The European Heritage in Economics and the Social Sciences
Series Editors: Jürgen G. Backhaus · Günther Chaloupek
Hans A. Frambach

Jürgen Georg Backhaus
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Hans A. Frambach *Editors*

200 Years of Friedrich Engels

A Critical Assessment of His Life and Scholarship

The European Heritage in Economics and the Social Sciences

Volume 25

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The European heritage in economics and the social sciences is largely locked in languages other than English. Witness such classics as Storch's *Cours d'Economie Politique*, Wicksell's *Finanztheoretische Untersuchungen* and *Geld, Zins und Güterpreise* or Pareto's *Trattato di Sociologia Generale*. Since about 1937, partly caused by the forced exodus of many scholars from the German language countries and the international reactions to this event, English has become the undisputed primary language of economics and the social sciences. For about one generation, this language shift did not result in a loss of access to the European non-English sources. However, after foreign language requirements were dropped as entry prerequisites for receiving the PhD at major research universities, the European heritage in economics and the social sciences has become largely inaccessible to the vast majority of practicing scholars. In this series, we hope to publish works that address this problem in a threefold manner. An aspect of the European heritage in a language other than English should be critically documented and discussed, reconstructed and assessed from a modern scientific point of view, and tested with respect to its relevance for contemporary economic, social, or political discourse. We welcome submissions that fit this bill in order to make the European heritage in economics and the social sciences available to the international research community of scholars in economics and the social sciences.

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Editors

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Introduction

Günther Chaloupek and Hans A. Frambach

The year 2020 marked the 200th birthday of Friedrich Engels. Although his name is often mentioned as second to that of Marx, Engels' contribution to the theoretical understanding of capitalism and of many issues of the economic and social world was considerable. Engels certainly became best known as a communist revolutionary and pioneer of socialism, but he was also a successful journalist, and he gained considerable attention as a philosopher, historian, and social theorist.

The scion of a successful textiles dynasty, Engels was born and brought up in Barmen – today part of the city of Wuppertal, Germany – and for many years of his later life he earned his living from active work at the family's subsidiary in Manchester. Even at a young age, however, he closely observed the working and living conditions of industrial workers and their families around him, and, in the devoutly pietistic environment in which he grew up, he began to have doubts about the spiritual and moral attitude of the regional entrepreneurs among whom his family moved. These doubts intensified when he was taken out of school against his will by his father and put into mercantile apprenticeship in the Hanseatic port of Bremen. There he found everyday business life underwhelming and even repugnant. He intensively studied literature critical of religion, immersed himself in the philosophy of Hegel and Feuerbach, turned away from the Christian faith, and discovered his talent as a journalist. In the famous *Letters from Wuppertal* (Engels 1839a), Engels vividly portrayed the social misery prevailing in the streets of Barmen, and

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in reviews of popular German literature, he criticized Romantic ideas and advocated the implementation of contemporary social developments (Engels 1839b).

During his time as an officer cadet in the artillery division of the Royal Prussian Guards in 1841/1842, Engels' passion for warfare awakened. Here he laid the foundation for his career as an expert in military technology and in particular artillery. In Berlin, he also joined a group of intellectuals with radical views, the so-called Freethinkers, and attended philosophy lectures as a guest student at the Friedrich Wilhelm University. In order to involve his son more closely in the family business, and at the same time dissuade him from his supposedly misguided political views and activities, Engels' father sent him in November 1842 to Ermen and Engels' cotton mill in Manchester. On his way to England, he visited the office of the *Rheinische Zeitung* in Cologne, where he met its new editor-in-chief, Karl Marx, for the first time.

After arriving in England, Engels intensively followed political and economic developments there. He meticulously collected information about living and working conditions in the industrial areas, closely observed the English socialist workers' movement, and participated in many of its events. Already in December 1842, he wrote an article in the *Rheinische Zeitung* (Nos. 343 and 344) titled "The Internal Crises" posing what he saw as the crucial question for England's future: "Is revolution possible or even probable in England?" (Engels 1842a, 439) And in the short article "Lage der arbeitenden Klasse in England" ("The Condition of the Working-Class in England," *Rheinische Zeitung*, No. 359), he dealt forcefully with the lot of the workers in Manchester and the ignorance of the state (Engels 1842b, 447) which, by its inactivity, "turns people without bread into people without morals." Industry creates a class of absolute poor that cannot be abolished because it is excluded from the acquisition of stable property. The humanitarian catastrophe will inevitably lead to social upheaval, a revolution, which, however, must be preceded by the formation of an awareness in this social class of their own situation, significance, and power.

Engels' great talent for sociological analysis is already evident from his description of conditions in Manchester as expressed in his two early writings "Outlines of a Critique of Political Economy" (1844) and *The Condition of the Working-Class in England* (1845).[1] In terms of the critique of private property and competition, the unstable nature of industrial capitalism, the critique of political economy as an ideology of the bourgeoisie, the importance of technological progress, and the necessity of socialist revolution, both works reveal essential elements of Marx and Engels' later "scientific socialism," combining a critique of existing conditions with hints of what was to come. Engels' draft of a theoretical communism in these early writings

[1] Friedrich Engels, "Umrisse zu einer Kritik der Nationalökonomie," in: *Deutsch-Französische Jahrbücher* 1844, ed. by Arnold Ruge and Karl Marx, Paris 1844, pp. 86–114, in: MEGA² I/3, pp. 467–494 (Outlines of a Critique of Political Economy, in: MECW vol. 3, pp. 418–443); *Die Lage der arbeitenden Klasse in England. Nach eigner Anschauung und authentischen Quellen*, Leipzig 1845: Verlag Otto Wiegand, in: MEGA¹ I/4, pp. 5–286 (*The Condition of the Working-Class in England*, in: MECW vol. 4, pp. 295–596)

gained an empirical basis from his activities in the everyday life of the family enterprise, accompanied by sympathetic observation of the Manchester working classes and attendance at many activities of the workers' movement. To this must be added a considerable body of acquired knowledge in the field of social, political, and economic theory. In particular, Engels intensively studied the French representatives of socialism and their observations and analyses of the increasing impoverishment and proletarianization of large parts of the population. He drew, for example, on Jean Charles Léonard Simonde de Sismondi (1773–1842), Louis Blanc (1813–1882), and Pierre-Joseph Proudhon (1809–1865), from the last named of whom he took he famous statement that "property is theft" (Engels 1843, 503).

Much of Engels' critique of contemporary political economy and capitalist practice was inspired by the French philosopher Charles Fourier (1772–1837), with whom, for example, he shared the view that free trade is a mechanism of "liberal lies" and a "robber economy" organized and legitimized under the mask of law (Fourier 1846, 10–14). Engels adopted many critical positions of political economy from the socialist orator John Watts (1818–1887), a thinker in the tradition of Robert Owen (1771–1858). Years later, when the materialist conception of history and its scientific foundation of social and economic change on the basis of production and exchange had been more fully formulated, Engels distanced himself from the attempts of the earlier ("prescientific") socialists, without, however, failing to acknowledge their merits. Thus in 1882, he wrote, "The immaturity of capitalist production, the immaturity of the class situation, was met by an immaturity of theory. […] These new socialist systems were doomed from the start as Utopias, and the further they developed in detail, the more they were bound to end in pure fantasy" (Engels 1882, 593).

Engels left the family company at the end of June 1869. The severance pay and a fortune acquired on the stock exchange made it possible for him to live as a *rentier*. In summer 1870, he moved to London with his partner Lizzy Burns and was elected to the General Council of the International Working Men's Association (the so-called *Internationale*), founded in 1864, where he supported the proletarian struggle with all his means and abilities and at the same time devoted himself to the intensive study of scientific writings. In *Herr Eugen Dühring's Umwälzung der Wissenschaft* ("Herr Eugen Dühring's Revolution in Science," generally known as *Anti-Dühring*; Engels 1878) and various scientific statements and notes of the *Dialectics of Nature* (1873–1882), Engels explained and interpreted the materialistic idea of historical processes laid down by Marx in the sense of generalizing processes governed by natural law. It was his great concern to show that changes in nature and in society proceed according to the same dialectical law of motion: "It is, therefore, from the history of nature and human society that the laws of dialectics are abstracted. For they are nothing but the most general laws of these two stages of historical development, as well as of thought itself" (Engels 1873–1882, 175).

After Marx's death in March 1883, Engels undertook to systematize, develop, and disseminate his friend's intellectual legacy. He continued to support Marx's family financially in a generous way. The importance of Marxism as a political philosophy is certainly due in large degree to Engels' work.

What else can be said about this flamboyant historical figure? Endowed with a profound sense of natural justice, Friedrich Engels was a multitalented, diversely interested, successful entrepreneur, a scholar of philosophy and the social sciences dedicated to an idea that he was able to argue both astutely and originally. An autodidact with neither high school diploma nor university degree, he was a gifted linguist, well-informed journalist, and technological enthusiast, well versed in the fields of chemistry, physics, anthropology, and linguistics; and he became a true expert in military technology. Together with Karl Marx, he developed various social and economic ideas from his own personal insights and experiences, resulting in the theory of "scientific socialism."

The present volume, however, is not primarily concerned with this many-sided person either as unselfish benefactor or committed socialist. Key issues in this volume refer rather to the assessment of Engels in the nineteenth century scholarship, his personal and particular imprint, the significance of his early work, his immersion in technology, and also questions about the "Engels problem" – the assessment of the extent to which Engels' editing of Marx's work retained or altered the "Marxian signature." Specific topics are also taken up, such as his (mis)judgment of American capitalism, influence on the Italian labor movement, and thematization of social problems.

For Engels' economic thought – or rather his attitude to contemporary political economy – his early essay "Outlines of a Critique of Political Economy" (1844) possesses special significance, reflecting his condemnation of the disastrous conditions of the working people in industrial cities, his disapproval of the extreme inequality governing the lives of workers and capitalists, his goal of overcoming these conditions through the abolition of competition and property, and his critical analysis of classical political economy, which he saw as partly responsible for those conditions. Karl Marx was deeply impressed by the essay and found through it the way to political economy. **Heinz D. Kurz** places Engels' "Outlines" in the context of economic literature, evaluates its influence on Marx, offers a critical assessment of Engels' reception of political economy, and faces the question as to what remains of Marx and Engels' intellectual and political project of revolutionizing political economy and establishing "scientific socialism."

A special problem in Engels' understanding of land rent in his early writings is addressed by **Tang Zhengdong** in his chapter "The Internal Contradiction of Land Rent and Young Engels's Critical Theory of Private Ownership." Tang argues that Engels mainly referred to Adam Smith's general concept of land rent and already in his "Outlines" tried to integrate this with David Ricardo's approach. Even though Engels' definition of land rent does not reflect all his thoughts on land rent at this time, he clearly seeks to attribute the contradiction in land rent to the private ownership of land and can only interpret the contradiction from that perspective. Nevertheless, to a certain extent, Engels' explanation of the concept of land rent already anticipated the relevance of historical conditionality for understanding economic concepts.

Advocating a specifically sociological and historical foundation for the history of the capitalist system, the famous German sociologist and economist Werner

Sombart was positively inclined toward Marx and Engels' work and wrote the first detailed review of volume III of *Das Kapital* after Engels had finished his task as editor. Nevertheless, his view of Marx-Engels's work was both differentiated and changing. He had doubts, for example, about the practical significance and applicability of the labor theory of value in the capitalist system. **Günther Chaloupek** traces the different positions Sombart took toward this work over the decades. Sombart's overall appreciation of Engels is expressed, despite many detailed points of criticism, not least in his recognition of the latter's achievement in elucidating and developing the work of Karl Marx, whose real purpose he saw, at least for the field of economics, as providing a framework for a theory of long-term capitalist development.

During Engels' lifetime, positivism was the prevailing philosophy, and this could not pass him by without a trace. Such topics were addressed as the role of metaphysics, the logical analysis of the methodology of science, the application of formal conclusions, the acquisition of knowledge through the methods of natural science, and the role of the social sciences. In order to illustrate its fundamental positions, **Hans A. Frambach** presents – from the perspective of an economist – three great contemporary representatives of positivism: Henri de Saint-Simon, Auguste Comte, and John Stuart Mill. He shows that Engels himself held positivist positions, agreed with many of them consciously and unconsciously, and that in some respects he was not far removed from those he criticized, such as the hated marginalists, but also early socialists. Like the positivists, Engels' central goal was to discover universally valid laws of nature, for example, to develop theoretical knowledge based on empirical foundations from such first principles as the nature of movement. This becomes clear, for example, in various scientific statements and notes in the *Dialectics of Nature* (1873–1882).

From a more general viewpoint – the perspective of political philosophy – **Kaan Kangal** considers the so-called Engels problem, that is, the wide-ranging discussion as to whether Engels interpreted and developed Marx's ideas beyond the philosopher's actual intentions. Kangal devotes particular attention to the supposed extension of the dialectical method to the knowledge of nature. After describing and summarizing the problem, he demonstrates its connection to the reception history of Engels' dialectics. Drawing on the major works of the 1870s and 1880s – principally *Anti-Dühring* and *Dialectics of Nature* – Kangal considers the intentions and goals of Engels' dialectics and natural dialectics, thereby shedding new light on the principles underlying his approach to the task of editing and publishing Marx's work and the role of his own understanding of dialectics and nature in this undertaking. In conclusion, some open questions and contradictions are addressed, less as a criticism of Engels than as an attempt to communicate his visionary philosophy of nature and natural science.

In his article "Friedrich Engels and the Revolution," **Frits van Holthoon** discusses the thesis that capitalism would itself create the conditions for its eventual ruin which underlies Marx's and Engels' communist theory. He highlights the argument that Marx left open the possibility that capitalism might escape the consequences of the falling rate of profit, and capital could nevertheless continue to

accumulate, a line of thought Engels followed when editing the second and third volume of *Das Kapital*. In evaluating Engels' editorial work, one has to keep in mind that, lacking a completed manuscript, he had to view all the nooks and crannies of Marx's summaries and notes; yet it may be assumed that, faced with the challenge of providing a book, he did his best to follow Marx's intentions. Holthoon emphasizes Engels' importance for the understanding, development, and dissemination of Marx's economic analysis. He sees the two men's analysis of capitalism as still relevant today in curbing the excessive vitality that has led to that system's unpredictability, as well as to the many inequalities and injustices societies actually wish to avoid.

The most important and highly regarded early work of Friedrich Engels is considered to be *The Condition of the Working-Class in England*. Engels wrote this work at the age of only 24, which was published in German under the title *Die Lage der arbeitenden Klasse in England. Nach eigner Anschauung und authentischen Quellen* in 1845. Later generations described and celebrated the book in superlatives as a fundamental work of social history, pioneering work of scientific socialism, groundbreaking work of empirical social research, standard work of industrial and urban sociology, etc. **Wilfried Nippel** confronts these descriptions and assessments with facts from the history of its publication and editions and shows, among other things, that Engels was also quite critical of his work. So, Engels himself doubted some of its contents expressed and successfully prevented a new edition for many years, despite numerous requests, offers and persuasions by prominent contemporaries. Of interest too, Nippel's analyses also provide an insight into the way Engels wanted to be perceived.

Friedrich Engels was a well-informed expert on the American economy and capitalism and a more than interested observer of the technological developments taking place there. In several trips he made to the United States, he gained numerous impressions and assigned them a leading role in capitalist development and, simultaneously, in the international workers' movement. In his essay "Economic facts are stronger than politics," **James M. Brophy** addresses various questions concerning this complex of topics – one rarely discussed in the literature. He examines Engels' evolving views on American capitalism and his belief that industrialization would unleash a socialist movement among American workers. For all his knowledge, it becomes clear that Engels underestimated many specific features of American life and political culture such as social mobility and preindustrial republicanism, as well as ethnic and racial differences. Engels held too much to a European definition of class conflict that poorly fitted American circumstances.

Friedrich Engels was a successful entrepreneur, theoretician, and mastermind of socialism and also a talented and committed journalist who supported workers' movements in many different ways. In what is generally a little-known area, **Paolo Dalvit** highlights Engels' influence on the leaders of the Italian labor movement in the period from 1848 to 1895. Engels sought to integrate the Italian movement into an international strategy, especially in the context of the possible emergence of social struggle in the Tsarist Empire. In the face of the "Fasci Siciliani," he adapted the *Communist Manifesto's* plan to act as an independent party while supporting

democratic currents in the real movement. The tendency in the Italian Socialist Party to work on the basis of a practical scheme, independent of theory, paved the way for Bernstein's theoretical revisionism a decade later.

