speak of the irresistible and inevitable nature of the social revolution," Kautsky emphasized, "we presuppose that men are men and not puppets; that they are beings endowed with certain wants and impulses, with certain physical and mental powers which they will seek to use in their own interest. . . . We consider the breakdown of the present social system

⁵ Thus the *Communist Manifesto* asserts that "the theoretical conclusions of the communists are in no way based on ideas or principles that have been invented, or discovered, by this or that would-be universal reformer. They merely express, in general terms, actual relations springing from an existing class struggle, from a historical movement going on under our very eyes." (1967: 150) In "Socialism: Utopian and Scientific" Engels described the status of the theory: "From that time forward socialism was no longer an accidental discovery of this or that ingenious brain, but the necessary outcome of the struggle between two historically developed classes - the proletariat and the bourgeoisie. Its task was no longer to manufacture a system of society as perfect as possible; but to examine the historico-economic succession of events from which these classes and their antagonism had of necessity sprung, and to discover in the economic conditions thus created the means of ending the conflict." (1959: 89)

to be unavoidable, because we know that the economic evolution inevitably brings on the conditions that will compel the exploited classes to rise against this system of private ownership." (1971: 90)

Thus socialism was but an enlightened expression of historical inevitability. To be a socialist was to be scientific, to have understood the necessary laws of social development. To be scientific was to be a socialist, to have rejected the bourgeois ideology of the eternal nature of any system of social relations.⁶ Hence to be a socialist was to be a marxist.⁷

Kautsky's book thus constitutes an expression of a political movement at a crucial stage of its development, a source for the understanding of the doctrine carried by socialists into factories and parliaments, homes and lecture halls. Yet its importance is contemporary. It is not possible to understand contemporary controversies concerning the concept of class without identifying the root of these controversies. And this root, I shall argue, lies exactly in the doctrine of scientific socialism: in marxist theory in its political form as the guiding doctrine of the socialist movement. And here Kautsky's book is a key.

Kautsky's discussion of classes is separated into two main themes. He begins by specifying those aspects of the development of capitalism that affect the structure of capitalist relations of production. This is a theory of "empty places" – places within a social formation dominated by large capitalist production. At this level classes appear only as categories of persons occupying similar positions vis-à-vis the means and the process of production. Concrete persons appear only as "personifications" of such categories, as "carriers" or "supporters" of the places. This is the level of "class-in-itself," class identified in terms of objective characteristics. At this level the occupants of places are "sacks of potatoes": they share the same relation to the means of production and hence the same objective interests; yet they remain simply as categories, not as subjects.

Having identified the effects of capitalist development for the structure of places within the system of production, Kautsky systematically examines the

⁶ Sombart, who was highly critical of Marx's theory, is perhaps the best contemporary observer to cite. In a book written originally in 1896, he summarized as follows "the historic significance of the Marxian doctrines for the Social Movement:" "Marx laid down the two foundations on which the movement was to rest, when he enunciated that its end in view was the socialization of the instruments of production, and the means to achieve that end class war. . . . By making the Social Movement the resultant of historic development, Marx showed what the real factors were which brought it about, showed how the movement was based on the economic conditions of a particular time at a particular place, and on the personal characteristics of the men and women living in those conditions. In other words, he proved that on economic and psychological grounds it was inevitable, and he thus became the founder of historical (as opposed to rationalistic) or realistic (as opposed to Utopian) Socialism. (1909: 63)

⁷ When in 1911 a contributor to a Swedish socialist journal suggested that one can be a socialist without being a marxist, because of a moral rejection of inequality and injustice, his voice was regarded as heresy (Tingsten, 1973: 129).

relation of each of these categories to the socialist movement. Specifically, he analyzes those effects of capitalist development and of capitalist ideological relations that make the particular categories prone to supporting or opposing the socialist movement by virtue of their interests.

