

# 1. Philosophical Approach —→ 2. Political-Economic Analysis

Marxism is largely a philosophy of history. At its core, the marxist approach is about taking complicated systems and looking at the way different aspects of the system work together or against one another. It is also about considering how the relationships between parts of a system determine the behaviour of the system as a whole. Marx was particularly interested in the political-economic system, but it's possible to look at all kinds of systems 'in a marxist way.'

## 1.1 Dialectics

Parts of systems are constantly in dialogue with one another. Aspects of a system are often contradictory. To understand the system it is insufficient just to understand the current status of one of its parts: understanding the system requires understanding it as a whole, contradictions and all.

According to Marx, the development and resolution of contradiction in systems is the motor of history. A dialectical philosophy or analysis takes into account all of the relationships present in a system, and sees the resolution of contradictions in those relationships as the primary force of change within the system.

## 1.2 Materialism

Marx promotes a materialist outlook: he says that the organization and development of a society is a result of the productive activity of the society, and the relationships that arise from production. That is, the manipulation of 'material' (objects, facts, tangible experiences) gives rise to ideas, not the other way around. Put differently: human progress results not from inspired Great Ideas (which would be the 'idealist' view), but from actions and ideas which are the logical outcome of the current material circumstances (ie, what work is being done, how, and by whom).

## 1.3 Alienation (why is work so unpleasant?)

Marx thinks that the ability to change the world to fit our needs is what makes humans unique. (He calls this essential humanness our species-being.) Fulfilment, according to Marx, comes from doing what it is that makes us distinctly human. Alienation is the experience of being unable to act in accordance with our species-being, and to experience fulfilment. According to this view, capitalism is fundamentally alienating because: 1) workers must engage in competition rather than community, alienating them from each other; 2) their labour serves the needs of the capitalists, not themselves, and 3) they do not have power to make decisions about what they make or how they make it.

## 2.1 Base & Superstructure (how materialism works)

The organization of a society is a result of its material conditions. As shorthand, 'all of the details of productive activity' is called the base, and the structures (eg, political and legal systems) which arise from that are the superstructure.

The base has two layers. The productive forces are the materials, labour, and technology that are available. This tends to develop over time. The relationships of production are the inter-personal connections associated with labour (eg. worker-worker, worker-boss, serf-lord). The nature of these relationships depends on the level of development of the productive forces. (For a corporation to work across continents requires a certain amount of technological development, for instance.)

If there is a contradiction between the productive forces and the relationships of production, it will typically be the relationships which are forced to change. Likewise the superstructure will be forced to adapt to changes in the base. The arrangement of the superstructure can have an impact on the base, and the relationships of production have some power to determine the development of the productive forces, but the bulk of the influence runs the other way.

## 2.2 Analysis of Capitalism

Within capitalism there are, to put things very simply, two classes—the capitalists and the working class. The two are separated by their relationship to the means of production (ie, everything that is required to do work besides the labour itself—tools, warehouses, etc). Capitalists own the means of production, but do not do work themselves (at least in the sense of 'use the tools to make things'). The working class does work, of course, but they do not own the means of production. As a result they are beholden to those who do—the capitalists. The two classes have different interests: it is in the best interest of the capitalists for the workers to do as much work as possible, and for them to be paid as little as possible. Workers want to have as much power over their own lives as possible, which at the minimum means being paid more and working less, and at the most 'revolutionary' getting rid of the capitalists altogether so that they can make their own decisions.

## 2.3 Commodities & Exchange

A commodity is any good or service produced by human labour. A commodity has a use value (it does something helpful), an exchange value (the rate at which one commodity can be traded for other commodities—eg, one book is worth 15 snickers), and a price (the monetary expression of exchange value—1 book : 15 snickers : \$15).

Money is a commodity which a community has agreed upon as a standard representation of exchange value.

According to the labor theory of value, the value of a commodity on a market is determined by the total amount of labour required to make it. Rather than the specific amount of labour required to create that specific item, however, the key is socially necessary labour time, which is the average amount of time required to create a commodity of that sort.

## 2.4 How Capitalists Make Money

Capitalists make their money by 'expropriating' (taking) excess value produced by workers. Wages are used to purchase the labour-power of workers (that is, the worker's capacity to do work, rather than the actual work itself). Labour power is a commodity, with a price determined according to the market. Its price (the worker's wage) does not reflect the amount of value that the workers produce. Workers do more work than just that which is required to create the value necessary to sustain themselves (which they receive as wages). By doing this surplus labour, workers create surplus value. Surplus value is the source of capitalists' wealth. Marx identifies the expropriation of surplus value as the act of exploitation that is at the core of capitalism.