In scientific socialism, productive forces are given pride of place, even though little is said about contemporary technological developments. It is known that Engels was much more profoundly involved in technology and technical progress than Marx and that the examples Marx cited in his remarks on technology were already obsolete at the time. In contrast, Engels eagerly followed developments and even sought to anticipate future developments. **Eberhard Illner** demonstrates this, among other things, with regard to electricity and electromagnetism, and shows how Engels used the insights gained here for his idea of "dialectics as the science of universal inter-connection." Engels strove for a unified worldview encompassing nature and society based on consistent scientific principles. In specific instances, this also bears on his interpretations of Marx's intellectual legacy.

Under the heading "Two sides of Friedrich Engels: private letters and professional studies," **Karl-Heinz Schmidt** reviews Friedrich Engels' early development. Against a bibliographical background, Schmidt describes the path of a romanticizing adolescent poet full of naive enthusiasm and hero worship, who rapidly develops a critical distance including detachment from the Christian faith that enables him to perceive and describe his private and social environment authentically and in general to adopt an increasingly reflective perspective. Schmidt describes how Engels develops his initial viewpoints, expresses his own position, and gives his first evaluative descriptions in the form of travel reports such as "Letters from Wuppertal" and other publications under the pseudonym Friedrich Oswald. However, by expanding his knowledge in many areas, acquiring professional know-how as a merchant, studying philosophical works, and reading widely on political, social, and economic – as well as strictly socialist – issues, Engels soon professionalized his writing and other activities, as can be seen in the "Outlines of a Critique of Political Economy," establishing a position from which, together with Karl Marx, he could lay the foundations of scientific socialism.

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Friedrich Engels at 200 Revisiting His Maiden Paper "Outlines of a Critique of Political Economy" (1844)

Heinz D. Kurz

1 Introduction

In 1844, Friedrich Engels, barely 23 years of age, published his essay "Umrisse zu einer Kritik der Nationalökonomie" (Outlines of a Critique of Political Economy) in the *Deutsch-Französische Jahrbücher* edited by Arnold Ruge and Karl Marx. In it, he accused the "liberal economists", especially Adam Smith and David Ricardo, but also Jean-Baptiste Say and Thomas Robert Malthus, of being "hypocrites", because they presented a socio-economic order based on private property, competition and class conflict as ethically and economically superior to an order based on collective ownership. Engels' essay deeply impressed Marx, who called it a "brilliant sketch (*geniale Skizze*)" (MEGA II/2, 101 and MEW 13, 10), and prompted him to immerse himself into studies of political economy. Without Engels, we may say, no Marx, as we know him, author of *Capital*.

The main purpose of this chapter is threefold. First, it will provide a critical summary of Engels' essay, the criticisms he levelled especially at the classical British

The paper grew out of contributions by the author prepared for a number of events to celebrate Engels' anniversary in Wuppertal, Germany (Barmen, Engels' hometown, is today a part of Wuppertal). Due to the corona pandemic, most of the planned events were called off. While the present paper draws partly on Kurz (2020b), its focus is rather different, as will be explained in the sequel. I should like to thank Regina Roth, who is a member of the MEGA editorial team, for her support and useful observations and Christian Gehrke, Hans-Walter Lorenz and especially John King for valuable comments on earlier drafts of this essay. The responsibility for the views expressed in it rests, of course, entirely with me. Translations from German sources of which no English versions exist are mine.

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economists and his hits and misses. While there have been a few attempts to come to grips with Engels' critique, these came mostly from philosophers, political scientists and sociologists who were not always well versed in classical political economy. It therefore does not come as a surprise that some of the judgements put forward are difficult to sustain.[1] Second, this chapter seeks to trace the impact of the essay on the development of Marx's thought: Which of Engels' viewpoints did Marx adopt and retain up until his old days, which did he modify why and how, and which did he entirely abandon? This part touches upon the problem, raised by Stedman Jones (2016) and others, whether when editing volumes II and III of *Capital* Engels sought to patch over noticeable changes in Marx's analysis as a whole of which Engels was not aware before seeing Marx's literary heritage. Third, we shall ask what remains of the Marx-Engels intellectual and political project of revolutionising both political economy and establishing instead "scientific socialism" and of revolutionising the socio-economic world at large. Are there any shortcomings in their economic analysis that are responsible for the demise of "really existing" socialism? Was Joseph A. Schumpeter right, who in *Capitalism, Socialism and Democracy* had argued that "one of the most serious shortcomings" of the doctrine of Marx, and most of his followers was that "socialism meant just one definite thing" to them – the "nationalization of industry" – leaving out "an indefinite variety of economic and cultural possibilities" (Schumpeter [1942] 2008, 162).

The structure of this chapter is the following. Section 2 provides a brief prehistory of Engels' essay, focusing on the intellectual influences he was exposed to and his socialist leanings. Section 3 provides a summary account of his frontal assault on economics – Engels uses the German word "Nationaloekonomie", but what he means are essentially the contributions of the classical political economists Adam Smith and Ricardo and their epigones and critics. It will be argued that in important respects, Engels failed to understand the doctrines of the former and confounded them with those of some of the latter. Section 4 turns to how Marx took up, absorbed and rectified young Engels' views and distinguished between "classical" political economists, who are credited with having studied the "physiology of bourgeois society", and "vulgar" economists, who are said to have dealt only with the "surface of the phenomena" under consideration. Against the background of Engels' analysis and then Marx's, the concluding Section 5 turns briefly to one of the reasons why what is known as "really existing socialism" turned out not to be sustainable.

[1] See in this context also Hans A. Frambach's (2020) valuable placing of Engels' paper in the contemporary literature on political economy.

2 The Young Engels: A "Guideless Self-Taught Person"

Friedrich Engels was born on 28 November 1820 in Barmen, formerly Rhenish Prussia, then a centre of the industrial revolution in Europe.[2] His father owned large textile factories in Barmen and in Salford, Greater Manchester, and had strong pietistic leanings. When Friedrich at school became inflamed with humanistic ideas, his father took him out of school against his will one year before the baccalaureate and employed him in the office of his Barmen factory. After a commercial training in Bremen, Friedrich completed his education from November 1842 to August 1844 in a cotton mill in Manchester, co-owned by his father. Engels had by now learned the trade from scratch and knew everything about the business practices and dealings of its representatives. His contempt for the trade and the piety and hypocrisy of its leaders grew into hate that permeates his essay.

Already in Barmen Engels was on the lookout for writings and pamphlets chastising the outrageous socio-economic conditions of the working classes. He was particularly fascinated by Charles Fourier's (1772–1837) attack on trade and commerce and Pierre-Joseph Proudhon's (1809–1865) attribution of the basic evil of modern society to the man-made institution of private property. Engels appropriated philosophical and economic knowledge mostly in self-study and by attending lectures such as those of John Watts (1818–1887) given on Sundays in Manchester in the "Hall of Science", donated by Robert Owen (1771–1858). In his biography, Mayer calls Engels a "guideless self-taught person (*führerloser Autodidakt*)" (1920, 139).

In the early summer of 1842, Engels visited Moses Hess in Cologne and turned from a radical into a communist. In Manchester, he quickly established contacts with socialists and chartists and read their writings. He also visited factories and studied the housing and living conditions of workers and their families and took ample notes of what he saw and experienced.[3] Upon his arrival in England, Engels was already reasonably familiar with works of early French socialists, especially Henri de Saint-Simon (1760–1825), Fourier, Proudhon and Louis Blanc (1811–1882). Yet in his essay, he mentions only Fourier, although several of the views expressed reflect the impact of the other writers mentioned. A few examples must suffice. There is Saint-Simon's eulogy on the sciences and the demise of religion; Fourier's qualification of trade and the banking and financial business as unproductive, predatory and immoral; Proudhon's condemnation of private

[2] The liberal confessions policy of the sovereign of the Duchy of Berg promoted the immigration of Calvinist families that played an important role in the process of industrialisation in the eighteenth century in the cities of Elberfeld and Barmen. Their entrepreneurial spirit spurred the rise of the region to one of the largest industrial zones in Europe in the mid-nineteenth century. On Engels' life and work, see in particular Mayer (1920), Stedman Jones (1977, 2016), Hutchison (1978), Claeys (1984, 1986, 1987) and Hunt (2009).

[3] His work culminated in the publication of *Die Lage der arbeitenden Klasse in England* after his return to Barmen (Engels 1845; MEGA I/4). The book is considered a pioneering contribution to empirical social research.

property as "theft" and his criticism of the theories of value and distribution of the classical economists as without foundation; and Blanc's attack on competition and his plea for a right to work, a cooperative organisation of the economy and the abolition of markets. All these elements recur in Engels' essay.[4] In England, he reads the writings of Robert Owens and his followers. The fact that better working and social conditions and higher wages need not decrease, but may increase labour productivity, Owen had impressively demonstrated to be true in his cotton mill in the Scottish town of New Lanark.[5] From this, several observers concluded that the socio-economic system could successfully be reformed, without questioning its foundation – private property in the means of production and consumption. Engels did not share this view, but sided with Proudhon (1840), who had advocated a radical break with the received institutions. However, experiences made in "reform laboratories" such as Owen's gave credibility to the view that a "moral" social order, as the one Engels had in mind, was not only feasible but was economically superior to the current one. Why wait, if a better world was within reach?

Full of optimism Engels counted upon the imminent dawn of a new era. Even minute social upheavals he interpreted as unmistakable signs that the revolution was about to take place. How could the process towards it be accelerated? It could be, Engels was convinced, by disclosing the shallowness and absurdity of the doctrines of the most powerful apologists of the prevailing conditions. These were the economists, especially the British classical authors and some of their epigones and then Malthus and in France Jean-Baptiste Say. Engels did not only accuse them of justifying the contemporary social state of affairs and with it the plight and misery of the working class, but he actually held them responsible for it because of their advocacy of private property, competition and markets. The essay was designed to demonstrate that their doctrines were untenable and indefensible and thereby to remove an important obstacle in the way towards a just and equitable society. Engels wished to lay the foundation of what he later called a new science – "scientific socialism".

3 Contents and Peculiarities of Engels' Essay

According to Stedman Jones (2016, 173): "What was novel and arresting about Engels' 'Outlines' was its attempt to develop a systematic criticism of the categories of political economy". This is indeed the case. Did Engels succeed? In this regard, the judgements in the literature vary considerably. While Stedman Jones' is mildly

[4] They do so also after his return from Manchester in speeches he gave at meetings in Elberfeld in 1845.

[5] In *The Wealth of Nations*, published in 1776, Adam Smith had already insisted in the chapter on wages: "The liberal reward of labour […] increases the industry of the common people. […] A plentiful subsistence increases the bodily strength of the labourer, and the comfortable hope of bettering his condition […] animates him to exert that strength to the utmost. Where wages are high, accordingly, we shall always find the workmen more active, diligent, and expeditious than where they are low" (WN I.viii.44). As we shall see, Engels does not appear to be aware of Adam Smith's respective statements.

positive, Tribe (2015, 186–187) contends boldly: "Engels brings clarity into all these confusions by proposing that value is the relationship between the cost of production and utility". Engels is said to present "a robust and systematic critique of political economy". Unfortunately, Tribe does no substantiate his judgement. In the following, we shall see that it cannot be sustained. The very idea that a "guideless self-taught person" was capable of coming up with a "robust and systematic" critique of the subject represented inter alia by some of its sung heroes, especially Smith and Ricardo, is daring.

"Science of Enrichment" Engels levels his attack at "the" economists and their entire subject. With a few exceptions, he disregards fundamental differences between them. He calls political economy "a full-fledged science of enrichment (*komplette Bereicherungswissenschaft*)", born out of "the envy and greed of merchants", carrying "the imprint of the most disgusting selfishness on its forehead" (Engels 1844, 467).[6] Its representatives are said to be "hypocrites" throughout, legitimising trade as "legal fraud" and concerned with "the application of immoral means to realize an immoral purpose" (473). Even the (German) name of the subject (*Nationaloekonomie*) is misleading, because what matters in systems based on the institution of private property is not national or public, but private wealth. Private property is said to be never questioned by the science and wrongly regarded as a thing given by nature and thus immutable. However, insists Engels, being man-made it can be removed. Constituting a kind of original sin of mankind, from which follow defects and ailments of human society, the institution of private property ought to be abolished. This is the sine qua non of a "reconciliation of mankind with nature and with itself" (475).

Engels apparently derives the characterisation of political economy as the "science of enrichment" from Adam Smith's definition of the subject in Book IV of *The Wealth of Nations* or rather John Ramsey McCulloch's introduction to his edition of the oeuvre (Smith [1828] 1776; see also Kurz 2020a) or his history of political economy (McCulloch 1824).[7] Smith had written:

> Political oeconomy, considered as a branch of the science of a statesman or legislator, proposes two distinct objects; first, to provide a plentiful revenue or subsistence for the people, or more properly to enable them to provide such a revenue or subsistence for themselves; and secondly, to supply the state or commonwealth with a revenue sufficient for the publick services. It proposes to *enrich both the people and the sovereign.* (WN IV.1; emphasis added)

[6] According to Engels, political economy arose concomitantly with the increase of trade in the mercantile period and the development of the Christian religion and theology. He calls Smith "the economic Luther" (474), who with his free trade doctrine sought to justify trade, which in the mercantile period was anarchic and violent, and give it a humane veneer. Some of Engels' views about religion and capitalism may be compared to Max Weber's famous disquisition about the protestant ethic and the spirit of capitalism, first published in German in a series of essays in 1904 and 1905 and then in an English translation by Talcott Parsons in 1930; see Weber (1930).

[7] As we shall see in the following, there are several indications that Engels studied the writings of the classical authors not very deeply, but largely relied on secondary sources.

This echoes the famous definition of Smith's teacher in Glasgow, Francis Hutcheson (1694–1746), according to whom the aim of good government was to procure "the greatest Happiness for the greatest Numbers". In Smith's view, political economy – as an important, and perhaps even the most important, part of a kind of master political science, encompassing the "science of the legislator" – has the task to fight superstition and false beliefs in matters of economic policy, to debunk opinions that present individual interests as promoting the general good and to propose a regulatory framework for markets and institutions that helps to ward off threats to the security of society as a whole and its members and provide incentives such that self-seeking behaviour has also socially beneficial effects (see, e.g. Kurz 2016b). Engels focuses attention exclusively on the first part of Smith's definition, directed at the quest for material riches of self-seeking or rather greedy actors, and entirely ignores the second part, concerned with the formulation of a regulatory and economic policy founded upon sound principles of social and economic theory.[8]

Engels puts forward a highly distorted picture of classical political economy. He deals with the classical authors as if they were identical with the members of the propertied classes whose behaviour he chastises. He projects his contempt for the latter onto the former, confounds observed agent and observer and insinuates a personal union between the two: in this perspective, the businessman simply does what the economist wants him to do, that is, to deceive and cheat. Never trust an economist, because his only concern is with justifying immoral social conditions!

Engels does not distinguish between positive and normative economics, a distinction we encounter in Smith and the classical authors, not verbatim, but clearly in substance. At the time, Engels appears to be under the spell of John Watts (1842, iv and 60), the Owenite orator, who had argued that there is no difference between what is economically expedient and what is morally imperative. Watts in fact preferred the term "moral economy" to political economy. By ignoring the second part in Smith's above definition, Engels overlooks Smith's (and more generally the classical economists') concern with gaps between the current state of the socio-economic system and some target state, and the policy that could lead from the former to the latter. In Engels' perspective, because of its thoroughly apologetic nature, classical political economy denounces even minute emancipatory movements as utopian and bound to founder: man lived in the best of all possible worlds. According to Engels, things were actually quite otherwise.

Private Property Private property is the proverbial golden calf, which the economists are said to worship. They do not question it nor do they try to explain why it exists. This comes as a surprise, given the overwhelming importance of private property in their reasoning and the fact that all central socio-economic phenomena and relationships in modern society are based on it. This concerns in particular competition, conceived as rivalry between bearers of antagonistic interests, and the

[8] Unfortunately, Marx was largely to follow Engels in this regard. Had they only left a manual for the social revolutionary, given their authority in the socialist movement, the course of events and the behaviour of its leading representatives would in all probability have been different.

institution of the market, the place where these conflicts are fought out. A criticism of private property, Engels contends, was at the same time a criticism of competition, the market, wage labour, the factory system and other characteristic features of the economy.