In Kautsky's view capitalist development distributes members of a society into economic categories. Members of these categories become organized into classes. The problem for political analysis is to identify those categories generated in the course of capitalist development whose interests make them vulnerable to class organization.

Is this a "historicist" formulation of the transformation of a class-in-itself into a class-for-itself? Are classes formed at the level of relations of production alone, to appear politically only as epiphenomena, as necessary "reflections" at the level of the superstructures of the relations of production? What are the "classes" that move history: those defined as places in the relations of production or those that appear as political forces? Finally, what is the function of socialist movements in the process of class formation?

These are questions that have only recently become explicitly problematic. They certainly have no part in Kautsky's thought. What happened in the history of marxist thought was that the problem of class became conceptualized in a particular way, based in one form or another on the distinction, introduced in the *Poverty of Philosophy*, between class-in-itself and class-for-itself. Class-in-itself was a category defined at the level of the "base" – a base that is simultaneously objective and economic. Class-for-itself became the group in the sociological meaning of this term, that is, class characterized by organization and consciousness of solidarity. Given these categories, the problem – both theoretical and practical – became formulated in terms of transformation of "objective," that is, economic, into "subjective," that is, political and ideological class relations.

This kind of formulation can generate only two answers, regardless of the specific form they assume in concrete historical situations. In the deterministic version, objective relations necessarily become transformed into subjective relations. Since objective relations define interests and since politics is a struggle about realization of interests, it becomes a matter of deduction that objective positions, the positions in the relations of production, become "reflected" in expressed interests and political actions. One way or another, sooner or later, objective class relations spontaneously "find expression" at the level of political activity and consciousness.⁸

⁸ The limiting case of this solution are the views of Rosa Luxemburg, which certainly lend themselves to a number of interpretations. Her "spontaneism," if this is what it was, rested on the notion that classes are formed only in the course of class struggles, economic and at the same time political. As Nettl emphasized,

The second response is ultimately voluntaristic. In this view, objective conditions do not lead spontaneously, "of themselves," to political class organization; or they lead at most, as in one celebrated analysis, to the formation of a reformist, syndicalist, bourgeois consciousness of the proletariat. Classes become formed politically only as a result of an organized intervention of an external agent, namely, the party. The process of spontaneous organization stops short of assuming a political form. This political form can only be infused by parties under concrete historical conditions of crises.⁹

Where then did Kautsky stand in terms of this external *problématique* of marxist thought? He asserts that the function of the socialist movement is to "give to the class-struggle of the proletariat the most effective form." The duty of socialists is to "support the working-class in its constant struggle by encouraging its political and economic institutions." These definitions of the function of socialist parties appear in his discussion of the *Communist Manifesto*. The work of Marx and Engels raised "socialism beyond the utopian point of view" and "laid the scientific foundation of modern socialism." Marx and Engels gave to "the militant proletariat a clear conception of their historical function, and placed them in a position to proceed toward their great goal. . . ." Hence it seems that the proletariat is defined as a class at the level of economic relations, that it spontaneously acquires consciousness of its historical mission, and that the function of the party is but to assist, support, participate in the political struggle of that economically defined class (1971: 199).

Yet these explicit struggles seem to contradict the theoretical conception implicit in Kautsky's formulation of the problem of the class struggle. Indeed, Kautsky's problem is better defined in terms of the function assigned by Marx

the *existence* of the party was not enough; only repeated confrontations, particularly the mass strike, could lead to political organization of the working class. Yet at the same time, the transformation of objective into subjective class was *necessary* in her view: organization led to increased intensity of class conflicts, class conflicts generated increased organization and consciousness, and so on, dialectically history marched on (Nettl, 1969: 137). For a discussion of alternative interpretations of Luxemburg's views see Frölich (1972), and Magri (1970).

