# MARX AND "UNDERDEVELOPMENT"

BY KENZO MOHRI

Recently a new current of interpretation of Marx's view of British free trade in the nineteenth century seems to be on the rise among historians and theorists interested in the historical experiences of Third World peoples as "consumers of imperialism."[1]* One allegation usually shared by these interpreters is that Marx failed to grasp the historical function British free trade played in retarding or distorting the development of backward countries' economies through their integration into the world market system. In other words, Marx is criticized for having optimistically believed that British free trade would promote industrialization throughout the world on the European model. It seems worthwhile to see if these critiques do indeed do justice to Marx or not. Before re-examining Marx's theses on British free trade, however, I think I had better briefly review how Marx's view is criticized by the aforesaid current of interpretations. Let us look at some of the most typical examples.

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* Notes will be found at the end of the article.

## How Marx Has Recently Been Criticized

Paul Baran characterizes Marx's argument as follows: "Whatever its speed and whatever its zigzags, the general direction of the historical movement seems to have been the same for the backward echelons as for the forward contingents."[2] With much the same understanding of Marx's view, V. G. Kiernan points out: "So far as can be seen, what he [Marx] had in mind was not a further spread of Western imperialism but a proliferation of autonomous capitalism, such as he expected in India and did witness in North America."[3] B. Sutcliffe, too, maintains that "it is quite clear that for most of the time Marx believed that capitalism would industrialize the world." Sutcliffe further points out that, alongside this tendency of capitalism to industrialize the whole world, Marx's writings emphasized another feature of capitalist penetration which would de-industrialize the colonized lands. But Marx, according to Sutcliffe, failed to spell out the full consequences of capitalist penetration in the case of India.[4]

Commenting on the assertion Marx made in an article titled "The Future Results of the British Rule in India"—i.e., that the "railway system will . . . become, in India, truly the forerunner of modern industry"—M. B. Brown argues that "this was almost precisely what did not happen, at least for a hundred years."[5] What did take place in India, emphasizes Brown, was the de-industrializing process forced by "the distorting effect of the international division of labor."[6]

Samir Amin observes that "these distinctive problems of transition to peripheral capitalism largely escaped Marx's notice, and this accounts for his mistaken notion about the future development of the 'colonial problem.' "[7] By Marx's "mistaken notion about the future development of the colonial problem," Amin seems to mean Marx's assertion that "colonial rule would lead the East in the direction of full capitalist development"[8]—in other words, his assertion that, regardless of the intentions and policies of colonial authorities, "no power would for long be able to hinder local development of capitalism *on the European model.*"

At this point, let us take note of the fact that the writings

of Marx to which Amin directly refers here are "The Future Results of the British Rule in India" (1853) and Marx's letter to Engels dated October 8, 1858. Proper assessment of Amin's argument would of course require detailed examination of all his major writings. But here we have to content ourselves with simply taking note of Amin's understanding that "the pattern of transition to peripheral capitalism is, in fact, fundamentally different from that of transition to central capitalism."[9]

The critiques of Marx noted above are enough for our present purpose, though the list could easily be expanded. In short, these critics blame him for having missed the historical function of British free trade in compelling "the development of underdevelopment"[10]—to use the term coined by A. G. Frank—in underdeveloped countries and having tended to be over-optimistic about the future development of these countries.

### Re-examination of Marx on British Free Trade

To put my conclusion first, I prefer to side with H. B. Davis for the most part and consider Marx's view on this question to have undergone a significant change. Davis asserts that "down to the middle of the 1860s their [Marx's and Engels'] pronouncements on colonialism were ambivalent," and that "the shift from acceptance of colonialism to active opposition is nowhere more strikingly demonstrated than in the case of Ireland."[11] To this I would like to add that the theoretical position Marx developed as he became more involved with the Irish question was further strengthened as a result of his more detailed studies of different societies, notably Russian society, in his last years. In what follows, however, I shall restrict myself to the Irish question, as the springboard which propelled him toward a deeper insight into British free trade.