As has already been stressed, the central role private property assumes in Engels' essay reflects the impact of Proudhon on his thinking and marks the perhaps most important deviation of his view from that of the followers of Robert Owen (see Stedman Jones 2016, 174). However, it is of course not true that economists and philosophers have never tried to come to grips with the causes, forms and effects of private property. It suffices to mention Thomas Hobbes and John Locke. But also Adam Smith, whom Engels attacks fiercely, dealt with the problem in his theory of the various stages society is to pass through in the course of its development, from the "early and rude" state up until the "commercial" state (WN I). Only in the first state land is not yet privately appropriated and the employment of produced means of production negligible.[9] In the subsequent states, there is private property of various kinds. According to widespread opinion, a necessary, but not sufficient condition, for the introduction of private property was that in the course of economic development certain natural resources (land, water, etc.) tended to become relatively scarce. The ensuing problem of distribution led to the introduction of property and utilisation rights.

While Engels simply ignores what these authors had to say on the issue under consideration, he comes up with the view that due to the enormous progress made in the natural and applied sciences, labour productivity was bound to rise tremendously. This is said to make the problems of the scarcity of goods and of distributional justice gradually fade away and to undermine possessive individualism, which is firmly rooted in societies based on private property. In a society that was no longer subject to significant material constraints, private property has lost its right to exist. The opportunity to establish a moral society Engels sees approaching quickly, thanks to huge increases in labour productivity associated with innovations and technological progress. Ironically, with his argument concerning the abolition of private property, Engels seems to confirm indirectly the received explanation of it in terms of the limited availability of certain natural resources.[10]

Competition According to a closely related criticism Engels puts forward against the classical economists, these entertain an entirely misleading concept of competition. Being a direct derivative of private property, competition is taken to be as immoral and contradictory as the latter. It is taken to fuel selfishness and rapacity, is the source of fluctuating prices and commercial crises and causes "an unconscious state of mankind" (Engels 1844, 483). Man is helplessly exposed to its working and

[9] According to Smith, echoing Locke, "The property which every man has in his own labour, as it is the original foundation of all other property, so it is the most sacred and inviolable" (WN I.x.c.12).

[10] Close scrutiny of his book *Der Ursprung der Familie, des Privateigentums und des Staats* (Engels 1884; MEW 21) confirms this observation.

is the plaything of forces he cannot control – "never a healthy situation, but a continuous alternation of irritation and slackening, which precludes all progress, a permanent pendulation without ever reaching the goal". This up and down, this "law with its recurrent equilibration, where what is lost here is regained there, the economist finds most beautiful" (484). However, the economist's praise of competition and hostility towards monopoly is based on a serious fallacy: "The contrast to competition is monopoly. Monopoly was the war cry of the mercantilists, competition the battlecry of the liberal economists" (483). The contrast is however "a hollow one". Since the foundation of private property is the "monopoly of property", each competitor "must try to have a monopoly against all others" – "in short, competition passes into monopoly" (483). The "hypocrisy of the liberals" is said to consist of "attacking the small monopolies and leaving the basic monopoly untouched" (483).

Contrary to what Engels maintains, the classical economists were, of course, well aware of the fact that self-interested agents seek to secure to themselves monopoly positions. According to Adam Smith, the mercantile system – his main target of attack in Book IV of *The Wealth of Nations* – was nothing but a system of monopolies and privileges. In a famous passage, he refers to "the wretched spirit of monopoly" (WN IV.ii.21) that never sleeps but is always on the lookout to gain supremacy, get rid of competitors and secure monopoly rents. The science of the legislator has the important task to elaborate instruments and strategies in policies of regulation and competition that contain the spirit of monopoly, dissolve concentration of economic power or effectively control it.

Are there further grounds above and beyond the problem of economic power and its impact on the distribution of income, why economists from Richard Cantillon (1680–1734) via Anne Robert Jacques Turgot (1727–1781) up until Smith and Ricardo advocated free competition as the ideal state of affairs? Competition means rivalry, and free competition is the absence of noteworthy obstacles to enter or leave markets. An important effect of competition, Smith insisted, consists in disciplining agents and rendering structure and order to the economic system. "Monopoly", he writes, "is a great enemy to good management, which can never be universally established but in consequence of that free and universal competition which forces everybody to have recourse to it for the sake of self-defence" (WN I.xi.b.5). John Stuart Mill was to summarise the classical point of view in this regard in his *Principles*, published in 1848, as follows:

> only through the principle of competition has political economy any pretension to the character of a science. So far as rents, profits, wages, prices are determined by competition, laws may be assigned for them. Assume competition to be their exclusive regulator, and principles of broad generality and scientific precision may be laid down, according to which they will be regulated. (Mill [1848] 1965, vol. II, 239)

In Marx, we encounter an echo of the classical position: "Competition", he writes, "forces upon each individual capitalist the immanent laws of the capitalist mode of production as external coercive laws. It forces him to continually extend his

capital in order to preserve it, and he can extend it only by means of progressive accumulation" (MEGA II/10, 530).

In the classical perspective, competition does not only enforce the choice of cost-minimising methods of production from a set of given alternatives. This may be called the *centripetal* effect of competition. It also induces the development of new methods of production that allow for further reductions in costs and new goods. These throw the system off the trodden path and force it to adjust to new circumstances, which involve a process of "creative destruction", as Schumpeter was to put it. While his concept is not to be found verbatim in Marx, it is there in substance. This is the *centrifugal* effect of competition. Improvements and innovations imply the disruption of given conditions and necessitate the restructuring of the productive apparatus. The imitation of the successful innovators leads to the proliferation of the new throughout the entire economy and at the same time does away with the old. This process of the absorption of the novelty leads typically to a crisis in its course.

Engels focuses attention essentially only on the centripetal force of competition. And while he sees some equilibrating force at work that brings a certain amount of order to the system, the tendency towards a *general rate of profit* and *prices of production* supporting that rate escapes his attention. In fact, the concept of the rate of profit, not to speak of the general rate of profit, is never mentioned in his essay.[11] This comes as a surprise, since classical political economy revolves precisely and explicitly around this concept: see, for example, Adam Smith (WN I.vi.5–6 and I.vii.15) and Ricardo (*Works* I, 88–92). Marx's account of the competitive process in Chapter X of Volume III of *Capital*, "Equalisation of the General Rate of Profit through Competition", is largely consistent with that of Smith and Ricardo. Marx stressed: "Average profit is the basic conception, the conception that capitals of equal magnitude must yield equal profits in equal time spans. This, again, is based on the conception […] that every individual capital should be regarded merely as a part of the total social capital" (Marx [1894] 1959, 209). He called the price including the general rate of profits the "price of production" (to be distinguished from the market price at any given moment of time and place) and remarked that "it is really what Adam Smith calls *natural price*, Ricardo calls *price of production*, or *cost of production*, and the physiocrats call *prix necessaire*" (ibid., 198; Marx's emphases). Hence contrary to the young Engels, the mature Marx sided largely with the classical authors and investigated what we have called the centripetal force of competition reflected in its power to establish an attractor of profitability and market prices (see Kurz and Salvadori 1995, chapter 1).

"True Value" Engels levels a closely related criticism at the classical authors concerning the determination of the "true" or "intrinsic" values of commodities as opposed to their competitive prices. The economists' "hypocrisy" is said to consist in pretending to determine the former, but being unable to do so determine only the

[11] Adam Smith referred to the general rate of profit as one of the most important and perhaps even *the* most important concept in economics. Engels' neglect of the concept nourishes doubts regarding the intensity with which Engels had read the authors he attacked ferociously.

latter which, however, they also fail to accomplish. Their theory of value, Engels concludes, is full of contradictions and dead ends – it is a fool's paradise. In the following, we first deal with what Engels wrote about value and then, in the next subsection, turn to his criticism of the classical theory of relative prices.

While Ricardo saw the values of commodities determined first and foremost by cost of production, economists like Say saw them reflecting their "usefulness" (*Brauchbarkeit*). However, in Engels' view, neither of them has understood the fact that the *true* value of a thing can only be determined with regard to a society without human institutions such as private property, since these have an impact on the exchange ratios of things. Ascertaining the intrinsic values of commodities therefore presuppose abstracting from human institutions. When this is done, Engels surmises, it becomes clear: "*Value is the ratio* (*Verhältnis*) *of cost of production and usefulness*" (Engels 1844, 477; emphasis in the original). While at first sight, this looks like conflating the views of Ricardo and Say, it is not, because they did not question private property. Engels therefore feels the need to add the following explanatory note: "The costs of production of two things being equal to one another, usefulness will be the decisive moment in determining their relative value. *This basis is the only just basis of exchange*" (477, emphasis in the original).

According to Engels, the true or intrinsic value must reflect a maxim of justice and therefore is a *normative* concept. In a society that is not based on the institution of private property, Engels stresses unmistakeably, there will no longer be "exchange as it now exists".[12] He adds: "The practical application of the notion of value will then be limited ever more to the decision about production, which is its proper sphere" (477). How production decisions will be taken in such a society, Engels does not say. Without specifying how cost of production and usefulness are measured and ascertained, his dictum that value is the ratio between the two lacks meaning. Later in the essay, we encounter remarks that appear to imply some sort of labour theory of value. We read with regard to a society without private property: "*Labour* is the main cause in production, the 'source of wealth', its own wage, and the true significance of the formerly alienated wage of labour gets visible: the significance of labour in the determination of the cost of production of a thing" (482; emphasis in the original). In such a society, the worker receives the entire product of his or her work. While on the surface, this statement seems to clarify things, this is not so, because Engels refrains from telling the reader how different kinds and

[12] Engels' view that the existence of value does not presuppose commodity production has given rise to some discussion. Here it suffices to mention that Engels stuck to this view throughout his life. In an unfinished manuscript of 1895 which deals with the relationship between the "law of value" and the general rate of profit, he insists: "The idea of value emerges from exchange, so that when there is no longer exchange, one can no longer talk of value. This idea is worthy of a Sganarell, I mean especially the Sganarell of Molière's Médicin volant" (see MEGA II/14: 318). Engels is, of course, not of this view as becomes clear when we turn inter alia to his preface to volume III of *Capital*, in which he pokes fun at the Marx critic Achille Loria, whom he dubs Sganarell (MEGA II/15: 21 and MEW 25: 28). (It is peculiar that the fragment of Engels' essay is not to be found in MEGA II/15, where it thematically belongs.)

qualities of labour compare with one another: are they all to be treated equally, that is, are they all possessed of the same value generating capacity? If the answer is no, what is the order into which they can be brought that renders them commensurable? And is this order compatible with the system of production in use and just exhausts the social product, neither more nor less?

Engels’ claim that classical economists like Adam Smith were unable to determine value in a society without private property is difficult to sustain. Whatever the merit or demerit of Smith’s respective analysis, he was very clear that in what he called “the early and rude state of society which precedes both the accumulation of stock and the appropriation of land, the proportion between the quantities of labour necessary for acquiring different objects seems to be the only circumstance which can afford any rule for exchanging them for one another” (WN I.vi.1). He quickly added: “some allowance will naturally be made for … superior hardship” (WN I.vi.2). And later in *The Wealth*, in his theory of wage (and profit rate) differentials (WN I.x), he dealt with the heterogeneity of labour and distinguished between the following dimensions that can lead to different wage rates: (i) different costs of education and learning (reflected in what today is called “human capital”); (ii) different talents and their relative scarcities; (iii) the constancy or discontinuity of employment; (iv) the trust which must be reposed in workers operating expensive machines and using expensive materials; and (v) different risks in different occupations. Smith was clear that quantities of different kinds of concrete labour have to be aggregated via the relative wage rates of those different kinds of labour. David Ricardo and also Marx essentially followed Smith in this regard and employed the wage structure when aggregating the different kinds of labour in order to arrive at the sum total of (direct and indirect) labour needed in the production of the various commodities.[13] (For a summary account of the classical point of view in this regard, see Kurz and Salvadori 1995, chapter 11).

Ricardo went a great deal beyond Smith by arguing that the amounts of labour “embodied” in the various commodities explain the exchange ratios of products, not only in the case in which there are only negligible amounts of produced means of production employed but also in the case in which there is ample use of such means, provided the entire surplus produce goes to workers. For a given system of production, this is indeed the case in which profits (and rents) are nil, as we shall see in the following.

Prices of Production Also as regards the classical theory of prices, Engels has only negative things to report. Its advocates are accused of having caused nothing but “confusion” (Engels 1844, 476) and of not even having understood that their analysis had to start from competitive conditions, which are seen to be a consequence of private property. Alas, Engels’ criticism abounds again with misunderstandings and misconceptions.

[13] In this, they assumed that relative wages are comparatively stable over long periods of time; see, for example, Smith (WN I.x.c.63) or Ricardo (*Works* I: 20–21). If this premise did not apply, they knew that their labour concept had to be adjusted.

First, he misses the classical distinction between "market" and "actual" price on the one hand and "natural" and "price of production" on the other hand. While the latter is supposed to express the systematic and permanent factors at work in shaping the economy and which, in conditions of free competition, cause a tendency towards a uniform rate of profits, the former reflect in addition all kinds of accidental and temporary forces (as, e.g. freak weather in agriculture). The determinants of prices of production are (i) the methods of production actually employed by cost-minimising producers to generate given levels of output in effectual demand and (ii) real wages as expressing the distribution of economic power among the different social classes.[14] Much of Engels' remarks appear to concern market prices, which are always fluctuating or, as Smith emphasised, "gravitating" towards or rather "oscillating" around their natural levels (WN I.vii.15). What reflects the centripetal forces of competition at work is to Engels a true sign of the immorality of modern society: "the eternal fluctuations of prices, effected by the competitive relationship, withdraws from commerce completely the last trace of morality. No talk about value any more" (Engels 1844, 485). He insists: "this system destroys by means of competition all inherent value and changes the value ratio of things daily, hourly" (485). This is a strange accusation vis-à-vis Engels' insistence that values represent a category of exchange ratios that belong to a different social order than the one under consideration. It is also peculiar to see him on the one hand condemn price fluctuations and on the other hand argue that they express a tendency towards market clearing levels. With regard to this, he actually speaks of a "pure law of nature" (484) that claims validity without any conscious human assistance. In Smith and the classical authors, we encounter instead the similar, but different, concept of the non-intended consequences of purposeful human action. Stripped of its battle rhetoric, elements of Engels' views repeatedly resemble those entertained by the classical authors. But he seeks to avoid at all cost to give this impression and appears to adhere to the motto "heads I win, tails you lose".

Second, while Engels senses somehow that the competitive mechanism is capable of establishing a set of prices possessed of certain properties, he misses the gist of the classical surplus approach to the theory of prices and distribution. As we have already seen, prices in his view tend to clear markets, but he does not see that they are also instrumental in establishing and supporting a general rate of profits corresponding to given real wages. We may clarify this in terms of the modern reconstruction of the classical approach (see especially Sraffa 1960; see also Kurz 2016b). The system of *production price equations* reflects a uniform (net) rate of profits r on the capital advanced in each industry of the economy. In the simple case of m single-product industries and thus circulating capital only, constant returns to scale and normalising gross outputs as unity, we can write the price equations of classical derivation as

[14] For simplicity, in the following, we put on one side the problems of renewable and exhaustible resources and thus of extensive and intensive rents and of royalties. For a discussion of the role of power in pre-classical, classical and post-classical economists, see Kurz (2018a).

$$\mathbf{p} = (1 + r)\mathbf{A}\mathbf{p}, \tag{1}$$

where $\mathbf{p}$ is the m-dimensional price vector $(p_1, p_2, \ldots, p_m)^T$, r is the general rate of profits and $\mathbf{A}$ is the matrix of material inputs per unit of output, where the vector of inputs needed by an industry to produce its gross output of one unit is given by the respective row of the matrix (see Kurz and Salvadori 1995, chapter 4; see also Kurz 2015). Each coefficient of the $m \times m$ matrix $\mathbf{A}$ gives the amount of a particular commodity used up as a means of production plus the amount of that commodity needed in the support of the workers producing the commodity under consideration. We may split up matrix $\mathbf{A}$ into a matrix giving only the material means of production $\mathbf{B}$ and a matrix giving the subsistence of workers $\mathbf{C}$. Assuming a uniform real wage per unit of labour employed in production, given by vector $\mathbf{w}^T = (w_1, w_2, \ldots, w_m)$, and denoting the quantities of (direct) labour needed per unit of output in the different industries by $\mathbf{l} = (l_1, l_2, \ldots, l_m)^T$, we have[15]:

$$\mathbf{A} = \mathbf{B} + \mathbf{C} = \mathbf{B} + \mathbf{l}\mathbf{w}^T$$

and therefore

$$\mathbf{p} = (1 + r)\left(\mathbf{B} + \mathbf{l}\mathbf{w}^T\right)\mathbf{p}. \tag{2}$$

With $\mathbf{B}$, $\mathbf{l}$ and $\mathbf{w}$ given and taking the bundle of non-negative quantities of the different commodities $\mathbf{b}^T = (b_1, b_2, \ldots, b_m)$ as the standard of value or numeraire,

$$\mathbf{b}^T\mathbf{p} = 1, \tag{3}$$

the general rate of profits r and prices of production in terms of the standard $\mathbf{b}$ can be ascertained. No other data or known variables are needed to determine the unknowns for the given system of production. This is a formalisation of the concept of natural prices, which, I surmise, is faithful to what Smith (WN I.vii) and Ricardo (*Works* I, ch. 1) had in mind.