⁹ Lenin's conception is too well known to require a summary. But in the context of this discussion it is interesting to note that it was first presented in *What Is to Be Done* (1964: 38) through the words of Kautsky's commentary on the 1901 Programme of the Austrian Social Democratic Party, words that Lenin described as "profoundly true and important": "Many of our revisionist critics believe," Kautsky said, "that Marx asserted that economic development and the class struggle create, not only the conditions for socialist production, but also, and directly, the *consciousness* of its necessity. . . . But this is absolutely untrue. Of course, socialism, as a doctrine, has its roots in modern economic relationships just as the class struggle of the proletariat has, and, like the latter, emerges from the struggle against capitalist-created poverty and misery of the masses. But socialism and the class struggle arise side by side and not one out of the other; each arises under different conditions. Modern socialist consciousness can arise only on the basis of profound scientific knowledge. . . . The vehicle of science is not the proletariat, but the *bourgeois intelligentsia*: it was in the minds of individual members of this stratum that modern socialism originated, and it was they who communicated it to the more intellectually developed proletarians, who in their turn introduced it into the proletarian class struggle from without and not something that arose within it spontaneously."

and Engels to the communist movement in the *Manifesto*: the formation of the proletariat into a class (1967: 150). Marx had always insisted that the proletariat exists as a class only in active opposition to the bourgeoisie, that it becomes organized as a class only in the course of struggles, that it is a class only when it becomes organized as a political party. It is not exactly clear how Marx saw the transformation of economic categories into politically organized classes taking place — what role he assigned to spontaneous self-organization¹⁰ or what role he attributed to parties and other agents of class formation.¹¹ Yet he did think of classes as being formed in the course of class struggles, and, particularly in his historical analyses, he emphasized the independent impact of ideological and political relations upon the process of class formation.

Kautsky's analysis is based on the assumption of the active role of parties and other political forces in the process of class formation. Some of this process is spontaneous. Workers are in his view, for example, spontaneously distrustful of socialist ideology as something introduced from the outside. Yet socialist parties, trade-unions, and ostensibly nonpolitical organizations all play an active role in the process of class formation. Indeed the very problem of the class struggle concerns the conditions of the organization of workers by socialist parties.

Why then this apparent inconsistency between the construction of the problematic and the explicit statements concerning the function of socialist movements? The reason is, I believe, fundamental for the understanding of the long-standing difficulties concerning the organization of workers as a class. It seems that Kautsky believed that by 1890 the formation of the proletariat into a class was a *fait accompli*; it was already formed as a class and would remain so in the future. The organized proletariat had nothing left to do but to pursue its historical mission, and the party could only participate in its realization.

When Marx and Engels wrote the *Communist Manifesto*, socialism was an idea that was available to workers only "from above." Kautsky himself observed that "socialism is older than the class struggle of the proletariat. . . . The first root of socialism was the sympathy of upper-class philanthropists for the poor and

¹⁰ "Organize *itself* as a class." (Marx and Engels, 1967: 162)

¹¹ According to Magri, Marx himself was not aware of the problems generated by this formulation. In Magri's words these problems are the following: "Confined to the immediacy of prevailing conditions, the proletariat cannot achieve a complete vision of the social system as a whole, nor promote its overthrow. Its practice as a class can only develop by transcending this immediacy via the mediation of revolutionary consciousness. What then is the process, the mechanism by which this consciousness is produced? Or, to pose the question more precisely, can this class consciousness develop within the proletariat spontaneously, by virtue of an intrinsic necessity, based on the elements that are already present in its social objectivity and which gradually come to dominate over the other elements that originally condemned it to a subordinate and fragmented condition? Or must revolutionary consciousness represent a transcendence of the immediacy of the proletariat, produced by a qualitative dialectical leap, a complex interaction between external forces and the spontaneous action of class itself? Marx did not confront this problem." (1970: 101)

miserable. . . . Socialism was the deepest and most splendid expression of bourgeois philanthropy." (1971: 192) As such it was an idea that was infused into the working class from the outside. Yet whether the exact place was Peterloo, Lyon, or Paris, at some time during the first half of the nineteenth century the proletariat appeared on the historical horizon as a political force, distinct from the amorphous masses of the "lower classes." This was exactly the point of Marx's analysis of the June insurrection – the insurrection that in his view marked the appearance of the class struggle characteristic of capitalism, namely, the political struggle between the bourgeoisie and the proletariat.¹²