### Marx in the 1840s and 1850s

First, I would like to examine briefly Marx's view of the historical significance of British free trade in the 1840s and 1850s. To begin with, the following well-known passage from the "Speech on the Question of Free Trade" (1848) ought to be recalled:

But, generally speaking, the Protective system in these days is conservative, while the Free Trade system works destructively. It breaks up old nationalities and carries antagonism of proletariat and bourgeoisie to the uttermost point. In a word, the Free Trade system hastens the Social Revolution. In this revolutionary sense alone, gentlemen, I am in favor of Free Trade.[12]

There seems to be no doubt that Marx, up to the end of the 1850s, firmly believed in the thoroughness and completeness with which the British industrial capital would destroy noncapitalist societies in the process of its worldwide expansion, and furthermore that he took this "propagandistic (civilizing) tendency"[13] of British capital positively and affirmatively. Marx maintained this same position in (1) the well-known paragraph of the *Communist Manifesto* (1848) in which he likens the cheap prices of British commodities to heavy artillery battering down all Chinese walls, and emphasizes that the British bourgeoisie creates a world after its own image; (2) in a series of splendid writings on India produced in 1853; and (3) in numerous passages of the *Grundrisse,* written in 1857-1858. (Due to space limitations, however, I refrain from quoting all relevant passages here.)

What we can see in these writings is a clear-cut manifestation of the positive view which Marx had of the historical role of British free trade. One more point we should keep in mind in re-examining Marx's views on British free trade is that Marx's understanding of the "revolutionary" role of British free trade was inseparably related to his prediction that British free trade was bound to fulfill "a double mission." "England," argued Marx, "has to fulfill a double mission in India: one destructive, the other regenerating—annihilation of old Asiatic society, and the laying of the material foundations of Western society in Asia."[14] This being so, when his belief in this thesis of a "double mission" was shaken, his belief in the "revolutionary" role of free trade, too, would have to be shaken.

I have no intention of dismissing the fact that Marx, while viewing British capital as the "unconscious tool of history," pointed in the same article to the very important fact that "this loss of his old world, *with no gain of a new one,* imparts a particular kind of melancholy to the present misery of the Hindoo."[15] But so long as this perception existed side by side with the pre-

diction which Marx put forward a few weeks later, optimistically emphasizing the "regenerating" function of British capital—"[t]he railway system will . . . become, in India, truly the forerunner of modern industry"—we cannot but conclude that what Marx referred to as "a particular kind of melancholy" was not yet grasped as a structurally inherent feature of the development of underdevelopment but rather simply as a phenomenon of a temporary nature which would be wiped out sooner or later. Marx, during the 1850s, had not yet reached the deeper insight which both R. Palme Dutt and Paul Baran later formulated. Palme Dutt says that "the victory of foreign capitalism in India differed from the victory of capitalism in Europe, in that the destructive process was not accompanied by any corresponding growth of new forces,"[16] and Baran observes that "accelerating with irresistible energy the maturing of *some* of the basic prerequisites for the development of a capitalistic system, the intrusion of Western capitalism in the now underdeveloped countries blocked with equal force the ripening of others."[17] Both of them, while taking as their starting point the observation of Marx noted above, undoubtedly carried Marx's viewpoint much further. Marx, as we shall soon see, later explicitly disavowed his thesis on the "double mission" of British industrial capital.

### Marx in the 1860s and After

In order to carry forward our discussion, let us pay attention to some aspects of Marx's treatises on the Irish question, which played the decisive role of a catalyst, causing him to deepen his understanding of world history. What did Marx think of the role that industrial capital played in Ireland, the "backyard" of Britain? One specific remark made in 1867 which is of special interest to us here is this: "Since 1846 the oppression, although it has become less barbaric in form, has been annihilating in substance, and there are no alternatives other than either voluntary emancipation of Ireland by England or the life-or-death struggle."[18] Further: "Every time Ireland was just about to develop herself industrially, she was 'smashed down' and forced back into a mere 'agricultural country.'" The only industry that enjoyed a miserable prosperity in Ireland was the "coffin-making" industry.