To this Ricardo added the important insight that, for a given system of production, the general rate of profits r and the real wage rate ω, representing a multiple of vector $\mathbf{w}$, are inversely related; see, for example, the numerical illustration in Ricardo (*Works* I, 50 and 64–66). That is,

$$\frac{\partial r}{\partial \omega} < 0. \tag{4}$$

[15] We therefore suppose labour to be uniform in quality or, what amounts to the same thing, we assume any differences in quality to have already been reduced to equivalent differences in quantity so that each unit of labour receives the same wage; see Sraffa (1960, 10).

Ricardo's "fundamental law of distribution" expresses the antagonistic relationship between master and workman, which Smith emphasised in his remarks on the "dispute" over the distribution of income (see, especially, WN I.viii.11–13; see also Kurz 2016a and 2018a). Had Engels only delved more deeply into the contributions of the classical authors, he could have benefited a great deal from them. He would then also have seen that many of the criticisms levelled at them were tilting at windmills.

Understanding the classical approach to the theory of exchange ratios of products and incomes received by producers would have also been most useful with regard to Engels' attempt to come to grips with the possibilities in a "moral" society, not based on private property. In such a society, there would be no profits, that is, $r = 0$, and according to Engels, the entire surplus product would be distributed to producers. In the case in which ($\mathbf{A}$, $\mathbf{l}$) continues to reflect the technique actually employed, and the composition of the surplus happens to reflect the composition of the subsistence bundle (otherwise the system would have to be re-proportioned appropriately), the subsistence bundle $\mathbf{w}$ will be increased until the surplus product is fully exhausted, with $\alpha = 1 + s$ as the expansion factor applied to $\mathbf{w}$. We then have, instead of Eq. (2),

$$\mathbf{v} = \left(\mathbf{B} + \alpha \mathbf{l}\mathbf{w}^T\right)\mathbf{v} = \left[\mathbf{B} + \left(1+s\right)\mathbf{l}\mathbf{w}^T\right]\mathbf{v}, \tag{5}$$

with $\mathbf{v}$ giving the vector of "true" or "intrinsic values", expressed in terms of the standard of value $\mathbf{b}^T\mathbf{v} = 1$. Therefore, Engels was quite wrong in calling the analyses of the classical economists barren and irrelevant in respect of understanding some of the properties of the "moral" society he longed for. These analyses actually provided in rudimentary form the tools needed to study these properties. The classical authors also anticipated the fact that if the social surplus were not to be distributed according to a uniform expansion factor, this would be reflected in different sets of "true values". The distribution of the product among different producers matters, a fact Engels does not appear to have seen. The dispute over income distribution might not come to a halt at the entrance gate of the just society – it might recur in a dispute over income differentials of different kinds of work.[16]

Fluctuating Prices The fact that (market) prices fluctuate is said to both reveal and spur the immorality of society by compelling every agent "to become a speculator, that is, harvest where he never sowed, enrich himself via the losses of others, count upon their misfortune" (Engels 1844, 485). What Smith called "commercial society" to Engels is a society of speculators.

It is interesting to note that according to Engels, an information problem is at the root of fluctuating prices (484). In a society based on private property, the plans of producers and consumers are not coordinated ex ante, as we say today, they rather

[16] Here we do not enter into a discussion of the problem of economic development and growth and the need to save and invest, because it hardly plays a role in Engels' essay.

have to form expectations about future states of the world, which they will have to adjust vis-à-vis actual market results. However (in certain conditions), this is taken to engender a process towards market clearing due to a negative feedback mechanism with regard to prices and quantities. Hence what Engels chastises as "speculation" forms the basis of some equilibrating tendencies in the system, which Smith had already invoked with respect to goods markets, but not financial markets, where he saw positive feedback mechanisms at work and in his reasoning foreshadowed the concepts of asymmetric information, moral hazard and adverse selection (see Kurz 2015, part 6).

While Engels clearly sees the information and coordination problems facing societies based on private property, he appears to underrate them with regard to societies with collective property. His plea "Produce consciously, as human beings, not as fragmented atoms without any generic awareness (*Gattungsbewusstsein*)" (484) might not suffice to bring about, and preserve, stability in what is considered a just society.

Instability of the Economic System The tendency of single markets to clear, Engels insists, must not be mistaken for the global stability of the entire system. The "law" which the economy obeys – Marx was to speak of its "law of motion" – will eventually bring about a "revolution" (484). It will generate a sequence of "commercial crises", repeated general gluts of commodities, which in the course of time will get worse and finally overthrow the social order based on private property, competition and markets. Crises will shake the system as "plagues" did in the past and bring the system down on its knees. Engels expresses at an early time the *cyclical* pattern of modern economic development with booms and busts, later called business cycles, while many economists still thought in terms of development and crisis. According to Engels, "periodic revolutions" in technology and the organisation of the labour process are responsible for economic cycles, which, again, follow a "law of nature", based on the "unconsciousness of those involved" (484).

Engels rightly criticises those economists who failed to see industrial cycles and aggregate effective demand failures that emanated from the swiftly growing and at times overaccumulating manufacturing sector of the economy. Such cycles began to emerge in the 1820s in England after the manufacturing sector had assumed a size big enough to have an impact on the economy as a whole and shape its development. Since Smith, Ricardo and Malthus did not yet have the possibility to witness these phenomena, they can hardly be criticised for not having elaborated an explanation of them.[17] However, after the Napoleonic Wars, Ricardo and Malthus experienced periods of chronic economic depression and sectoral imbalances, and the question was how to explain them. This gave rise to the famous controversy about the possibility of a general glut of commodities between Malthus and Ricardo (see

[17] Ricardo died in 1823, Malthus in 1834 and thus had access to much more information in this regard, but in his *Principles of Political Economy*, which were first published in 1820 and designed to refute crucial propositions contained in Ricardo's *Principles*, published in 1817, there are not yet clear hints at the genuinely cyclical character of economic development.

Kurz 2020c). Ironically, Engels would have found in the much-hated Malthus a comrade-in-arms, who argued that effective demand failures were possible in rich societies exhibiting “too” high a propensity to save reflected in a lack of aggregate demand. Ricardo had denied this possibility and had insisted that while in single markets supply may exceed demand due to entrepreneurial miscalculations, this cannot be the case in all markets simultaneously: rather, the crises in post-Napoleonic War times were due to the difficulties of the transition from a war economy to a peace economy. Ricardo rejected Malthus’s view by pointing out that Malthus, just like he himself, advocated “Say’s law” of markets according to which any act of saving leads swiftly to an act of investment of the same size, so that any leakage of effective demand (i.e. saving) is swiftly compensated by an additional injection of effective demand (i.e. investment). In order to demonstrate cogently that general gluts of commodities are possible, one would have to show why and when planned savings surpass planned investments. Since the classical economists and Malthus failed to do this, such a demonstration was impossible ex hypothesi.

Engels does not appear to be aware of the fact that an investigation of saving and investment, and their coordination mechanism, was indispensable. He also does not see that money and its role as a store of value may be responsible for a lack of effective demand and engender what Marx was to call the problem of the “realisation” of value and surplus value. In short, while Engels drew the attention to what the facts suggested, namely, that the economy did not gravitate around an expansion path characterised by the full utilisation of its productive resources and the continual clearing of the goods markets, he failed to provide a convincing explanation of these facts. His limited understanding of the seriousness of information and coordination problems becomes also clear when he contends that in a moral society, there will be no crises and cycles (Engels 1844, 484). In his remarkable belief in human progress, he pays homage to the idea of the full controllability of nature and the predictability of all circumstances of life. He sees the quick coming of an age in which society is no longer subject to “the reign of accident”.

Science and the Social Forces of Production According to Engels, the economists and especially Malthus and his followers have totally underestimated the importance of new, economically useful knowledge generated by the natural and technical sciences and have therefore completely misjudged the actual socio-economic situation and its prospects. According to Malthus, destitution and hardship had to be condoned by the great majority of people, because a growing population faced decreasing returns in agriculture. Responsible for this mismatch was an unchecked human urge to procreation and not a social order based on private property. To this Engels objects, bristling with anger, that Malthus’ doctrine cannot be reconciled with the obvious “contradiction between wealth and misery at the same time” (486). Thanks to the sciences, productive powers were growing “immeasurably”. Engels refers to a number of leading scientists and inventors – Richard Arkwright, Claude-Luis Berthollet, Edmont Cartwright, Samuel Crompton, Humphry Davy, James Hargreaves, Justus von Liebig and James Watt. Their inventions are said to have allowed the “productivity of the soil” to be “raised infinitely”.

The "law of population" he calls an "infamous, malicious doctrine", an "awkward blasphemy against nature and mankind" (488). Not the procreation behaviour of the working class, but competition is "the cause of misery, poverty and crime" (488). This, however, the economists cannot admit, because it would question the very foundation of their doctrine. Malthus is said to deserve credit only because his ridiculous doctrine drew the attention to "the productive powers of the earth and mankind". He thus unintentionally put in sharp relief "the strongest economic reasons in favour of a social transformation" (490). This transformation could be executed "immediately": an "education of the masses" would bring about a "moral limitation of the reproductive drive". The "humiliation of mankind", which has transformed human beings into "commodities", will then be terminated. The "abolition of private property, competition and opposed interests" (490) is the key to social improvements of all kinds.

Engels does not dispute that in competitive conditions, there will also be technical progress, but he is convinced that its pace and direction will be different and on the whole detrimental to the interests of the working class and lead to its misery: in conditions of private property, the "assistance of science", he is convinced, is directed "against labour" (493). Technical progress is labour saving and leads to the continual net displacement of numerous workers, which entails a downward pressure on wages. From the increase in the productive powers of society, only the propertied classes are said to benefit.[18] The social antagonism between them and the workers is continuously aggravating. Only in a moral society the "unlimited capacity to produce", handled "with conscience and in the interest of all members of society", would improve the lot of all and "reduce the amount of labour to be performed to a minimum" (486–487).

Engels is an optimist of progress beyond comparison. He sings a song of praise about major inventors. While the thinking of Malthus and his followers is said to reflect petty-bourgeois anxiety and revolve around diminishing returns in agriculture and the all-important phenomenon of scarcity, the economic system is generating, using its own devices, an ever broader flow of new, economically useful knowledge.

This perspective exerted a huge fascination on Marx and permeates his writings on political economy. Social productivity is said to develop "as in a greenhouse" (MEGA II/10, 383–384, and II/5, 505), increasing labour productivity in a "geometric" series (MEGA II/10, 288; see also Engels in MEGA II/9, 14 and II/15, 258). Only because of this, socialism is made possible at all:

[18] There is a long-standing controversy among economic historians about whether at the beginning of the Industrial Revolution and up until almost the mid-nineteenth century, real wages in Great Britain grew less rapidly than labour productivity or stagnated and at first even fell. See most recently, Crafts (2020), who concluded that the gradual acceleration of productivity advance "was not accompanied by a big decline in labour's share of national income and was not the pro-rich growth that Engels imagined [the reference is to Engels 1845]. … This was a redistribution between vieux riche and nouveau riche rather than between the poor and the rich" (Crafts 2020: 7).

> The development of the productive powers of social labour is the historical task and justification of capital. In this way it produces unconsciously the material conditions of a higher mode of production. (MEGA II/4.2, 333)

This is a radical variation on a theme discussed in great depth at the time of the Scottish enlightenment: the non-intended consequences of purposeful human behaviour. Profit-seeking capitalists "unconsciously" prepare the ground for a revolution of the given and the establishment of a new social order.

Engels' criticism of the blindness of the economists with regard to the brunt of technological and organisational progress applies to many of them, but his judgement is again excessive. Authors like Charles Babbage (1791–1871), himself an inventor, who with his book *On the Economy of Machinery and Manufactures*, first published in 1832, seeing several editions and translated into several other languages, which had a great impact on the public debate on machinery and the factory system in England and elsewhere, he does not seem to know. Ricardo's criticism of the theory of automatic compensation (i.e. re-employment) of displaced workers in the newly added chapter "On Machinery" in the third edition of his *Principles*, published in 1821, he does not refer to (cf. 493). He also does not mention the different forms of technical progress Ricardo had identified, including the form that is taken to be most detrimental to workers' interests (see Kurz 2010, 2015). Marx was to base his "law of the falling tendency of the rate of profit" in Volume III of *Capital* on this form in terms of a rising "organic composition of capital" (see Kurz 2018b).

Engels describes what he sees or believes to see. Analytically, he has little to offer that would explain the observed. This is hardly surprising, given his youth and largely autodidactic education. But the young man from Barmen seems to think that things are different. He prides himself with having uncovered the hypocrisy of "the" economists and also of Christianity, because calling to account the former involves calling to account also the latter. Malthus' "insane proposition" that the earth does not have "the power to feed humanity" is said to be the peak of Christian economics, and that our economics is essentially Christian, I could have proved with regard to each statement and each category and will do so when time has come; the Malthusian theory is nothing but the economic expression of the religious dogma of the contradiction of spirit and nature and the consequent depravity of both. (Engels 1844, 489)[19]

However, all this amounts to nothing but lying and cheating, meant to create a protective wall on behalf of the permanence of an immoral situation. Yet eventually "the total reorganisation of the social conditions, a melding of opposed interests, an abolition of private property" (491) cannot be prevented.

So much regarding the contents of the *Outlines*. It is interesting to note that when in 1871, Wilhelm Liebknecht asked Engels to permit him to reprint the essay, Engels denied the request on the ground that it was "totally outmoded" and "full of

[19] While doing a one-year military service in Berlin, Engels occasionally attended lectures on philosophy at the university and got in touch with Young Hegelians around Bruno Bauer. In mid-1842, he read Ludwig Feuerbach's influential book *Das Wesen des Christentums* (The Essence of Christianity), which rejected Hegel's idealism and religion. The above passage may be seen to echo Engels' respective studies.

inaccuracies" and would only "confuse people" (MEW 33, 208). Similarly, when in 1884, he was asked his permission to translate the essay into Russian, he replied that he felt flattered by the offer and was still somewhat proud of his maiden paper in the social sciences but that the piece was "obsolete" and contained not only "deficiencies, but was full of blunders (*Böcke*)" (MEW 36, 169–170). It was only on the occasion of his 70th birthday that Engels allowed Karl Kautsky to reprint the essay in the periodical *Die Neue Zeit* together with an appraisal of his work, including the essay.

When precisely Engels learned that some of the propositions in his essay were incorrect or contained blunders, we do not know. In some cases, it may have been shortly after the summer of 1844, when, inspired by the "Outlines", Marx studied some of the writings of the political economists referred to and may perhaps have informed Engels about his different reading of them, but in all probability, this happened only much later. Interestingly, in the said summer, that is, before the two became friends, Marx singled out Engels' essay as one of the "most content-rich and *original* German contributions to this science" (MEGA I/2, 317; Marx's emphasis). As we have already heard, in 1859, he called the essay a "brilliant sketch", and in letters to Engels in the 1860s (see MEW 30, 275 and MEW 32, 12), we see Marx acclaim his friend for particular insights in it. Hence, Marx's correction or rejection of certain views Engels had entertained in it did not really affect his admiration for Engels' youthful achievement.