By 1848 the problem was to organize this emerging proletariat into a class, to separate it from the masses of *le peuple*, to imbue it with consciousness of its position and its mission, and to organize it as a party. In comparison, by 1890 the proletariat indeed seemed already organized as a class. Workers were militant; they were organized into parties, unions, cooperatives, clubs, associations. They voted in elections, participated in strikes, appeared at demonstrations. In 1890 there were mass political organizations clearly identified as those of the proletariat. And although, as Bernstein pointed out (1961: 105), it was perhaps true that the proletariat was not organized in its entirety as a mass political party, Kautsky's perception of the role of the party seems only natural.¹³

The leading socialist theoreticians of the period, men like Kautsky, attempted to unite only those views which were actually present among the workers with the general doctrines of Marxism. It would be completely false and unhistorical, however, to maintain that Kautsky and his friends invented the principles of the Second International. On the contrary, the socialist labour movement during the period of the Second International from 1889 to 1914 is the historical product resulting from the evolution of the European proletariat. This type of labour movement necessarily resulted from the conditions which had developed up to 1889. (Rosenberg, 1965: 291).

Thus it seems that Kautsky thought that the task set by the *Manifesto* – the formation of the proletariat into a class – had already been accomplished. The proletariat was already organized as a class, and the socialist party was nothing but "a part of the militant proletariat." (1971: 183) As the process of

¹² Hobsbawm dates this political emergence of the proletariat to 1830: "The second result [of the revolution of 1830] was that, with the progress of capitalism, 'the people' and 'the labouring poor,' i.e., the men who built barricades, could be increasingly identified with the new industrial proletariat as 'the working class.' A proletarian socialist revolutionary movement came into existence." (1962: 146) By 1848 political reactions of the *classes inférieures* ceased assuming the form of sporadic riots against prices or taxes, as the proletariat broke away from *le peuple* and for the first time became organized. In particular, the introduction of universal suffrage provided the working class with a form of organization and separated it from other classes (Furet, 1963: 473).

¹³ But in Rosa Luxemburg's view as of 1899: "The great socialist importance of the trade-union and political struggle consists in socializing the knowledge, the consciousness of the proletariat, in organizing it as a class." (Nettl, 1969: 411; italics supplied.)

proletarianization of other classes proceeded, various groups would join the ranks of the proletariat and become members of the working class, which was then becoming the "immense majority." Now the function of the party was simply to support the struggle of the proletariat, already formed as a class.

Who Are the "Proletarians"?

But who were these "proletarians" of whom a class was formed, of whom the socialist party was nothing but a part? Three years before writing *The Class Struggle*, Kautsky published an article in which he distinguished between the concepts of "the proletariat" and "the people." In this article, he maintained that although in the future "the people" would become proletarianized, and the socialist movement will become the movement, in Marx's words, "of the immense majority for the immense majority," at the moment the proletariat was not a majority in any country (Tingsten, 1973: 135). In the book he maintains that the proletariat already is the largest class in "all civilized countries." He constantly moves back and forth between a narrow and broad definition; the narrow one in which proletarians are the manual wage-earners in industry, transport, and agriculture, and the broad one in which proletarians include all those who do not own means of production and must, therefore, sell their labor power if they are to survive. Actually, at one point he even includes in the proletariat "the majority of farmers, small producers, and traders [since] the little property they still possess today is but a thin veil, calculated rather to conceal than to prevent their dependence and exploitation." (1971: 43)

Hence the concept of proletariat has the consistency of rings of water: the core of it consists of manual, principally industrial workers; around it float various categories of people who have been separated from the means of production; and on the periphery there are those who still hold on to the property of means of production but whose life situation, conceived in quite Weberian terms, distinguishes them from the proletarians only by their "pretensions."¹⁴