"Ireland was compelled to contribute cheap labor power and capital for the establishment of 'the great factory of Britain.'" The inevitable outcome of such annihilating developments in Ireland was a socio-economic structure in which the "system of usury rent" and a "general state of hunger" were dominant. Here, clearly, Marx was very close to perceiving the "development of underdevelopment" in Ireland. Needless to say, this perception is in line with the perception of the multilayered structure of the world market system described in section 7, chapter 15 ("Machinery and Modern Industry"), of the first volume of *Capital*: "A new and international division of labor, a division suited to the requirements of the chief center of modern industry, springs up and converts one part of the globe into a chiefly agricultural field of production, for supplying the other part which remains a chiefly industrial field."

With this understanding of the history as well as the existing situation of Ireland, Marx wrote as follows in a letter he sent to Engels at about the same time (November 1867):

> What the Irish need is:
> (1) Self-government and independence from England.
> (2) An agrarian revolution. With the best intentions in the world the English cannot accomplish this for them, but they can give them the legal means of accomplishing it for themselves.
> (3) *Protective tariffs against England.* Between 1783 and 1801 every branch of the Irish industry flourished. The Union, which overthrew the protective tariffs established by the Irish Parliament, destroyed all industrial life in Ireland. The bit of linen industry is no compensation whatever. . . . Once the Irish are independent, necessity will turn them into protectionists, as it did in Canada, Australia, etc."[19]

Marx quite explicitly brings up here a three-point program for fulfilling the needs of the Irish: (1) self-determination and independence; (2) an agrarian revolution *by the Irish themselves;* and (3) *protective tariffs against England*—as a prerequisite for the preceding two objectives—so as to lay the economic base for the survival of the nation. This viewpoint is *decisively different* from the one which Marx had in the 1850s, at least in three important respects. First, Marx's view about Ireland's independence changed drastically. In this regard, it seemed sufficient just to quote the well-known statement of

Marx himself: "Previously, I thought Ireland's separation from Britain impossible. Now I think it inevitable."[20]

The second important change is, in his opinion, about "protective tariffs." Marx at one time (in his 1853 letter to Engels) ridiculed the *New York Tribune* and H. C. Carey, and categorically denounced protectionism in general, on the grounds that "the destruction of the native industry [of India] by England is . . . revolutionary."[21] There is a gulf between this view and the new one Marx had acquired. Admittedly, the historical implication of the demand of the protectionist bourgeoisie of the United States in the 1850s differed radically from that of the demand for "protective tariffs against England" which Marx thought appropriate for the Irish separationist movement as a necessary precondition for the fulfillment of the needs of the Irish people. I have not forgotten about this difference. The point I am trying to make clear here is rather that Marx, who once regarded the destruction of the native industry of India by the British capital as "revolutionary," does not regard the destruction of the native industry of Ireland by the same British capital as "revolutionary" anymore. On the contrary, the destruction of native Irish industry is now looked upon as the first step toward demolition of the base for the Irish revolution itself, or, we may dare to say, it is obviously taken as "counter-revolutionary" rather than as "revolutionary."

The third major change is in Marx's view about who should undertake social revolution. The logic which he employed in his article on India in 1853 is no longer present here. To repeat, his earlier view obviously gave positive approval to the role British capital played as an "unconscious tool of history" and therefore assigned the role of a major vehicle for the social revolution of India to the very working of British industrial capital.