In the following section, we have a closer look at the collaboration of the two that developed from 1844 onwards and the division of labour, if any, between them in their common project. This consisted, first, in a "scientific attempt to revolutionize a scientific discipline", as Marx put it in a letter to Louis Kugelmann on 28 December 1862 (MEGA II/12, 296–297), and, second, in elaborating "the worst missile", *Capital*, that had ever been "hurled at the head of the bourgeoisie", as Marx wrote in a letter to Johann Philipp Becker on 17 April 1867 (MEW 31, 541). Marx and Engels were scientific *and* political entrepreneurs; their business was the disruption of the existing state of affairs in political economy and then of that in the world at large (see Kurz 2018b). It hardly needs to be emphasised that only a few aspects of this huge theme can be touched upon here.

4 Engels' Essay and Marx

A Social Revolution: Both Desirable and Inevitable A young non-academic fascinates a person two years older holding a PhD in philosophy with an essay on the causes of the distress and misery of the working class. However, the former does not only accuse an entire discipline of having failed to provide a satisfactory analysis of the situation. He even attacks its major representatives as "hypocrites" because in an attempt to cover up their failure, they degenerated to dull apologists of the prevailing social conditions. He, Engels, wishes to accomplish what they couldn't or didn't – the elaboration of a solid diagnosis of these conditions and, based on it, of

a successful therapy. He seeks to answer *the* vital question mankind is seen to face: the question regarding the conditions of "the reconciliation of mankind with nature and with itself" (Engels 1844, 475). Can someone who is up to such a task be chastised for a lack of discrimination between different views in economics and for caustic polemics? The goal is the social revolution, and Engels is convinced that he is at the threshold of it.

Marx's writings in the 1840s are also characterised by a strongly polemical current, as it was widespread at the time in the entire critical literature and especially among emigrants. The loss of hope in an imminent political overthrow after the suppression of the German revolution in 1848–1849 asked for a deeper analysis of the situation than Engels had provided, a thorough examination of political economy and an investigation of the "anatomy" and the "law of motion" of "bourgeois society". Engels' polemic in his essay would no longer do. Much more was needed in order to realise the grand goal of a fundamental change of society, which was always on the mind of the two authors. Eventually *Capital* was supposed to prove that the demise of capitalism was not only desirable, but inevitable. "Scientific socialism" was to accomplish the task.

Shifts in Subject Domains After the publication of his essay, Engels surprisingly left the field of political economy more and more to Marx, a novice in it. Wouldn't it have been natural to expect Engels, who received so much praise for his achievement from Marx, to benefit from his advantage in knowledge and develop his ideas further, actively supported by Marx? Yet something else happened: Marx quickly threw himself with all his might into political economy, while Engels slipped into the role of a close collaborator and later into that of an onlooker. A few episodes may be recalled to sketch very roughly the course of things.

The texts composed in 1845–1846, which posthumously became known as *Die deutsche Ideologie* (German Ideology), contain several passages that were probably written by Engels (MEGA I/5). We also know that during the first global economic crisis of 1857–1858, the two friends were in close contact with each other. And even in Engels' *Anti Dühring*, published in 1876, there is a long chapter on political economy. Engels also published a number of commentaries on current economic, political and social problems in newspapers and periodicals between 1875 and 1883 (see MEGA I/25). However, in around the mid-1860s, written testimonies of exchanges among the two about issues of political economy began to dwindle. Although in letters written in 1867 and 1868 Marx expressed his wish to discuss matters, there are no significant traces that the wish materialised. About the talks the two had on the occasion of Marx's visit of Engels in Manchester and their almost daily walks after Engels' relocation to London in 1869, we know very little. There are at any rate no clear imprints of their conversations to be found in the works of the two. The argument about the waning importance of questions of political economy in the intellectual discourse of the two men is to some extent confirmed by the remarkable fact that Engels would read the first volume of *Capital* only when it was already with the printer, too late for substantial comments. Engels therefore limited

himself to editorial remarks. He does, however, publish anonymously a few reviews in which he advertises the book.

In the course of his life, the focal points of Engels' intellectual interests gradually moved from political economy to other fields. In an almost mirror-inverted way, Marx's interests also changed. While the correspondence of the two reflects that the common intersection of their dominantly politically motivated interests remains large, Engels turns progressively to areas that in Marx lose in importance relatively to political economy. Engels deals with materialist currents in philosophy, old and new, history in general and especially strategic and tactical questions in military history, the sciences, the history of technology and many more. Marx shares some of Engels' interests and does so with varying intensities. However, the work on *Capital* requires a concentration of all his forces and forbids him from sauntering freely and jauntily in the fascinating garden of the various scientific disciplines. It is essentially only after the publication of the first volume of *Capital* that Marx reaches out widely, which is documented by his numerous excerpt books dealing with several subject matters. He does so first and foremost with the intention of closing gaps in his knowledge that hamper progress in his work on his *magnum opus*. Among other things, he studies some branches in mathematics, but he does so, not as some commentators have speculated, for relaxation, but rather in order to acquire the necessary formal knowledge to tackle problems in his analysis of crises and cyclical economic development. His study of Justus von Liebig's land exhaustion theory was motivated both by his attempt to explain a falling tendency of the general rate of profit and his concern with the prospects of socialism after the downfall of capitalism. It can therefore be said without much of an exaggeration that after 1844, there was a gradual but noticeable shift in the subject domains of Marx and Engels.

Marx's Silent Partner Engels' gradual retreat into the second tier regarding political economy can also be seen in the following. While he supports Marx financially and in several other respects and tries to prompt him to speed up his work, thorough substantial discussions about political economy and its criticism become less and less frequent in their correspondence and then peter out, as has already been noted. It is safe to assume that it had not escaped Engels' attention how Marx initially benefited from the overall picture and the various propositions contained in the essay and how several of them recurred in Marx's writings on the subject (notwithstanding obvious corrections with regard to particular aspects and especially Engels' assessment of the contributions of the classical economists). This he may have seen with great satisfaction. Not without some justification, he could consider himself a silent partner as regards the colossal work that was in *statu nascendi*. While Marx figured as the sole author of *Capital*, Engels could rightly be of the opinion that in important respects, he spoke through Marx. This may perhaps also explain why, in his role as editor of volumes II and III of *Capital*, he felt entitled to intervene in the text, which editors, strictly speaking, are not allowed.[20] Some of the basic ideas

[20] Regina Roth has studied Engels' work as an editor and documented his interventions in Marx's papers; see among other things Roth (2010). Given the provisional state of several of Marx' manu-

underlying the oeuvre, important parts of its overall architecture and several of its most striking pronouncements were clearly as much his as they were Marx's.

Revisiting Classical Economics Reworking the contents of Engels' essay, Marx studies the contributions of the economists mentioned in it and recognises that several of Engels' interpretations of and judgements about their doctrines cannot be sustained and that some are utterly misleading. He feels compelled to correct them and does so especially in a manuscript composed in 1861–1863 entitled *Zur Kritik der Politischen Ökonomie* (see MEGA II/3). Karl Kautsky was to bring out the history of economic thought parts between 1905 and 1910 as *Theorien über the Mehrwert* (Theories of Surplus Value), sometime seen to be a fourth volume of *Capital*. When Marx studied the classical authors, he was not always fully clear what his correction of Engels' judgements implied for the sustainability of his own construction that gradually was taking shape. His respective understanding developed only slowly, and there is evidence that in some regards he did not manage to gain full clarity until the end of his life. This is hardly surprising given the extreme difficulty of the problems that he and before him the classical authors tried to tackle. Whatever the case, he could not ignore the fact that Engels' youthful insouciance and his haughty handling of important classical economists, above all David Ricardo, painted a picture of their doctrines and achievements, which in important respects was highly misleading. While to Engels all economists were "hypocrites", Marx distinguishes between "classical bourgeois economists" and "vulgar economists" (see, e.g. MEGA II/3, 3215). He expresses considerable respect for the former, who are said to have come up with important insights regarding the "physiology of bourgeois society". The vulgar economists, on the contrary, he punishes with contempt because they are said to have only scratched on the "surface of the phenomena" they pretended to study. By confounding the two, Engels had forgone an opportunity to learn from the classical authors.

Marx: The Cunctator But what precisely could he have learned from them and does this potentially undermine important postulates and propositions in Engels' "brilliant sketch", which initially had provided Marx with guidance and orientation in territory hitherto unchartered by him? If it had such an impact, then obviously Marx's own enterprise could be affected by it. In this case, how should Marx communicate to his benefactor, friend and comrade in arms that important views, previously shared by both of them, could no longer be sustained? Marx was obligated to Engels in many ways. Would it be entirely surprising if he hesitated to inform Engels about the awkward situation, which prevented him from accomplishing the monumental project? Would it not be understandable that in this case the cunctator fell silent and less and less was heard from him or that he answered evasively and at any rate did not put his cards on the table? Engels was not supposed to know that he, Marx, got bogged down on a number of issues and had developed doubts as regards the sustainability of important parts of his construction. There is reason to presume

scripts and drafts, Engels felt obliged to create what would look like a coherent whole.

that Marx became more and more aware of the discrepancy between what he actually knew and what he ought to have known in order to answer the complex questions he struggled with in a compelling way. And would it have befitted Engels to disturb his friend's deafening silence, would it not have been morally questionable to do so? The dwindling correspondence between the two friends regarding political economy and the progress of *Capital* in the later phases of Marx's life was caused, it can be surmised, also by the reasons given in the above.

Editing Volumes II and III of *Capital* When Marx died in 1883, Engels knew relatively little about the precise stage of his work on *Capital*. As executor of Marx's literary heritage, he screened the extensive, in fact overwhelming material, from which he was supposed to prepare the two missing volumes of *Capital*. This came close to a mission impossible and requested devoted drudgery for many years on Engels' part. In reading Marx's preparatory manuscripts, notes and jottings, Engels came across statements and considerations that must have irritated him. When embarking on the huge task, he might still have been of the opinion that he and his friend shared essentially the same convictions in all important respects. This concerned in particular the "law" of the falling tendency of the rate of profit, which had played no role in the "Outlines" and of whose importance Marx had convinced him. According to Marx, establishing this law was the *thema probandum* of a socialism that claimed to be "scientific", because its demonstration was supposed to impress even the bourgeois of the transient nature of the capitalist mode of production:

> It can be seen here in a *purely economic manner*, that is, from the standpoint of the bourgeois, within the "confines of the capitalist understanding", from the standpoint of capitalist production itself, its limit, *its relativity*, that it is not an *absolute*, but only an historical *mode of production*, corresponding to a certain limited epoch of the development of the material conditions of production. (MEGA II/4.2, 333; emphases in the original)

According to Marx, "seen from the historical standpoint, the law is the most important law. It is a law, which despite its simplicity has never been understood and even less expressed in a conscious way" (MEGA II/1.2, 622).[21] Such a fall would be a clear sign of capitalism losing its vital force (ibid, 255–256; see also 211).

When screening Marx's papers, Engels had to note to his surprise that his friend had been plagued by doubts about the law's validity. Marx had seen that several types of technical progress he had contemplated did not imply a fall in the rate of profit, given the level of real wages. He had investigated, for example, what later became known as Harrod-neutral technical advance and other forms, some of which made room for a rise, and not a fall, in the general rate of profit. Hence the pivot of his argument – a rising trend in the organic composition of capital – could not be established beyond reasonable doubt as dominating capitalist development. Further, taking into account the revolutions in prices entailed by such a trend, it was unclear whether this would unambiguously lead to a falling general rate of profit.

[21] For a detailed discussion of the law against the background of the MEGA II, see Kurz (2010, 1205–1218) and Kurz (2018b, 798–804).

What remained of scientific socialism, if its crowning piece could not be sustained? What would bring about a better society, if the "natural history process", Marx had invoked, could not be relied upon? And how was the literary executor and close political companion to deal with Marx's indecision and vacillation? Should he inform the reader about it or trust that Marx would in the end, had he been given enough time, have been able to demonstrate impeccably the correctness of the law? To the last question Engels answered implicitly in the affirmative, when in a suitable location in volume III of *Capital*, he inserted a phrase without informing the reader that it was him, who spoke: "But in reality the rate of profit, as already seen, falls in the longer run" (MEGA II/15, 227 and 977).

5 Concluding Observations

According to Adam Smith, political economy is an important and perhaps even the most important part of a kind of master political science, encompassing the science of the legislator. As such it has the task to fight superstition and false beliefs in matters of economic policy, to debunk opinions that camouflage particular interests as promoting the general good and to propose effective regulatory frameworks for markets and institutions that help to ward off threats to the security of society as a whole and provide incentives such that self-seeking behaviour has also socially beneficial effects. The classical economists had a lot to offer in this regard, not absorbing it was a serious failure of Engels.

The kind of socialist regimes that began to emerge in the first half of the twentieth century did not reflect a falling rate of profit in mature capitalist economies. They were rather erected in economically relatively backward countries. Marx had developed a concept of pre-capitalist modes of production and property relationships in his *Grundrisse der Kritik der politischen Ökonomie* of 1857 (see MEGA II/1.2, 378–415) and had variously expressed the opinion that trying to establish socialism in such countries runs the risk of leading to new forms of tyranny and exploitation. The historian and sociologist Karl August Wittfogel in papers in the 1930s and then in his magisterial book on *Oriental Power* (1957) built on Marx's critical perspective and elaborated on the concept of the "Asiatic mode of production". This was characterised by a despotic regime in which the ruler claims total power for himself and an almighty military and state bureaucracy suffocates all civil freedom. In accordance with Marx's conviction that socialism could grow out only of fully developed capitalist societies and not pre-capitalist ones as those in Russia and China, Wittfogel saw the danger that a revolution in the latter was bound to result in despotism of a potentially even worse kind than under feudalism. Interestingly, Stalin banned the concept of Asiatic mode of production, because according to it, class domination and exploitation were possible even without private property in the means of production. As we have seen, Engels was convinced that abolishing private property was the key to a "reconciliation of mankind with nature and with itself". Apparently he was wrong.

With the benefit of hindsight, we may say that Engels (but also Marx) was extremely naïve as regards the possibility of establishing a society that was both morally and economically superior to the one in which they lived. While he understood that with a deep and growing social division of labour, there were problems of information and coordination, he vastly underrated their seriousness and had little to say about how they could be tackled in the absence of markets. He set at naught what the classical economists had to say about human self-seeking behaviour and how to contain the dark sides of it in terms of incentives, rules and regulations; the necessity to limit economic and political power in the hands of a few; the role of asymmetric information in giving rise to unequal opportunities; and the danger of adverse selection on a large scale, and so on. Engels (but also Marx) missed the opportunity to learn from these authors' important lessons that would have been useful in the constructive task of preparing the ground for a better society.

In the *Theory of Moral Sentiments*, first published in 1759, Smith advocated a rather modest approach to socio-economic reform, when he wrote:

> The man whose public spirit is prompted altogether by humanity and benevolence, will respect the established powers and privileges even of individuals, and still more those of the great orders and societies into which the state is divided. Though he should consider some of them as in some measure abusive, *he will content himself with moderating what he often cannot annihilate without great violence*. […] *When he cannot establish the right, he will not disdain to ameliorate the wrong*; but, like Solon, when he cannot establish the best system of laws, he will endeavour to establish the best that the people can bear. (Smith 1969, 380; emphasis added)

While Engels and Marx's public spirit was also prompted by humanity and benevolence, Smith's approach can safely be said not to have been to their liking. In their view, a great deal more was needed and also possible. However, there is reason to think that they would have also not been pleased with what according to Smith was the other extreme, which he described in the following way:

> The man of system, on the contrary, is apt to be very wise in his own conceit, and is often so enamoured with the supposed beauty of his own ideal plan of government, that he cannot suffer the smallest deviation from any part of it. He goes on to establish it completely and in all its parts, without any regard either to the great interests or to the strong prejudices which may oppose it: *he seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board* […]; *but* […] *in the great chess-board of human society, every single piece has a principle of motion of its own, altogether different from that which the legislator might choose to impress upon it.* If those two principles coincide and act in the same direction, the game of human society will go on easily and harmoniously, and is very likely to be happy and successful. *If they are opposite or different, the game will go on miserably, and the society must be at all times in the highest degree of disorder.* (Ibid, 380–381; emphases added)

Men of system can be said to have played an important part in really existing socialist societies. The hope and expectation that a change of system would bring about new man, devoid of selfishness and the dark sides of the human character, turned out to be wishful thinking. The functionaries of socialist countries were typically old men in new institutional settings, striving for power and dominance, not

new men guided exclusively by the ideals of humanity and benevolence. Given Marx and Engels' unparalleled authority among socialists, it is regrettable that they paid little attention to what the classical authors, especially Hume and Smith, had to say about the "principles of motion" of the various members of a great society and how a movement towards a better society could be effectuated on the basis of solid principles of political economy. Rules of behaviour for the socialist revolutionary, legislator and ruler coming from these authorities might have been of some use in this regard.