In order to understand the source of Kautsky's ambivalence it is necessary to note that the concept of the proletariat seems to have been self-evident for the founders of scientific socialism. Proletarians were the poor and miserable people who were thrown off the land and forced to sell themselves, piecemeal, as a commodity, "like every other article of commerce," to a capitalist. They were

¹⁴ French linguistic tradition includes a term for each of these rings. *Les classes inférieures* traditionally included all those who were not distinguished by virtue of birth or status. *Les classes laborieuses* comprised all who worked. The newcomer, *la classe ouvrière*, eventually became Marx's "proletariat." The corresponding English terms – lower classes, laboring classes, and the working class – do not seem to have such a standardized meaning.

"an appendage of the machine," of whom "only the most simple, most monotonous, and most easily acquired knack" was required (Marx, 1967: 141). The proletariat, Engels wrote, was called into existence through the introduction of machinery, and the first proletarians belonged to manufacture and were begotten directly through it (Marcus, 1975: 142).¹⁵ They were the people who toiled day and night, next to a machine, in noise and dirt, producing they knew not what just to survive until the following day so that they could sell themselves again.

At the same time, proletarians were important as those who put into motion the modern, that is, socialized, means of production. Although farmers and independent small producers also "worked," socialization of production was the necessary course of future capitalist development. Hence proletarians occupied a unique position in the capitalist society: they were the ones who actually applied the modern means of production to produce all that which was made. They were the only people who were necessary to make all that the society required, and they could make it on their own, without those who did nothing but live off their labor and appropriate its fruit.¹⁶ As Mandel emphasized, Marx and Engels "assigned the proletariat the key role in the coming of socialism not so much because of the misery it suffers as because of the place it occupies in the production process." (1971: 23)

In 1848 one simply knew who were the proletarians. One knew because all the criteria – the relation to the means of production, manual character of labor, productive employment, poverty, and degradation – all coincided to provide a consistent image. "If a working man doesn't smell of filth and sweat two miles off, he isn't much of a fellow": this remark of a Norwegian capitalist best tells the story (Bull, 1955: 67).¹⁷ "Class position" and "class situation" were synony-

¹⁵ For a general discussion of the impact of the introduction of machines upon the formation of an industrial proletariat see Kuczynski (1967: chap. 2). Bergier formulates this relationship succinctly: "the introduction of a new power source superseding that of man, wind, or running water soon wrought a clear distinction between the industrialist, who owned this comparatively expensive machine and the looms it drove, and the worker, who was paid to run it." (1973: 397)

¹⁶ Marx in *Capital* (1967) and Engels in *Anti-Duhring* (1959) both emphasized the technical role of capitalists as organizers of the process of production. Yet the development of public companies was sufficient to demonstrate that the function of the organization of production is independent technically of the property of the means of production, and workers can organize the process of production on their own. See below for a more detailed discussion of the concept of "productive labor."

¹⁷ National differences in the timing and the form of development of industrial proletariat were profound. Moreover, there are significant historiographical controversies concerning both the origins of factory workers and their standard of living, as compared with artisans and peasants of the last generation before the industrial revolution. Nevertheless, there is a sufficient agreement to a number of generalizations supporting the thesis of the coincidence of various criteria of the status of workers: (1) workers became concentrated in factories and mines, primarily in textiles, metallurgy, and mining; (2) they operated machines; (3) they lived in abominable conditions; (4) they worked in exactly the same conditions. Workers were distinct from artisans because they owned none of the tools that they used and worked where the

tools were. They were distinct from beggars, and so on, because they worked. They were distinct from serfs and slaves because they were free.