Of course, this is not meant to imply that Marx, even when he subscribed to such a view, forgot about the Indian people who should carry out revolution in their own society. In fact, in his 1853 article on India Marx explicitly asserted the importance of appropriation of the productive powers both by the British industrial proletariat and by the Indian people.[22] However, what we are now concerned with is rather how Marx

understood the relations between the destructive effects of British industrial capital on the one hand and the appropriation and further development of the productive powers by the Indian people on the other. In 1853 Marx thought that the former accelerated the latter, that is to say, the former would be an inevitable intermediary step on the way to the full realization of the latter. In 1867, on the contrary, Marx has come to realize that the destruction of the old world by British industrial capital, far from bringing about the material base for the development of new productive powers as he once expected, is quite likely to result in the destruction and plundering of the very mechanism that assures the development of productive powers.

It is evident that Marx is no longer content with paying attention to destruction in general, but tries to make clear what results from that destruction and especially how it acts on the development of the very people who are expected to carry out future national development. Thus Marx, through his recognition of the importance of the indigenous people's initiative in carrying out their own social revolution, radically transformed his assessment of the historical role of British free trade. This will become all the more clear if we observe how his assessment of the Zamindari and Ryotwari systems changed between 1853 and 1881. In 1853 Marx wrote: "The Zamindari and Ryotwari themselves, abominable as they are, involve two distinct forms of private property in land—the great desideratum of Asiatic society."[23] In sharp contrast, Marx wrote in 1881: "To take the case of India, for instance, no one with the exception of Sir H. Maine and others of the same stock, can be ignorant that there the extinction of the communal ownership of land was only an act of English vandalism which pushed the indigenous people not forward but backward."[24] In 1853 Marx clearly had an affirmative view of what the British had been doing in India; in 1881, in contrast, his attitude toward the same conduct of the British was equally clearly negative. I would like to emphasize that this change derives from Marx's concern, which is stronger than ever, about the fate of the subjugated people, whether they were moving forward or backward. It is extremely significant that Marx now points to a destruc-

tion that "pushed the indigenous people *not forward but backward.*" He no longer takes the destruction and regeneration as two facets of the same process which are inseparably united, but instead perceives that they could be diametrically opposed to each other.

It is, then, only natural that Marx's awarenes of the *subjective conditions* for social revolution, of the key role to be played by the colonized in achieving the radical reformation of their own society should lead him to pay attention to the *objective conditions* which would prepare these people for actually carrying out the task. The result is the emergence of a point of view which makes much of the formation of an independent national economy as an objective framework for economic development. This is the perspective Marx acquired on the basis of his analysis of the Irish question.

## Conclusion

In the 1840s and 1850s Marx emphasized the "revolutionary" role of British free trade, basing himself upon a general expectation that it would destroy the framework of the old society which was an obstacle to the growth of productive forces, and would generate in its place the kind of development that would lay the basis for a new society. However, this view was discarded by Marx himself from the 1860s onward, as he became well aware that the destruction of the old society would not necessarily give rise to the material conditions for a new society. Rather, the theoretical position toward which Marx was rapidly moving in his later years may be characterized as follows: the forcible integration of the old society into the world market system by the external pressure of British free trade and the resulting transformation of this society would determine a course of development of its economy and a structure of its productive powers completely dependent upon England "according to their greater or lesser suitableness for exportation."[25] It might well be said that British free trade has played an essential role in depriving the precapitalist societies integrated into the world market system of the very preconditions for the balanced and systematic development of productive powers which would be indispensable for the construction of an

independent national economy. One is even tempted to assume that the "double mission" of British free trade should be interpreted not in the sense of a combination of "the destruction of the old society" and "the regeneration of a new society," as Marx thought up to the late 1850s, but rather in the sense of a *double mission of destruction,* meaning both "the destruction of the old society" and the destruction of some of the essential conditions for "regeneration of a new society."

What, then, can we conclude about the previously noted new current of critiques of Marx? First, they deserve criticism, primarily because they frown upon his "mistaken ideas" without making any effort to examine the development of his own understanding of British free trade through to the last years of his life. In contrast, what I have paid attention to and emphasized in this paper are the significant changes in Marx's thinking which are so clearly revealed in his later writings.

