



Redlet

About this booklet

This booklet is a simple, complete beginner's resource to anti-capitalism, and communism.

I have tried to write in simple English.

Marxism teaches about capitalism, and anti-capitalist analysis.

Revolution teaches about anti-capitalist movements, and how to help.

There are examples in this booklet to help you understand.

Marxism

| Marxism Introduction

Marxism is an analysis of society and economy by Karl Marx, Friedrich Engels, and others. Marxism concludes:

- World society is in conflict between the workers and the employers;
- World society must go through popular revolution to reach socialism;
- World society must go through socialism before communism.
- World economy must be democratically controlled by all workers.
- Marxism also shows why things have value in money, and how trade works.

Capital

The most important focus of Marxism is **capital**, and who owns it. Capital is anything with value for making products. These include the materials, tools, buildings, and land, used by workers.

A taxi driver uses a car to drive passengers around a city. The car is capital, because it is used to earn money.

Capital is sometimes called the **means of production**, because it helps to make products for sale.

Money is what a bank or government gives to trade different products easier. When someone has money, it is like a ticket for already existing capital. Sometimes, a bank or government will pretend they have capital when they give you money, hoping they have the capital later.

Personal/Private Property

Capital is owned as property by a person or business in capitalism. Marxism sees property as two different types:

- **Private property:** owned to be used by others (workers), and maybe the owner too, to earn money.
- **Personal property:** owned only to be used by the owner, or others for free when the owner says it is okay.

If you own a house, and only you use it (or other people for free), it is personal property. If people pay to use it (like a hotel, or rent), it is private property.

If you own 1 car, and only you use it (or give people free rides), it is personal property. If you own 2 cars, and rent one out, the rented car is private property.

Economic Classes

Marxism sees people in three classes:

- One of the **Proletariat**: does not own the property they work with.
- One of the **Petite-Bourgeoisie**: owns all or some of the property they work with.
- One of the **Bourgeoisie**: owns property, but does not use it themselves.

proletariat (pro-lit-airy-at)

petite (peh-teet)

bourgeoisie (bor-jwa-zee).

[adj] bourgeois (bor-jwa)

[adj] proletarian (pro-lit-airy-an)

One of the Proletariat (a worker) could be a clothes maker in a factory. They are paid for their work, but they do not own the machines, materials, or land they use.

One of the Petite-Bourgeoisie could be a small shop owner. They buy and sell products, and own or rent the building, but they also work.

A few people working together, where they all own the tools together, can also be seen as Petite-Bourgeois.

One of the Bourgeoisie (a capitalist) could be a landlord. They own a building and land, and rent it out. Usually they do not have to work.

There are two types of Bourgeoisie: industrial and financial.

Profit: Industrial

Profit is the capital that capitalists take from production for themselves. The two different types of capitalist get profit differently.

The **industrial capitalist** owns capital, and their workers give labour, and so the capitalist owns the finished product. The worker will be paid a wage (decided when they start work) but the wage will never be the full value of the product or service.

The table shows how an industrial capitalist uses their capital and workers to get money:

1. Production Labour + Capital → Product
2. Sale Product sold at market value
Of market value:
3. Payment 30%: wage → worker
70%: surplus → capitalist
Buy new capital;
Pay taxes, loans, and rent;
Pay managers, dividends
4. Spending of surplus by capitalist ----
The rest is profit for the capitalist

From this, we see that after the product is made, it is sold, and the value from that sale is split. Some goes to wage, and the rest is called "surplus". This is used to buy more capital, like materials and services.

In 2017, the richest 1% of the world took 82% of new value made by workers¹. This shows surplus is very high. Marxism calls this whole process **exploitation**.

1 tinyurl.com/ybkmxo7j

Profit: Financial

A **financial capitalist** gets surplus in a different way. They own a lot of capital, like housing, land, heavy machines, and shares in businesses.

The first capital was taken with exploitation. When people (including industrial capitalists) do not have capital themselves, they will borrow from financial capitalists. This capitalist makes surplus by using **interest**, so they get more capital back than they gave.

Banks are financial capitalists. They get a profit by giving loans.

Financial Crisis

Exploitation helps to cause financial crisis, like in 2008. Because workers are paid only some of the value they made, or must pay interest on their loans, they cannot buy back everything they produced.

Somebody picks \$20 of fruit per hour, but were paid only \$10 per hour. They can only buy half of what they produced.

Capitalists do not fix this (by exploiting less) because they all still want surplus. Fast spending, economic growth, loans, mortgages, and credit, all delay crisis, as then workers can still buy without money.

However, crisis still happens: if surplus is invested in long-term capital—such as housing—workers do not have money to buy products for a long time. This causes a crash in prices.