And, as Rosenberg observed: "The class-consciousness with which the industrial workers of Europe were imbued led them to lay great emphasis on their specific position and on those factors which differentiated them from all other economic groups." (1965: 291)

To restate the point more abstractly: *in the middle of the nineteenth century the theoretical connotation of the concept of proletariat, defined in terms of separation from the means of production, corresponded closely to the intuitive concept of proletariat conceived in terms of manual, principally industrial, laborers.* No ambiguity had yet arisen because material conditions closely corresponded to their theoretical description.

It is, therefore, perhaps indicative that Engels felt it necessary to introduce a definition of the proletariat as a footnote to the 1888 English edition of the *Communist Manifesto*. According to this definition, "by proletariat [is meant] the class of modern wage labourers who, having no means of production of their own, are reduced to selling their labour power in order to live." (1967: 131) Kautsky echoed this definition: "proletarians, that is to say . . . workers who are divorced from their instruments of production so that they produce nothing by their own efforts and, therefore, are compelled to sell the only commodity they possess – their labour power." And in a summary of an international discussion conducted in 1958 by communist journals and research institutes, the Soviet commentators defined the proletariat as "the class of people separated from the means of production, having therefore to live from the sale of their labour power to the owners of capital and exploited in the process of capitalist production." (Przemiany, 1963: 43)

But by 1958 this definition includes secretaries and executives, nurses and corporate lawyers, teachers and policemen, computer operators and executive directors. They are all proletarians, they are all separated from the means of production and compelled to sell their labor power for a wage. Yet a feeling of uneasiness, already visible in Kautsky, continues to be pronounced. For whatever reasons, some of the proletarians neither act as proletarians nor think like proletarians. In the 1958 discussion, voice after voice repeats the same message: salaried employees are proletarians, but they do not yet know that they are. The German Economic Institute participated in the discussion with the argument that the majority of salaried employees "like workers do not own means of production and are compelled to sell their labor. The price which they

tools were. They were distinct from beggars, and so on, because they worked. They were distinct from serfs and slaves because they were free.

For summaries of literature concerning early industrial workers see Kuczynski (1967) and Bergier (1973). Elster (1975) contains a superb clarification of the issues involved. Marcus, *Engels, Manchester, and the Working Class* (1975), is clearly worth reading, but perhaps most important for the understanding of Marx's and Engels' vision of workers in the latter's *The Condition of the Working Class in England in 1844* (1958).

obtain for this commodity – their salary – is in most cases not higher than that of workers. In spite of it a large part of salaried employees does not include itself, as it is known, into the working class and is predisposed to bourgeois ideology. The cause of this fact should be sought first of all in that their work differs from the work of workers." The American Institute of the Problems of Work as well as the British journal *Marxism Today* dispute the diagnosis of their German comrades but agree with the factual assertions. "If there ever existed any objective conditions allowing us to consider white-collar workers as representatives of the middle class," says the American Institute, "now these conditions have disappeared. Only their subjective evaluation of their situation has not yet changed. . . ." The editors of the British journal repeat that "in terms of conditions of work and size of revenues white-collar workers are becoming increasingly similar to workers, although most of them do not yet realize it." And the Soviet summary reflects the discussion: salaried employees are workers but they do not yet realize it, so that the unification of the working class is yet to be achieved (*Przemiany*, 1963: 78, 88, 96, 54).

This line of argumentation is so widespread that it may seem peculiar to have singled out this discussion as a subject of particular attention.¹⁸ But what is striking about these analyses is the repeated emphasis on the "not yet" status of consciousness and organization of salaried employees. Already in the *Manifesto*, Marx and Engels observed that capitalism "has converted the physician, the lawyer, the priest, the poet, the man of science, into wage labourers." (1967: 135) And Kautsky echoed Marx again, at the time anticipating by sixty-five years that "not yet": "a third category of proletarians . . . has gone far on the road to its complete development – the education proletarians. . . . The time is near when the bulk of these proletarians will be distinguished from the others only by their pretensions. Most of them imagine that they are something better than proletarians. They fancy they belong to the bourgeoisie, just as the lackey identifies himself with the class of his master." (1971: 36, 40)