Second, however, if I were to limit myself to rejecting these critiques of Marx, I would be open to the justifiable charge of throwing the baby out with the bath water, of simply making an inflexible and sterile counter-critique. My purpose in this paper has not been to contribute to such an unproductive attempt to "rescue" Marx dogmatically. On the contrary, my concern has been to call attention to various hints contained in these critiques of Marx which appear to be theoretically valuable and in this way to help reconstitute a critical perspective which can effectively tackle the question facing us today. What has become clear, as a result of what I may call the intercommunication of perspectives, is that (1) these critiques of Marx are basically right in their perception of the historical role of British free trade, and (2) the conclusions to which they lead are in fact virtually identical to those toward which Marx himself continued to strive throughout his untiring journey of theoretical inquiry in the latter half of his life.

## NOTES

1. I owe this phrase to Thomas Hodgkin, "Some African and Third World Theories of Imperialism," in R. Owen and B. Sutcliffe eds., *Studies in the Theories of Imperialism* (London, 1972).
2. Paul A. Baran, *The Political Economy of Growth* (New York, 1957), p. 140.

3. V. G. Kiernan, *Marxism and Imperialism* (London, 1974), p. 198.
4. B. Sutcliffe, "Imperialism and Industrialization in the Third World," in Owen and Sutcliffe eds., *op. cit.*, pp. 180-181.
5. Michael Barratt Brown, "A Critique of Marxist Theories of Imperialism," in Owen and Sutcliffe eds., *op. cit.*, p. 47. See also Brown, *After Imperialism*, 2nd rev. ed. (London, 1970), p. xli.
6. Brown, *op. cit.*, in Owen and Sutcliffe eds., *op. cit.*, p. 69. See also Brown, *The Economics of Imperialism* (London, 1974), chap. 5.
7. Samir Amin, *Accumulation on a World Scale* (New York and London, 1974), p. 391.
8. *Ibid.*, p. 147.
9. *Ibid.*, p. 390.
10. Andre Gunder Frank, *Latin America: Underdevelopment or Revolution* (New York and London, 1962), chap. 1.
11. Horace B. Davis, "Capital and Imperialism: A Landmark in Marxist Theory," MONTHLY REVIEW (September 1967), pp. 14, 16. See also Davis, *Nationalism and Socialism: Marxist and Labor Theories of Nationalism to 1917* (New York, 1967), especially chap. 3.
12. Marx-Engels *Werke*, vol. 4, pp. 457-458.
13. Karl Marx, *Grundrisse*, (London, 1973), p. 542.
14. Karl Marx, "The Future Results of the British Rule in India," in Karl Marx and Friedrich Engels, *On Colonialism* (Moscow, n.d.), p. 84.
15. *Ibid.*, p. 34.
16. R. Palme Dutt, ed., *India Today* (Calcutta, 1970), p. 87. Also Dutt, *India Today and Tomorrow* (Delhi, 1955), p. 35.
17. Baran, *op. cit.*, p. 143.
18. Several quotations to follow are all from Marx's two draft manuscripts made in 1867 on the Irish question in *Werke*, vol. 16, pp. 439-458.
19. Marx to Engels, November 30, 1867, *On Colonialism*, p. 324.
20. Marx to Engels, November 2, 1867, *ibid.*, p. 323.
21. Marx to Engels, June 14, 1853, *ibid.*, p. 311.
22. See *On Colonialism*, p. 88. Also see Palme Dutt, *India Today*, pp. 93-96.
23. *On Colonialism*, p. 84.
24. "Brief an V. I. Sassulitsch, Dritter Entwurf," 1881, *Werke*, vol. 19, p. 402.
25. Marx to Danielson, April 10, 1879, *Werke*, vol. 34, p. 374.