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The Internal Contradiction of Land Rent and Young Engels' Critical Theory of Private Ownership

Tang Zhengdong

Adam Smith, David Ricardo, and other British classical economists have discussed the problem of land rent, and they have different realistic backgrounds so that their theories of land rent are not the same. It is very difficult for young F. Engels in 1843 to grasp the essence of land rent accurately. If we want to solve this "barrier," we must first make clear the difference between the general sense of rent and the capitalist rent and then make clear the difference between the nonsocial historical understanding of capitalist rent and the capitalist rent from the perspective of historical materialism. Only from this perspective can we have a real understanding of the academic significance of Engels' land rent theory, rather than be trapped in demonstrating the importance of absolute land rent from a simple economic dimension. Of course, we cannot ask too much for young Engels' land rent thought in *Outlines of a Critique of Political Economy* (hereinafter referred to as the *Outlines*), because at this time, after all, he just began to study political economy and the real economic process. However, Engels firmly grasped the inherent opposition of bourgeois political economy and the predatory nature of land rent under the condition of private ownership, which made him surpass bourgeois economists in methodology and make it possible to promote his social and historical theory from the perspective of land rent on the premise of deepening the understanding of the essence of capitalist land rent. In the early 1950s, he helped Marx to promote the construction of the critical theory of capitalism by constructing a scientific land rent theory.

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1 The General Form of Land Rent and Capitalist Form of Land Rent

As he used in the interpretation of value and other issues, young Engels' understanding of land rent in *Outlines* also starts from the level of daily experience. He has not yet been able to distinguish the difference between the general rent and capitalist rent. For him, to use a piece of land already in possession, the user has to pay for the rent. "If land could be had as easily as air, no one would pay rent. Since this is not the case, but since, rather, the extent of a piece of land to be appropriated is limited in any particular case, one pays rent for the appropriated, i.e., the monopolised land, or one pays down a purchase price for it" (Engels 1844, 428). The main points of this view are: first, land is limited; second, land is occupied. At first, it seems that there is no problem with this view, but if we go to a deeper level, especially considering the content expressed by Ricardo's theory of land rent, we will find that this view has not noticed what is the difference between the land rent in feudal society and capitalist land rent. Because Ricardo's theory of differential land rent is that the worst land is not rented, the superior land produces land rent precisely because the secondary land is put into use. We know that Engels refers to Ricardo's theory of differential rent in *Outlines*, but only regards it as a strange point of view.

> After this enlightenment about the origin of the value of land it is, however, very strange to have to hear from the economist that the rent of land is the difference between the yield from the land for which rent is paid and from the worst land worth cultivating at all. As is well known, this is the definition of rent fully developed for the first time by Ricardo. This definition is indeed correct in practice if one presupposes that a fall in demand reacts instantaneously on rent, and at once puts a corresponding amount of the worst cultivated land out of cultivation. This, however, is not the case, and the definition is therefore inadequate. Moreover, it does not cover the causation of rent, and is therefore even for that reason untenable. (Engels 1844, 428)

Here, the question comes out: What does young Engels say here is "this, however, is not the case," What does this mean? Why did not he accept Ricardo's point of view?

I think this is because although Engels did mention Ricardo's theory of land rent in *Outlines*, he has not actually read Ricardo's *On the Principles of Political Economy and Taxation*. He learned Ricardo's economic point of view by reading J.R. McCulloch's introductory discourse to Adam Smith's *Wealth of Nations*. But the problem is the introductory discourse written by McCulloch focuses on Ricardo's value theory; it does not carry out the theory of land rent. Therefore, we have reason to conclude that young Engels' understanding of land rent at this time mainly comes from Adam Smith. In fact, A. Smith's explanation of land rent in *Wealth of Nations* is very similar to Engels' understanding at this time.

> Rent, considered as the price paid for the use of land, is naturally the highest which the tenant can afford to pay in the actual circumstances of the land. In adjusting the terms of the lease, the landlord endeavours to leave him no greater share of the produce than what is sufficient to keep up the stock from which he furnishes the seed, pays the labour, and

> purchases and maintains the cattle and other instruments of husbandry, together with the ordinary profits of farming stock in the neighbourhood. This is evidently the smallest share with which the tenant can content himself without being a loser, and the landlord seldom means to leave him anymore. Whatever part of the produce, or, what is the same thing, whatever part of its price, is over and above this share, he naturally endeavours to reserve to himself as the rent of his land, which is evidently the highest the tenant can afford to pay in the actual circumstances of the land. (Smith 1828, 237–239)

What we see here is the relationship between the landlord and the renter, especially the struggle relationship when signing the land lease, but we cannot see what kind of uniqueness the land rent has under the capitalist conditions.

Although A. Smith also talked about the difference of land fertility and land location in the later specific explanation of land rent, he only understood the rent from the perspective of paying the owner of natural products a certain price for the power of taking the pure natural products but did not explain the rent under capitalist conditions from the dimension of capitalist factors of production. For example, A. Smith talked about farmland rent in Norway and Scotland:

> The most desert moors in Norway and Scotland produce some sort of pasture for cattle, of which the milk and the increase are always more than sufficient, not only to maintain all the labour necessary for tending them, and to pay the ordinary profit to the farmer or owner of the herd or flock, but to afford some small rent to the landlord. (Smith 1828, 243)

He also talked about the fact that livestock in the Highlands of Scotland could increase land rent in highlands once they entered foreign trade. But A. Smith did not talk about how land as a factor of production produced land rent in the capitalist production process, and the real sense of land rent is the kind of agricultural land rent in the capitalist production process. This is why A. Smith does not talk about the transfer of capital from better land to worse land, from one industry to another, and to expand to new cultivated land in order to meet the increasing needs, because the land in his eyes has not been completely capitalized.

D. Ricardo is different. In the second chapter of *On the Principles of Political Economy and Taxation*, he has no clear expression about land rent, for example, "Rent is that portion of the produce of the earth, which is paid to the landlord for the use of the original and indestructible powers of the soil" (Ricardo 1821, 39), but his grasp of the basic characteristics of capitalist land rent is very clear. For Ricardo, there is only differential rent but no absolute rent. "[…] when in the progress of society, land of the second degree of fertility is taken into cultivation, rent immediately commences on that of the first quality, and the amount of that rent will depend on the difference in the quality of these two portions of land" (Ricardo 1821, 41). He only pays attention to the differential rent because in his eyes there is only the land as a factor of capitalist production, but no the traditional sense of land ownership. Ricardo keenly grasped the transformation of land ownership under the condition of modern capitalism, that is, from the traditional land ownership to the modern land ownership. For him, all productive conditions are no longer traditional but must be created historically in accordance with the form conducive to capital investment. Ricardo talks about capitalist land rent, not the initial form of land rent or the general sense of land rent. Therefore, for him, the premise of discussing land rent is

not the struggle between the landowners and the landrenters when signing the lease, but the continuous development of new cultivated land by capital to meet the increasing new demand. Under such a premise, the thinking about land rent will certainly develop toward the direction of differential land rent, because Ricardo thinks about land rent from the perspective of capitalist landowners, not the landlord. So, for him, absolute rent is nonexistent, only differential rent exists, and the worst land has no rent. It should be said that his theory of land rent is better at highlighting the uniqueness of capitalist land rent. In contrast, A. Smith's theory of land rent is weaker, because it is only around the struggle between the landowner and the landrenter, which is actually a general form of land rent.

Young Engels was influenced by A. Smith on the issue of land rent, so he could not grasp the core meaning of capitalist land rent at this time. He only talked about it from the perspective of the general form of land rent. Because of this, he cannot understand D. Ricardo's theory of land rent. That is why he was "strange" when he talked about Ricardo's theory of differential rent. For Engels at this time, land rent is the price that the land user should pay to the landlord. As for the unique form of land rent which Ricardo said under the capital promotion, it seems that it cannot enter young Engels' interpretation. Therefore, when young Engels said that under certain conditions, that is, when people's demand decreased, which led to the worst cultivated land stop farming and thus the land rent reduction, Ricardo's theory of differential land rent "is actually correct," his interpretation of it is not Ricardo's idea. Young Engels said, in the dimension of general land rent, that if people's demand of land products becomes less, it will lead to the reduction of land needs to be cultivated, which will stop some of the worst land to be cultivated and reduce the land rent of the land still cultivated. Ricardo, who is thinking about land rent from the perspective of capitalist land rent, does not need to assume that people need to reduce the land that needs to demonstrate the existence of differential rent. In fact, he believes that with the increase of population, people's new demand will inevitably increase, so that the passage from better land to worse land will inevitably be the premise of capitalist agricultural production, and land rent comes from the price difference between these different levels of land. Young Engels, who did not understand the capitalist production dimension of Ricardo's differential rent theory, could only understand this view from the premise of the reduction of demand on the basis of the general land rent. What is more, this assumption is difficult to appear in the process of capitalist economy. Under the capital drive, people's demand will increase rather than decrease.

Young Engels also criticized Ricardo's definition of land rent "Moreover, it does not cover the causation of rent, and is therefore even for that reason untenable" (Engels 1844, 428). In understanding this, we should also note that Engels is standing in the dimension of general land rent at this time. Therefore, to him, the cause of the land rent is the competition between the renters and the struggle between the landowners and the landrenters. But if we stand in the dimension of capitalist land rent of Ricardo, the competition between landrenters cannot be used to explain directly the formation of land rent, because under the premise of capitalist productive mode of agriculture, the price of agricultural products produced by the capital

invested in land can only be equal to its cost price rather than land rent, if there are no passage from better lands to the second lands. Because of this, for Ricardo, the real rent can only come from the differential rent. In this sense, we say that young Engels' understanding of the causes of land rent has not yet entered the perspective of capitalist rent.

2 Land Rent Based on Land Ownership

From the perspective of D. Ricardo's land rent theory, we can see that there are still some problems in young Engels' understanding of land rent, but this does not mean that his view of relationship between landrenters and land owners has no theoretical significance. Of course, young Engels does not want to talk about land rent only on the level of Ricardo. We know that Ricardo's theory of land rent is not historical. Although he does highlight the characteristics of the capitalist form of land rent, it is still difficult for him to cover the limitations of his defense for capitalist productive mode. From this perspective, we can find the important theoretical meaning of young Engels' land rent theory at this time. Although he has not yet linked the ownership of land with capitalist land rent, he did not integrate the land ownership into the capitalist rent, as Ricardo did, which led to the denial of the historical transience of capitalist agricultural production and the whole productive process. Young Engels always thought about the essence of land rent from the perspective of monopoly of land. Although he still could not understand the source of land ownership at this time, for example, he still thought that the landowner had contingency on land monopoly, but his critical view of land ownership made it impossible for him to fall into Ricardo's empiricist methodology when he went to the study of the specific and historical social formation.

Thinkers like Engels who are committed to objective historical change will certainly cut into the materialistic analysis of specific realistic problems. It is very important to hold a critical attitude toward reality all the time in the process of taking this step, because it is easy to be confused by capital's social abstraction and therefore regard it as a natural and unhistorical economic form. Once falling into such a perspective, even if a theorist wants to maintain revolutionary theoretical character, he can only choose utopian and external critical perspective. But young Engels is different at this time. I think his interpretation is very clear, that is to think in the direction of the internal contradiction of private ownership embodied by the rent. For example, although he cannot correctly define the economic and philosophical significance of D. Ricardo's differential land rent theory, he can accurately point out that A. Smith ignores the difference of soil fertility when facing his definition of land rent. So young Engels is concerned about the form of capitalist land rent, but he is limited by the level of his political and economic research, so he cannot build a critical theory of capitalism based on the dialectical relationship between differential rent and absolute rent. This leads him not to give the differential rent the theoretical status it should have, but what he has is clearly see the limitations of

Smith and Ricardo's rent theories, which are actually the inherent limitation of bourgeois political economics.

When Engels said his definition of land rent, that is, "Rent is the relation between the productivity of the land, the natural side (which in turn consists of natural fertility and human cultivation – labour applied to effect improvement), and the human side, competition" (Engels 1844, 429), we can see that what he wants to emphasize is all the situations around the land rent in real economic life. What he wants to highlight is the opposition and contradiction contained in these situations. This is the basic feature of the definition of land rent of young Engels at this time. Of course, I admit that his understanding of the contradictions contained in the rent is not very deep, because he still cannot analyze the internal contradictions of capitalist land rent from the perspective of historical materialism for the time being. What he can do is reveal the contradictions directly displayed in the land rent, which is also the reason that he emphasizes the relationship between the land harvest and the competition of people. Although Engels' definition of land rent does not reflect all his thoughts on land rent at this time, for example, his thought on the relationship between soil fertility difference and land rent, it can be confirmed that the idea of differential rent has not entered the interpretation horizon of young Engels, because he still cannot understand the particularity of the capitalist rent and its possible theoretical space in the view of social history.

In this way, it is a reasonable thing for young Engels to attribute the root of the contradiction in land rent directly to the private possession of land and then to private ownership of property. It is important to note that the root of the internal contradiction of capitalist land rent is indeed the private possession of land, but that is the capitalist private possession of land, not the private possession in the general sense. Objectively speaking, the young Engels cannot make these distinctions, which means that he cannot see the inherent contradiction and the historical transience of capitalist productive relations from the dimension of capitalist form of land rent. Therefore, Engels can only interpret the contradiction and opposition in the land rent from the perspective of private ownership of land.

> Indeed, the original act of appropriation itself is justified by the assertion of the still earlier existence of common property rights. Thus, wherever we turn, private property leads us into contradictions. To make land an object of huckstering – the land which is our one and all, the first condition of our existence – was the last step towards making oneself an object of huckstering. It was and is to this very day an immorality surpassed only by the immorality of self-alienation. (Engels 1844, 429)

Obviously, if we only understand the issue of land rent from the perspective of private ownership in the sense of legal power rather than from the perspective of capitalist private ownership in the sense of social history, then the critical theory of land rent can only be constructed on the basis of humanist moral view. It seems that young Engels is no exception to this. For him, land is all we have, and private possession and huckstering of land are the huckstering of ourselves. All the problems and contradictions about land possession and land rent are rooted in this. From here we can see that young Engels' view of the inner contradiction of land rent is based on humanist moral method. But what we should see at the same time is that his

interpretation of the internal contradiction of land rent will make it easier for him to find the intrinsic internal contradiction in the capitalist productive process and make him move forward along the direction of historical materialist methodology.

3 Return to the Land Rent Itself

Although the young Engels' idea of focusing on the internal contradiction of land rent is still on the level of humanist moral view, it seems more likely for him to go to the elaboration of the future form of land rent compared with the idea that land rent is only a kind of real estate that will be swallowed by capital. Of course, if Engels can already expound the future development of capitalist land rent from the perspective of historical materialism, he can talk about this issue from the deconstruction of capitalist productive relations and the construction of communist social relations. But he obviously cannot reach this point at this time. The influence of humanist moral view on his interpretation of rent makes him to explain the future form of land rent only from an external and abstract dimension and have to return to the land rent itself.

> If here again we abandon private property, rent is reduced to its truth, to the rational notion which essentially lies at its root. The value of the land divorced from it as rent then reverts to the land itself. This value, to be measured by the productivity of equal areas of land subjected to equal applications of labour, is indeed considered as part of the production costs when determining the value of products; and like rent, it is the relation of productivity to competition – but to true competition, such as will be developed when its time comes. (Engels 1844, 430)

The land rent Engels mentioned here is no longer the land rent in the classical economic sense, but the land value under the condition that the private ownership no longer exists. In this sense, land rent is actually the reflection of the productive capacity of land. He wanted to express that, without the private ownership, land should be valued only by its productive capacity.