By 1890 the term *proletariat* seems to have already lost that immediate intuitive sense that is conveyed at the time of the *Manifesto*. It is again instructive to listen to a contemporary observer. Writing in 1896, Sombart analyzed the meaning of the term:

In order to get a true conception of this class we must free ourselves from the picture of a ragged crowd which the term brought to mind before we read Karl Marx. The term

¹⁸ I cannot resist one more illustration: "salaried workers . . . find themselves carefully separated from the rest of the proletariat by the artifice of the bourgeoisie, not by scientific analysis. The fact that they wear a white shirt and are paid at the end of the month is hardly sufficient to place in question their objective membership in the working class, even if their subjective consciousness remains confused." (Ajam-Bouvier and Mury, 1963: 63)

"proletariat" is now used in a technical sense to describe that portion of the population which is in the service of capitalist undertakers in return for wages and elements akin to them. The word in this meaning is taken from French writers, and was introduced into Germany by Lorenz von Stein in 1842.

And again, the same problem appears. The bulk of this class is according to Sombart formed by "the free wage-earners." They are a minority, about one-third of the German population. "But the picture becomes entirely different," Sombart continued, "when to the true proletariat, to the full bloods, are added the innumerable half-bloods – the poorest class of the population, *il popolino* – and also those amongst small farmers and mechanics who live the life of the proletariat, as well as the lowest grade among officials, such as those in the Post Office." (1909: 6) The problem is even further compounded by the fact that wage-earners are not always the poorest people around. They are not only better off than the Russian peasant or the Chinese coolie; some wage-earners earn more than university teachers, and "in America the average income of this class falls not much below the maximum salary of an extraordinary professor in Prussia." (Ibid.) No wonder Max Weber felt it necessary to distinguish between "class situation" and "status situation" (see Goldthorpe and Lockwood, 1963).

When applied in the 1890s, the abstract definition of proletariat includes "full-bloods" and "half-bloods," wage-earners and others who live like them, those who are ragged and those who wear the uniforms of the Prussian officialdom. And in 1958, while the Soviet theoreticians did not tire in pointing out that only those who are incapable of thinking in dialectical terms could commit the error of not understanding that salaried employees are simply proletarians, they argued in the same breath that the role of different fractions of the proletariat is not the same, that industrial manual workers play the leading role in class struggle; more, the program of the Communist Party of the Soviet Union insisted on "the alliance between the working class and the broad strata of salaried employees and a large part of the intelligentsia." (*Przemiany*, 1963: 54) Full-bloods and half-bloods, blue-collar and white-collar, proletarians and "the people," workers and "masses of the exploited and oppressed": all these terms are symptomatic of an obvious theoretical difficulty, of a problem that seems no nearer a solution today than in the 1890s.

Proletarianization and Class Structure

Kautsky was wrong. Neither he nor Marx drew from Marx's theory of capitalist development the consequences for the evolution of class structure. The source of the ambiguity of the concept of the proletariat lies in the dynamic of capitalist development itself.

I will argue below that the proletariat could not have been formed as a class once and for all by the end of the nineteenth century because capitalist development continually transforms the structure of places in the system of production and realization of capital as well as in the other manners of production that become dominated by capitalism. More precisely, the penetration of the capitalist manner of producing into all areas of economic activity results in the separation of various groups from the ownership of the means of production or from the effective capacity to transform nature into useful products. At the same time, the increasing productivity of labor decreases in relative terms the capitalist utilization of labor power. As a result, the process of proletarianization in the sense of separation from the means of production diverges from the process of proletarianization in the sense of creation of places of productive workers. This divergence generates social relations that are indeterminate in the class terms of the capitalist mode of production, since it leads exactly to the separation of people from any socially organized process of production.

