

PREFACE TO THE SIXTH EDITION

small contribution to the emerging responses to these enormous challenges, and it was well received by a wide audience in several countries.

The publication of the fifth and now this sixth edition anticipates, and hopefully in its own way contributes to, a revival of political economy in general and of Marxist political economy in particular. Such optimism is based on a number of factors.

First, while mainstream economics has tightened its intolerant grip on the discipline, dismissing heterodoxy as failing the tests of mathematical and statistical rigour, there are increasing signs of dissatisfaction with the orthodoxy, and there is a growing search for alternatives among those studying economics and the other social sciences, not least with the demands for heterodoxy, pluralism and alternatives in the teaching of economics.

Second, following the predominance of postmodernism and, especially, neoliberalism in setting intellectual agendas across the social sciences over the past two decades, there is now a reaction against the extremes of their worst excesses in theory and practice. Critical thought has turned towards understanding the nature of contemporary capitalism, as most notably reflected in the rise of concepts such as neoliberalism, financialisation, globalisation and social capital. Inevitably, the result is to raise the question of the economy outside of the discipline of economics itself, and to seek guidance from political economy.

Third, material developments have also promoted the case for political economy. These include the growing realisation that environmental degradation, most especially through global warming, is intimately related to capitalism; the aftermath of the collapse of the Soviet Union and the recognition that capitalism has not furnished a progressive alternative, even on its own narrow terms; and the eruption of imperial wars and occupations, even if fought under the name of anti-terrorism or human rights.

Fourth, the long period of relative stagnation following the breakdown of the post-war boom, and the rise of postmodern-

ism and neoliberalism, have had the paradoxical effect of allowing the capitalist economy to be perceived as engaging in business as usual with a modicum of success, even if on a sluggish basis. The eruption of financial crises over the past decade, most dramatically the global crisis that started in mid 2007, has shattered this perspective. It has brought to the fore the key role being played by finance in contemporary capitalism. The systemic relations among finance, industry and the rest of the economy more generally should occupy a prominent place in the subject matter of political economy. With capitalism so demonstrably having failed on its own terms, even under conditions that are arguably the most favourable for it, the case for socialism needs to be made as never before. And it rests upon a Marxist analysis both for its critique of capitalism and for the light it sheds on the potential for alternatives.

Each of these issues is reassessed to a greater or lesser extent in this new edition. But the main purpose of the book remains to provide as simple and concise an exposition of Marx's political economy as the complexity of his ideas allows. Because the book is constrained to be short, the arguments are condensed, but remain simple rather than convoluted; nevertheless, some of the material will require careful reading, particularly the later chapters. Not surprisingly, through its various editions, the text has increased in size, more than doubling from its original length of 25,000 words as new topics have been added, drawn both from Marx's own political economy and from its contemporary relevance. In addition, over time, specific additions have included chapter-by-chapter highlighting of controversies, issues for debate, and suggestions for further reading, which will offer guidance to those interested in more scholarly texts. We regret that this has led to successive editions losing some of the simplicity of the earlier ones (though for ease of reading footnotes continue to be omitted). These (hopefully minor) difficulties are perhaps compounded by the occasional references to how Marx's political economy

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differs from orthodox economics, placing some strain on the non-economist. But such complexities can be overlooked where necessary and, otherwise, offer compensating insights.

This carefully revised sixth edition comes at a particularly challenging time. Neoliberal capitalism is in the throes of an unprecedented crisis, which has revealed not only the limitations of 'liberalised' finance but, more significantly, has thrown the global neoliberal project onto the defensive for the first time, although it appears remarkably resilient. Yet, it is now possible for the mainstream to question openly the coherence and sustainability of neoliberalism, and even the desirability of capitalism itself. These emerging debates, and the simultaneous if painfully slow growth of radical social movements and organisations, have been supported by the creeping realisation that capitalism has fundamentally destabilised the planet's environment and that it poses an immediate threat to the survival of countless species, including our own.

Marx's *Capital* is not a book about the environment nor is it about neoliberalism, although it includes a brief section on the former and an updated chapter on the current crisis. Its aims are narrower and, at the same time, more abstract and ambitious: it reviews and explains the key elements of the most sustained, consistent and uncompromising critique of capitalism *as a system*, which was originally developed by Karl Marx. As capitalism struggles to contain its most recent crisis, Marx's writings have increased in immediacy and relevance, and they have shot up in popularity. They now rank highly in several bestseller lists, and rival editions can be found even in mainstream bookshops, though Marx's works are also widely available on the web and can be freely downloaded.

We hope that you will make use of them. Marx's *Capital* has never sought to replace the real thing; instead, it aims to facilitate your reading of Marx's economic writings by providing a structured overview of their main themes and conclusions. We

hope that this book will support your own attempt to come to terms with capitalism, its strengths and flaws, and inform your struggles against it.

We would like to thank and to encourage those who have continued to study and teach Marxist economics seriously, during a period when it has been extraordinarily hard to do so.

A Note on Further Reading

Each chapter in this book includes a list of 'Issues and Further Reading' which outlines some implications of the material examined in that chapter and suggests a small and carefully selected set of readings to help you dig deeper. There is, of course, much more out there, and we would welcome your suggestions of readings to be included in future editions of this book. Please email to let us know if you find something especially useful, or to discuss topics and problems in value theory, or to suggest changes or additional content that we might include in future editions of this book. We would like to hear from you.

To begin with, a few general suggestions. The *Collected Works of Karl Marx and Friedrich Engels* are still being published in German, and they are gradually being translated into English and other languages. The most significant works, including *Capital*, are freely available in the Marxists Internet Archive (www.marxists.org) and at several other websites.

A large number of excellent commentaries on Marx's work, and a good number of overviews of his economic writings, are available from Anglo-Saxon sources, on which we focus below. For example, Chris Arthur has prepared an abbreviated edition of Volume 1 of *Capital* (Arthur 1992), without footnotes and with an explanatory introduction, and Duncan Foley and David Harvey have written excellent introductions to Marx's work (Foley 1986; Harvey 1999, 2009, 2010). Harvey also runs an online discussion on *Capital* (<http://davidharvey.org/reading->

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capital/). Alex Callinicos (2014) and Joseph Choonara (2009) have published very good overviews of Marx's value theory, which complement (and supplement) this book. A classical account of the sources of Marxism is provided by Vladimir Lenin (1913). For a more advanced overview of Marx's theory of value, see Dimitris Milonakis and Ben Fine (2009, especially ch.3) and Alfredo Saad-Filho (2002). A similarly advanced stocktaking exercise across the spectrum of Marxian economic analysis is found in Fine and Saad-Filho (2012). Research in Marxian political economy is promoted by IIPPE (www.iippe.org) and supported by journals including *Capital & Class*, *Historical Materialism*, *Monthly Review*, *Review of Radical Political Economics* and *Science & Society*. Finally, for heterodox (including Marxist) economics, news and analysis, see www.heterodoxnews.com.

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