On the surface, Engels' above interpretation of land rent seems to be a general expression of abstract humanist-historical view, which only focuses on the description of some due state after the abandonment of private ownership. But we need to see that how much the essence of private ownership is understood and what level the explanation of the due state after the abandonment of private ownership will be interpreted. If we understand private ownership as the alienation of human nature, the description of the due state after abandoning private ownership will focus on the return of human nature. If private ownership is understood as being with internal opposition, then the description of the due state will focus on overcoming the internal opposition. I think Engels is in the latter way of interpretation at this time. Therefore, when he said in the above quotation of abandoning the private property, we can see from the context of this quotation that he is not only emphasizing the abandonment of private property but also the abandonment of the inherent contradiction contained in the land rent under the condition of private ownership, that is,

the abandonment of the paradox between all our land and the private possession of land. Because of this, young Engels did not emphasize the realization of humanism in the future land rent in the above citation but emphasized the overcoming of private land rent separated from land and the realization of land rent returning to the land itself. That is, even when describing the due state of the future, young Engels is also focused on the theoretical thinking of solving the realistic contradiction. This is very important for his future development of social and historical view.

In comparison, young Marx, almost at the same time, seemed to pay more attention to the struggle between land owners and landrenters in land rent. In *Economic and Philosophic Manuscripts of 1844*, although Marx mentioned Engels' *Outlines* in the preface, he focused more on class struggle on land issues when he expounded the land rent, which is different from Engels' focusing on the study of complicated relationship among differential land rent, land harvest, competition between land users, etc. Young Marx has not yet noticed the difference between the formation of land rent and the essence of land rent. From the perspective of competition or struggle between landowners and landrenters, we can know the formation of capitalist land rent. From the perspective of differential rent, we can know the essence of capitalist rent in the sense of classical economics of D. Ricardo. If we want to transcend Ricardo's economic dimension to scientifically understand the essence of capitalist land rent, we must recognize the relative scientificity of the theory of differential rent of Ricardo and explain the dialectical relationship between absolute rent and differential rent, as Marx did in *Capital*. Although the absolute land rent also involves the opposition between the landowners and the landrenters, it is based on the specific historical capitalist productive relationship to accurately understand the opposition, not only on the level of class struggle in the dimension of legal ownership. At this time, young Marx is focusing on the elaboration of the struggle between the landowners and the landrenters, so he will inevitably draw the conclusion that "It is necessary that this appearance be abolished – that landed property, the root of private property, be dragged completely into the movement of private property and that it become a commodity" (Marx 1844, 267). Therefore, it is no surprise that he did not make a special discussion on the rent of land when he expounded the relationship between alienation labor and private property.

In fact, young Marx also talked about the problem of differential land rent in *Economic and Philosophic Manuscripts of 1844*:

> It is therefore another great achievement of modern English political economy to have declared rent of land to be the difference in the interest yielded by the worst and the best land under cultivation; to have [exposed] the landowner's romantic illusions – his alleged social importance and the identity of his interest with the interest of society, a view still maintained by Adam Smith after the Physiocrats; and to [have] anticipated and prepared the movement of the real world which will transform the landowner into an ordinary, prosaic capitalist, and thus simplify and sharpen the contradiction [between capital and labour] and hasten its resolution. (Marx 1844, 285)

Unfortunately, young Marx certainly confused A. Smith and D. Ricardo's views on this issue and thus interpreted the differential land rent as the romantic imagination of the landowner about the consistency of their own interests and social

interests. In this way, the significance of the theory of differential land rent in the social and historical view cannot be highlighted, because with the development of the capital, the differential land rent in the dimension of land owner or the land grade difference will be eliminated by the capitalist commercialized movable private property. Therefore, the so-called differential rent, which young Marx pays attention to here, is actually the difference in land rent in general due to the difference of land rank, rather than the differential rent in the sense of capitalist land rent as Ricardo said. Therefore, his concern about the difference of land rent grade only proves that the result of the struggle between the landowners and the landrenters is the deconstruction or replacement of the latter. The capitalist productive relations of land rent, which are highlighted by the concept of differential rent in Ricardo, have not yet entered the perspective of Marx's interpretation. If we refer to Marx's later text, we can also find that even in *The Poverty of Philosophy*, Marx still talks about land rent from the perspective of the struggle between the landrenters and the landowners. This shows that although he has completed the construction of the basic principles of historical materialism in *German Ideology*, it does not mean that he can immediately answer all the economic problems comprehensively and accurately. Land rent is one of the "hard bones" that are hard to chew. In fact, Marx was still studying the contradiction between Ricardo's theory of differential rent and the objective situation of history in the early 1950s. This can be seen from his letters to Engels on January 7 and February 3, 1851. It is these solid theoretical studies that led him to make a new scientific interpretation of the land rent in *The 1861–1863 Economic Manuscripts*.

Let us look back at young Engels. Although he did not elaborate on the issue of rent later (Marx's two letters to Engels in early 1851 discussed the issue of rent, which to a certain extent shows that in Marx's eyes, Engels' level of understanding of rent is trustworthy), his relevant discussion in *Outlines* is undoubtedly better than that of young Marx at the same time. He is not satisfied with the discussion of land rent from the perspective of the struggle between the renter and the landlord around the land lease contract but tries to summarize all the situations about the land rent in the real economic practice into the definition of the land rent. We can say that A. Smith's definition of rent refers to the general sense of rent, and Ricardo's definition of rent refers to the capitalist rent under the premise of ignoring the contradiction and historical temporality of capitalist productive relations, while what Marx studied in *Capital* and its manuscripts is the capitalist rent based on the inherent contradiction and historical temporality of capitalist productive relations. This kind of capitalist land rent is a certain, concrete, and historical one. According to this point of view, young Engels is trying to integrate the first and second definitions of land rent and examine and reconstruct them on the basis of the critique of private ownership. In the same period, young Marx only paid attention to the first definition of land rent on the basis of the critique of private ownership. This is not because young Marx did not read Engels' *Outlines* seriously but because his abstract humanistic logic of interpretation at this time cannot let him see the possible methodological significance of the second definition of land rent. Although we have to admit that the theoretical level of young Engels' reconstruction of the land rent in *Outlines* is

limited, we should see that his polyphonic interpretation of the land rent based on the inherent contradiction has a better role in promoting his later development of philosophy and critical theory.

It is not that we cannot talk about land rent from the perspective of struggle or competition between landowners and landrenters but that we must continue to go from the theoretical level of this struggle to the theoretical level of capitalist relations of production and to the level of the inherent contradiction of such relations of production. Only in this way can we truly reveal the inherent nature of capitalist land rent. Otherwise, it is easy to be satisfied with the struggle around the division of the value of land production among wages, profits, and land rents. But this kind of thinking is easy to ignore such key points: no matter rent, profit, or salary, they are not components of value, although value can be decomposed into wage, profit, and rent, in fact, value is created by labor commodity. As for how the value created can be divided between wages, profits, and rent, it is determined by the capitalist relations of production. Because of this, it is so important to push the interpretation level from the struggle between landowners and landrenters to the level of the inherent contradiction of capitalist productive relations. When Marx criticized A. Smith later, he said:

> The vulgar conception however that wages arise from labour, but profit and rent – independently of the labour of the worker – arise out of capital and land as separate sources, not for the appropriation of alien labour, but of wealth itself, evidently creeps into Adam Smith's writing already at this stage. In this fantastic fashion, the profoundest concepts intermingle with the craziest notions, such as the common mind forms in an abstract manner from the phenomena of competition. (Marx 1863, 347)

After understanding the above idea, we will not be surprised that it is possible to abstract the sense of mediocrity from the phenomenon of competition.

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Engels, Werner Sombart, and the Significance of Marx's Economics

Günther Chaloupek

In 1894, 11 years after Marx's death, and 9 years after the posthumous publication of Volume II, Engels had finished his editorial task and published the long-expected Volume III of *Das Kapital*. In his preface, Engels reported on the enormous difficulties of his task to integrate the often "sketchy and fragmented" manuscript which Marx had left behind into a halfway coherent text. The major part of the preface is devoted to the alleged "great contradiction" between Volume I and Volume III: that prices observed in reality admittedly do not conform to the law of value, according to which exchange ratios between goods are proportional to the quantity of labour expended for their production. Engels' reaction to various comments on this issue by bourgeois economists is often malicious, condescending at best, whereas he treats socialist authors in a friendly way. In Engels' view, the latter came close to what he believed was the definite solution provided by Marx in the final volume, without, however, stating this explicitly.

1 I

Among the numerous reviews that followed immediately after the publication of Volume III,[1] Werner Sombart's 40-page essay was the first. It appeared in the *Archive für sociale Gesetzgebung und Statistik*, whose editor was Heinrich Braun, a

[1] The introduction to Meixner, Turban (1974) lists eight extensive reviews, appearing in renowned journals between 1894 and 1898.

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sympathizer of Social Democracy, before it became the famous *Archiv für Sozialwissenschaft und Sozialpolitik* in 1904. At first, Sombart refers sympathetically to Engels' "history of sufferings" as editor of Marx's estate in Engels' preface, but nonetheless he criticizes his practice of publishing as much as possible of the unfinished manuscript, suggesting that a more selective edition of the principal lines of argument could have facilitated reading and above that would have been in accordance with Marx's intentions. If the pleasure of the reader is impaired by the heterogeneity of the text, in Sombart's view, the third volume is superior to the previous ones from a theoretical point of view, much to the satisfaction of readers interested in economic theory.

Sombart then turns to the question whether Marx has successfully solved the problem of transformation of labour values into production prices, which is enforced through competition among capitalists demanding equal rates of profit for their capital whose proportion to labour varies between different branches of production, under the condition that the "law of value" still holds. In Marx's setting of the problem, a non-capitalist economy in which goods are exchanged at labour values serves as starting point, but then Marx refers to competition (*Konkurrenz*), the interplay of supply and demand, which functions to equalize profit rates between different production branches. At this point, Sombart detects a certain "obscurity" to which he comes back after completing his survey of the content of the book.

The central piece of Marx's theory of long-term development of capitalism is his theorem of the "declining tendency of the rate of profit". On this point, Volume III offers new, interesting arguments, which would, however, require a discussion more thorough than possible in a review article. With respect to Marx's treatment of commercial capital Sombart's reference to Marx's distinction between "productive" and "unproductive" labour appears neutral, he considers the use of expressions of "paid" and "unpaid" labour for workers in commerce as "misleading" (Sombart 1894, 566). Of Marx's treatment of the financial sphere of the total process, Sombart considers the chapters on banking and credit a "child of sorrow" (568). If, on rent Marx follows the doctrine of differential rent, his achievements in further development of known arguments are nonetheless remarkable. The concluding chapters on "revenues and their sources" can hardly be considered as Marx's "last word" – rather, they convey the feeling of the "decline of the author's mighty powers" (571).

The decisive question of Marx's theory, in Sombart's view, concerns the place of the labour theory of value in a theory of capitalism. Can the labour theory of value be defended if – admittedly – prices (and money wages) are determined by their "cost of production" and if values do not enter the calculus of the agents of the capitalist production system which is oriented at the rate of profit? For Sombart, two aspects are essential for a correct understanding of the meaning of the Marxian theoretical system.

(i) Marx's "value is not an empirical, but a conceptual fact" (574), an instrument (*Hülfsmittel*) of thinking (577).
(ii) "Value" is "the economic expression of factual social productivity of labour which underlies economic existence". "Value is the specific historical form by

which the productive power of labour determines the economic process in the last instance" (576–577).

(iii) Therefore, "the law of value becomes the principle that regulates economic life." It does so without ever appearing in the thinking of economic agents, effective as "hidden cause", or "intrinsic law" (*inneres Gesetz*) (577–578).

Ad (ii) Obviously, Sombart's focus is on commodities in the sense of outputs of (the flow of) current production, with "social necessary labour" as the "most relevant" characteristic, although not the only one. The "economic existence, the material culture of men", which is equivalent to the "quantum of economic goods available to them" – if we "abstract from other circumstances" – essentially depends on the development of the social productivity of labour (576). In modern language, what Sombart has in mind here is the level of total production is determined by the labour productivity. Another implication is that changes in relative prices are caused by changes in labour productivity which are different for different goods – but Sombart does not make this explicit, as his focus is not on price determination.

Ad (iii) Even though value does not appear anywhere in economic reality as perceived by its agents, it is "effective as hidden cause" – the law of value is effective inside the system. The task of Marx's *Kapital* is to show "not the movement of competition in its reality, but only the interior organization of the capitalistic mode of production, quasi in its ideal aggregate form" (583). As a consequence, Sombart puts special emphasis on the "fictional" – conceptual character of the transformation of values into prices.

The rate of surplus value (m/v, *Mehrwert*-surplus/wages-variable capital), in combination with the organic composition of capital (C/v, C is the capital stock), determines the rate of profit (583). As a quantitative concept, value is expressed in terms of labour time. The rate of surplus value depends on the relation between total production and that part of production which is necessary for the reproduction of labour power. Once the average wage is assumed as given, the rate of profit (m/C) is determined by the rate of surplus value. This is ensured by the identity of the "total sum of surplus value" (*Gesamtmehrwert*) and the "total sum of profit". Sombart accepts this as conceptual model for the explanation of income distribution. At this point, he does not say anything whether the model could be subjected to statistical testing. But it follows from the explicitly quantitative nature of the central concepts that in principle working time and m/C can be observed statistically independently of prices. It is another question whether this can ever be done in practice.

If prices can in this way be deduced from value, in Sombart's view, this cannot be understood as a historical process in which prices gradually emerge from originally prevailing labour values, as Marx sometimes misleadingly seems to suggest (584). "Theoretically, in order to explain the rate of profit, the rate of surplus value must be the starting point; but certainly not empirically. The equalization of different profit rates resulting from different organic compositions of capital towards a uniform rate of profit is a conceptual construct (*Denkoperation*), but not a process in real life. I assume that is the opinion of Marx, unless Engels ensures me of the

opposite" (586). However, Sombart's terminology is misleading – he rejects Marx's genetic-historic explanation, not "empirical verification" in itself.

In the last part of the review, Sombart discusses possible future developments of economics after the completion of publication of *Das Kapital*. Despite all the numerous contrary efforts, Sombart is convinced that the Marxian economic system cannot be refuted but only developed further, in the same meaning as the insights of Quesnay, Smith, and Ricardo et al. continue to be part of the body of present-day economic theory. He thinks that for a "positive further development of economics", it is especially "scientific (Marxian; G.Ch.) socialism" which has to be considered, "alongside with the Austrian School" (588).

On the other hand, it will be necessary to fully comprehend the sharp contrast between the two fundamental approaches. What Marx is aiming at in the last instance is "to unveil the economic law of motion of modern society", searching for conditions which are independent of the intentions of individual agent, effective "behind their back". Not competition is the determinant factor of the economy, but the rate of profit, which is determined by value and surplus value, which are both expressions of "social productivity of labour" – by "social" Sombart means aggregate, not individual. Thus, the Marxian system is "characterized by an extreme objectivism", whose opposite is the subjectivist approach of the Austrian School, whose starting point is the individual agent driven by his needs and desires. The crucial issue with respect to the future development of economics, in Sombart's view, is whether "the objectivist approach can claim exclusive legitimacy in economics" or whether the contrasting approaches can be considered complementary (591ff).

2 II

Sombart sent his review article to Engels, who thanked Sombart in a personal letter dated of March 11, 1895, expressing his satisfaction to encounter "such great understanding of *Das Kapital* at a German university" (Marx/Engels 1968, 427–428). "Obviously, I cannot identify myself with all the words into which you have translated Marx's presentation", but "essentially you have got it right". With respect to the transformation of values into prices, Engels writes to Sombart that he does not intend to "ensure him of the opposite". The equalization of profit rates is a "process which takes place objectively in things, unconsciously", similar to the process of history as such. "In their chase for profits, neither the capitalists nor bourgeois economists are aware that the aim is the equal percentage distribution of the total surplus value". For Engels, the question remains important "how this equalization process evolved in reality". If Marx said only little on this issue, Engels insists "that the concept of value has, or had, more reality" than Sombart is prepared to admit. It would be a "worthwhile task" to reconstruct the historical process with its numerous

intermediate stages through which market exchange which was originally based of values came to accept its present capitalistic form.