Let us examine this argument and its implications in some detail. Kautsky's own description of capitalist development and of its effects upon class structure was based on the first section of the Erfurt Programme, which asserted that:

production on a small scale is based on the ownership of the means of production by the laborer. The economic development of bourgeois society leads necessarily to the overthrow of this form of production. It separates the worker from his tools and changes him into a propertyless proletarian. The means of production become more and more the monopoly of a comparatively small number of capitalists and landowners. (1971: 7)

Kautsky examines carefully the categories of places being destroyed in the course of capitalist development. Thus he first talks about the "disappearing middle classes – small business and farmers." As capitalism permeates all forms of production, small property of various kinds is destroyed, particularly when capital becomes concentrated in periodic crises. Only small stores are surviving, but they are becoming "debased," becoming increasingly dependent upon the rhythm of capitalist accumulation. Another mechanism of proletarianization is the capitalist organization of service and productive activities traditionally performed in the household such as weaving, sewing, knitting, and baking. The externalization of production and services from the household does constitute a form of separation from the means of production, since those who have previously performed these activities, particularly women, are forced to seek employment outside the household because of increasing poverty and are obliged to purchase the products and services previously generated internally.¹⁹

¹⁹ The notion of "separation from the means of production" requires more elaboration than it has received thus far. In Marx's analysis of primitive accumulation, this separation consisted of the legally forced

What are the places simultaneously being created as smallholders, craftsmen, artisans, and women become proletarianized? Are they separated from the means of production or from the capacity to produce on their own? Some are the places of industrial proletarians. While this process is nowhere described systematically, Kautsky seems to think that capitalist development constantly increases the number of factory workers.²⁰ Moreover, this industrial proletariat is supposedly becoming increasingly homogeneous. While Kautsky observes with an unusual degree of bitterness what he considers to be the remnants of internal divisions among workers – divisions based on skill – he is persuaded that the introduction of machinery which eliminates the need for skill, and the growth of surplus labor, which pushes wages down, are removing the internal differentiation of the proletariat and increasing internal homogeneity.

But the process of proletarianization spreads to areas of economic activity other than industrial production. "It is not only through the extension of large production," Kautsky argues, "that the capitalist system causes the condition of the proletariat to become more and more that of the whole population. It brings this about also through the fact that the condition of the wage-earner engaged in large production strikes the keynote for the condition of the wage earners in all other branches." Thus, for example, in the large stores "there is constant increase in the number of employees – genuine proletarians without prospect of ever becoming independent." (1971: 35–6)

Yet, most importantly, the rate at which capitalism destroys small production is greater than the rate at which it generates places of productive capitalist employment. The process of proletarianization – separation from the means of production – creates "the army of superfluous laborers." "Enforced idleness," Kautsky asserts, "is a permanent phenomenon under the capitalist system of production, and is inseparable from it." (Ibid.: 85)

"Proletarianization" is thus a concept with a double meaning. In terms of the destruction of places in pre- and early-capitalist organization of production it means separation from the ownership of the means of production and from the

separation of cultivators from the land. In the theory of concentration of capital, the notion is that small producers will not be able to compete economically with large capitalist firms. But this separation can assume more subtle forms, for example, when services traditionally performed within the household become externalized into capitalistically organized activities. (See below for Kautsky's analysis of this phenomenon.) Furthermore, should not compulsory retirement and compulsory education be treated as such a separation? The question also arises whether separation from the means of *production* is sufficiently broad as a description of the process by which various groups are hurled into the capitalist labor market. Beggars, for example, of whom in France in 1800 there were probably as many as workers, lost their means of subsistence legitimized by Catholic ideology when the "economic whip" replaced the concept of communal responsibility for the poor.

²⁰ Bernstein (1961) felt that there is an inconsistency in the argument according to which accumulation of capital is supposed to reduce need for labor yet numbers of workers are said to increase with the growth of the mass of capital. Clearly the issue concerns the relative rates of the growth of capital and of the productivity of labor. This is not a simple issue, as the controversies concerning the concept of capital manifest.