Case studies: Capital

A house owned and lived in by a family of 4 is what type of property?

Personal—The house is not being used to get surplus.

Mark works at a factory. His boss pays him very well. Which class is he?

Proletariat—Income does not matter; Mark does not own the factory he works in, or own the tools he works with.

Sarah is a singer, a millionaire, and has a recording studio. Which class is she?

Petite-Bourgeois—She does not exploit workers for surplus, but does have a lot of capital (her studio), and does not work for somebody else.

Steve owns a laptop, and lets others work on it for \$1 an hour. What type of property is the laptop?

Private—Even though Steve does not pay wages, he is still making a surplus from the work of others.

Class Conflict

Marxism finds that society is constantly in conflict, between the Proletariat and Bourgeoisie.

They have different interests: the Proletariat want to increase wages, the Bourgeoisie want to decrease wages.

The Bourgeoisie always want to increase profit. However, the Bourgeoisie are also in conflict with each other. Not only in a market, but politically.

Socialism is the ultimate fight against the Bourgeoisie and their interests.

Socialism

'Socialism' is a word used for a lot of different countries and governments, but it is usually wrong.

It is very specific: when those, who were Proletariat, own the 'means of production' – the capital used to produce goods for society. When everybody owns what was once private property, the Proletariat and Bourgeoisie classes no longer exist.

There are big challenges to this – so many people owning so many things has been difficult for socialist governments to remember, and has sometimes caused corruption. However, we learn from this, and see it is important that we keep our power through effective democracy.

Shareholding

People and corporations can own **shares/stock** of a corporation—this is called shareholding. A share is a legal contract, saying the owner can:

- ... **vote** for new directors. A corporation is run by a *board of directors*.
- ... take **dividends**, which is surplus the directors choose to give out each quarter of a year.

Usually, it is one vote per share, and one portion of dividend per share, not per shareholder. A shareholder with 100 shares gets 100 votes, and 100 worth of dividends. Therefore, having more shares gives the more power and surplus.

Shares/stock are sold in stock markets. The price is how good the corporation is, and how many dividends it pays.

The problem is shareholders want big surplus. This means lowering wages, lowering safety, and increasing hours. It will also reduce costs, but workers do this anyway.

All shareholders are Bourgeois - shares are private property because they exploit surplus. A corporation can also own shares of other corporations.

Some corporations make their customers the shareholders, such as co-operative banks or supermarkets. Usually, it will then be one vote per shareholder.

Pensions are sometimes funded by shares.

Because shares are contracts, they can be different: maybe some shares have no vote, maybe some shares pay no dividends.

Bourgeois State

Marxism sees states (governments, courts, prisons, police, army) as tools of the Bourgeoisie.

A state is made when there are different classes in society. Because the Proletariat and Bourgeoisie are different relationships with private property, a state is needed to keep private property safe, and stop the two classes from fighting.

Because private property is owned only by the Bourgeois classes, a state is Bourgeois.

Bourgeois states are against socialism, because socialism is the Proletariat owning the means of production.

Unions

The most natural way the proletariat fights the bourgeoisie is using unionship—often called a “trade union” or “labour union”.

It is when workers say their demands (e.g. "We want more pay"), and will stop working ('strike') if employers do not agree.

These demands can be protecting workers from being fired, improving safety standards, wages, vacation time, health care, pensions, and working conditions.

One worker alone cannot easily change the conditions an employer puts on workers, as they can be easily replaced.

Sometimes, employers cannot agree to demands because of market pressure.

Students can also make unions, against their school or university.

<https://en.wikipedia.org/wiki/Trotskyism>

<https://en.wikipedia.org/wiki/Marxism>

[%E2%80%93Leninism%E2%80%93Maoism](https://en.wikipedia.org/wiki/Leninism)

[\(https://en.wikipedia.org/wiki/Winter_of_Discontent\)](https://en.wikipedia.org/wiki/Winter_of_Discontent)

[https://www.online-](https://www.online-utility.org/english/readability_test_and_improve.jsp)

[utility.org/english/readability_test_and_improve.jsp](https://www.online-utility.org/english/readability_test_and_improve.jsp)

Case studies

Gun rights

Education

Internet Links

- Burkina Faso: [Thomas Sankara](#); [Thomas Sankara: The Upright Man](#)
- Einstein: [Why Socialism?](#)
- Fascism: [RSU - Fascism: What It is, How It Works, and How We Fight It](#)
- Marxism-Leninism-Maoism: [Inside the New People's Army \(Philippines\)](#)
- Imperialism: [Malay Emergency](#)
- <https://www.youtube.com/watch?v=RibAQHeDia8&t=12s>