Engels' letter to Sombart anticipates the arguments which he set forth in greater detail in an article for the *Neue Zeit*, which was published after his death in August 1895.[2] The article opens with a harsh critique of a review of Achille Loria's review of Volume III,[3] which contrasts sharply with the praise which Engels bestows on Sombart, "whose outline presentation of Marx's system […] is quite excellent on the whole" (Marx 1894/1981, 1031). Summarizing Sombart's outline, Engels notes that the reviewer considers value

> not an empirical fact but an ideal or logical one […] the specific historical form in which the productivity of labour which ultimately governs all economic processes has its determining effect. […] Now it cannot be said that this conception of the significance of the law of value for the capitalist form of production is incorrect. Yet to me it seems too generalized, and capable of a closer and more precise formulation; in my view, it by no way exhausts the whole significance that the law of value has for those stages of society's economic development that are governed by this law (Marx 1894/1981, 1032).

The passage expresses an unease with this interpretation of the law of value which Engels expressed more explicitly in his critique of a review of Volume III by Conrad Schmidt,[4] who "calls it a scientific hypothesis put forward to explain the actual exchange process", thereby declaring

> that the law of value in the capitalist form of production is a fiction, though a necessary theoretical one. In my opinion, this conception is completely inapposite. The law of value has a far greater and more definite importance for capitalist production than that of a mere hypothesis, let alone a necessary fiction. With both Sombart and Schmidt […] insufficient regard is paid to the fact that what is involved is not just a logical process but a historical one, and its explanatory expression in thought, the logical following-up of its internal connections (Marx 1894/1981, 1032–1033).

In a personal letter to Schmidt, Engels had rebuked Schmidt's interpretation, as well as the tendency in Sombart's "otherwise excellent article to water down the theory of value" (Marx/Engels 1968, 433). To support his position, Engels quotes Marx's statement, which views "values of commodities not only as theoretically prior to the prices of production but also as historically prior to them" (Marx 1894/1981, 277). In the remaining part of his article, Engels sketches out in detail how, in this historical process, prices evolved from labour values which governed the exchange of goods in pre-capitalist stages of production, when producers usually were also the owners of their material means of production.

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[2] The article is unfinished. It is included as supplement to Volume III of *Das Kapital* (Marx 1894/1981).

[3] Engels had already sharply criticized Loria in his preface to Volume III (Marx 1894/1981).

[4] Conrad Schmidt, 1863–1932, economist and philosopher. His review appeared soon after Sombart's review in the *Sozialpolitisches Centralblatt*, like the *Archiv für soziale Gesetzgebung und Statistik* edited by Heinrich Braun.

3 III

In his 30s, Sombart was a very proliferous writer. A few months after Engels' death, Sombart published a 35-page brochure, an enlarged obituary, offering an evaluation of Engels' personality, his work, and his importance for the socialist movement. The subtitle "a sheet on the history of the development of socialism" suggests that the pamphlet is a by-product of Sombart's work on his book *Sozialismus und soziale Bewegung im 19. Jahrhundert* whose first edition appeared in the following year. With respect to Engels' personality, his attitude is quite sympathetic, although he did not know Engels in person, nor was he a supporter of his party. Sombart describes Engels as "more charming, softer, more flexible" than Marx, a person with "humour, where Marx was (only) witty" (Sombart 1895, 4). If Engels, by his own confession, always "played second violin" in his lifelong collaboration with Marx, the importance of his contribution to the joint work justifies to speak of "Marx's-Engels' work". Especially, Engels' contribution to its philosophical foundations was far greater than he was willing to admit in his modesty. Engels' universal knowledge has often been recognized, but this has sometimes seduced him to a certain nonchalance in generalized statements which do not withstand the scrutiny of scholarly critique (20–21).

Of Engels' separate publications, his youthful essay *Umrisse zu einer Kritik der Nationalökonomie* of 1844 is a "rather confusing opusculum", but nonetheless it contains "the seeds of a historical-theoretical approach", towards the "theoretical historicism […] which enables a strictly theoretical-abstract treatment of economic phenomena, and also full consideration of historical reality". If the essay played a key role for the further development of Marxian socialism, in Sombart's view, it also demonstrates that Engels had no specific gifts for economics and that he lacked "the talent for abstract mathematically oriented thinking, which was characteristic for Marx".[5] It was the book *Die Lage der arbeitenden Klasse in England* (1845) which showed the great gifts of Engels to comprehend social phenomena in a historical context and to interpret them in the course of development (6–7).

In Sombart's view, Marx and Engels' theory of economic and social development suffers from an untenable epistemology, a mixture of Hegelian dialectics and French materialism, according to which thought and reality are identical; in Engels' words, ideas are "more or less abstract images of real things and processes" (13). Therefore, important elements of the Marxian system are lacking sufficient epistemological foundation, especially its concept of laws of development which is nowhere subjected to critical discussion. This, however, does not mean that all Marxian doctrine is wrong, only because its conceptual form is inadequate and outdated (13–14).

Sombart's little monograph is characterized by a considerable ambivalence of his attitude towards socialism and its founders. Sombart recognizes the high

[5] See the scrupulous dissection of Engels' essay by Heinz D. Kurz (2020) in the light of English economic literature available in the 1840s. On Engels' economics, see also Frambach 2020.

significance of Marx and Engels' theoretical work for socialism as political movement, while at the same time, he is very critical of the overall materialist approach of "scientific socialism", as well as of many of its core economic theorems. Sombart criticizes the monocausal approach of "dialectical materialism" of the Marxian system, with its consequence of absolute necessity of outcomes of evolutionary trends as a result of a dialectical process which Engels has described in his widely read book *Herrn Eugen Dührings Umwälzung der Wissenschaft* ("Anti-Dühring"). And yet, Sombart rejects all in toto-refutations of the Marxist system. He emphasizes that the Marxian system is indispensable as central frame of reference for the future development of economic theory.

If not much will survive from the Marxist system "in its peculiar form", any serious confrontation must be prepared to acknowledge which part of it has been recognized as correct. In particular, "the materialist approach to history, the idea that social laws shape the development of society are only awaiting a more correct formulation […] today historical and social research increasingly follow Marxian patterns of thinking". Even if many specific Marxian propositions are or will be proved untenable, "an unprejudiced evaluation, free of bias from hatred and favour, will give a high weight to the system" (19).

Sombart's sympathy for Engels has two motives: the change of his political thinking which evolved gradually during his long life, "through which Engels uniquely represents the course which the labour movement has taken in the last generation", and "the kind and humane character" which Engels has retained against all bitterness and adversity he encountered in his life (34–35). As regards the former, Sombart thought that Engels' greatest merit for socialism and the labour movement was the overcoming of the revolutionary attitude which originally had been so deeply engrained in his and Marx's thinking.

As Engels wrote in the preface for a new edition of Marx's pamphlet *Die Klassenkämpfe in Frankreich 1848 bis 1850*, with the increasing spread of universal suffrage among the male population, a promising perspective had opened for the social democratic parties to take over power in the state within a few generations. This was the focus of Engels' political-strategic considerations, on which his recommendations to the social democratic parties were based. Not "in one stroke" can the socialists achieve victory, but only "slowly […] press forward from position to position in a hard, tenacious struggle". Therefore, any form of "anarchist" terror merited the strictest condemnation from Engels as counterproductive. The proletariat should not allow itself to be provoked by a bourgeoisie fearful of losing power into "tak[ing] without more ado to the streets, where we are certain of defeat in advance" (Marx/Engels 1966, 515–516, my translation).

Sombart's statement, that loss of Engel's mentorship for the socialist parties would not have a significant effect, is contradicted by the expectations Sombart entertains for the future development of social democracy. He thought that the substance of Marxist ideas was exhausted with regard to its further development and that "fresh ideas and new men are called for" (Sombart 1895, 34). In this respect, Sombart envisaged a political course of the labour movement that would be ideologically reformist, abandoning more and more of the original revolutionary

promises. That Sombart's expectations would not materialize became evident a few years after Engel's death, when Eduard Bernstein's book *Die Voraussetzungen des Sozialismus und die Aufgaben der Sozialdemokratie* ("The Preconditions for Socialism and the Role of Social Democracy") appeared in 1899.

4 IV

Soon after publication of the pamphlet on Engels, Sombart's most successful book *Sozialismus und soziale Bewegung im 19. Jahrhundert*, which was based on lectures he had given in Zürich in 1896, appeared in its first edition.[6] Sombart's own understanding of his book, at least for its major part, was that of a scholarly analysis, which should do justice to socialism as political and social movement, avoiding the prejudices of its bourgeois academic enemies, which were biased by lack of knowledge and hatred. In Sombart's view, it should be taken as a fact that "according to its goals the modern social movement is a socialist movement" and a "proletarian movement", deriving its support from the working classes (Sombart 1899, 3). In its original revolutionism, Sombart sees an "expression of immaturity", which, however, was gradually superseded by an evolutionary approach, as socialism became a mass movement, whose social and political power increased gradually and irresistibly with the industrial workers' share in total population (83). The concept of class struggle has nothing terrifying for Sombart; it should be understood as legitimate means to pursue the workers' economic and social interests (97–98). Sombart fully supported social policy legislation to improve working and living conditions of the working class. He also thought that the tendency towards concentration and centralization of capital prepared the ground for socialization of major parts of industry. But he was considerably at unease with the ideal of a fully socialized economy, which still was officially the declared goal of social democracy.

As mentioned above, there are important elements of Engels' late political and economic thinking which encouraged Sombart's expectations for the future development of socialism and the social movement. In addition, Engels had – more tacitly than explicitly – abandoned two elements of the Marxian theory important for its revolutionary outlook: increasing impoverishment of the working class (*Verelendungstheorie*) and exacerbation of periodically recurrent economic crises. But on the whole, Engels' political strategy remained firmly oriented at the Marxian

[6] An additional eight editions followed until 1920, also translations into English and other foreign languages. The content was continuously updated and enlarged, while Sombart's positions towards central elements of Marxian theory underwent significant changes – on this point see, and on the reception of Sombart's book, see vom Brocke (1996, 32–33), and Lenger (1994). On Sombart's personal and professional situation and contemporary political surroundings, see Lenger (1994), pp. 78ff and vom Brocke (1996).

socialist perspective. The steady increase in the share of the vote was not an end in itself but a means to strengthen the class consciousness of the working class and thus increase its fighting strength, always directed towards the approaching ultimate goal of socialist society. In the parliamentary debates on specific issues of economic and social policy, the social democrats should support, or at least not hinder, any measures that might accelerate the liquidation of feudal structures and the diminution of the independent petty-bourgeois or peasant strata of the population, such as the abolition of protective agrarian tariffs. The faster capitalism developed to its pure form, the faster would the share of the proletariat increase, and with it the political power base of social democracy. Energetically Engels therefore opposed all reformist and "state socialist" tendencies in the SPD.

Sombart did not absolutely deny Engels' view of the future development of capitalism, but he was convinced that economic and socials trends would not lead to a complete elimination of the intermediate classes, the small peasants and the petty-bourgeois urban craftsmen and service providers. In this respect, "the Marxian system fails". In the spirit of democracy, social democracy should therefore "not exclude those elements from the (socialist) movement" (90).[7] Sombart's own long-term perspective can perhaps best be characterized as some kind of "state socialism", an economic order for which many SPD members of parliament felt sympathies but firmly rejected by Engels.

It has often been said that Sombart anticipated Revisionism which found its theoretical expression in Eduard Bernstein's book *Die Voraussetzungen des Sozialismus und die Aufgaben der Sozialdemokratie* which appeared only 2 years after his best-seller, which had already begun to be widely read also among members of the Social Democratic Party. As Sombart expected (and hoped), the SPD became increasingly reformist in its politics before World War I, but at the ideological level, Marxist orthodoxy represented by Karl Kautsky prevailed.

Despite his intensive efforts to influence the political course of the SPD, Sombart essentially felt not as politician, but as scholar of the social sciences. It was in this capacity in which he tried to establish some form of cooperation to give support to the party. For that purpose, he became one of the founders of an "Association international pour la legislation du travail" (founded 1900 in Paris), and of its German section "Gesellschaft für soziale Reform", established in 1901. Sombart tried to establish some form of cooperation with the SPD, "with some success at the beginning, but ultimately in vain. Despite the dissenting vote of Bebel, the parliamentary fraction decided to prohibit any, even unofficial cooperation" (vom Brocke 1996, 33–34). The disappointment which this rejection caused in Sombart was the beginning of his gradual distancing and then growing estrangement from political socialism and the labour movement.

[7] Sombart also considers the positions of social democracy towards religion and the nationality question as untenable (91–92).

5 V

Sombart's apology of the labour theory of value in his review of Volume III of *Das Kapital* provoked several responses, most notably from Eugen von Böhm-Bawerk in the last section of his essay *Zum Abschluss das Marxschen Systems* (1896). Böhm-Bawerk accepts Sombart's interpretation of Marx's theory of value as "conceptual fact", as an instrument of thinking (123, 291).[8] But he criticizes Sombart that,

> while expressly admitting the Marxian value does not stand the test of facts, (he) demanded an 'asylum' for the 'outlawed' value in the *thought* of the theorist. From this asylum, however, he unexpectedly makes a clever sally into the concrete world when he again maintains that his concept of value is adequate to the objectively most relevant fact, or in more pretentious words, that 'a technical fact which objectively governs the economic existence of human society has found in it its adequate economic expression. (127/295)

Sombart's leap from the sphere of theoretical abstraction into the reality of goods production cannot be accepted as "harmless variation of a permissible but inappropriately named abstraction", but an "incursion into the domain of the actual, for which all justification by evidence is omitted and even evaded" (128/296).

Finally, Böhm-Bawerk addresses the issue of "objectivist" versus "subjectivist" approach in economics. For him, "the obvious answer to Sombart's question […] is that the objective method can be justified only as complementary" (129–130/298–299). If, in the perspective of the objective approach, "external objective connections are shown to exist, which, like fate, control action with or without the knowledge […] of the doer, let them be shown to exist in genuine reality. And Marx has not done this. He has not proved his fundamental proposition that labour alone governs exchange relations", either objectively or subjectively, "but he gives it to the world in the form of an abortive dialectic" (130/299).

Shortly after Böhm-Bawerk's essay, Johann von Komorzynski[9] published an equally extensive review of Volume III of *Das Kapital* in the Austrian *Zeitschrift für Volkswirtschaft, Socialpolitik und Verwaltung* (1897). Komorzynski confirms Sombart's argument that cost prices could not possibly have originated from pure labour values (209). He rejects Sombart's attempt to rescue Marx's labour theory of value through introducing the concept of "labour productivity", by which he makes the supposition that "creation of value" is equivalent to "performing the socially necessary labour" in the process of production of a good (262). However, if one accepts this approach, then

> it is a priori certain that all profits from capital can only be the outcome of labour, for which workers have been deprived of their remuneration. Individual products may then exchange for whatever quantitative relationships, be it labour content or any other exchange value […] Hence, it is unnecessary, in order to show that capital profit is the result of unpaid

[8] Double page references relate to the German original (Böhm-Bawerk 1896/1974) and to the English translation (Böhm-Bawerk 1896/1961).

[9] Johann von Komorzynski (1843–1911), associate (außerordentlicher) professor at the University of Vienna, follower of Carl Menger is one of the less known members of the second generation of the Austrian School of economics. As man of practical economic life, Komorzynski was a lawyer, and member of the board of several Viennese banks and corporate enterprises.

> labour, to come up with the long-winded reasoning of Marx and the other advocates of the socialist theory of profit. (262)

In other words, Sombart is criticized for introducing the concept of "productivity of labour" (Y/L), and at the same time tacitly assuming that the value of the quantity of goods that can be produced by a unit of labour, as well as all increases of this quantity, can be attributed to labour, thus interpreting a mere definition as causal relationship.

Rudolf Hilferding, in his reply to Böhm-Bawerk's attack on the Marxian theory of value, refers to Sombart's essay only with respect to the question whether labour values are a theoretical a priori to cost prices, or preceded them historically, so that cost prices gradually evolved from labour values. Criticizing Sombart's interpretation, he sets out to defend Marx's position that "values of commodities not only are theoretically prior to the prices of production but also historically prior to them" (165ff). Unlike Engels, who, in his supplement to Volume III, had argued that exchange ratios of goods had corresponded to labour values since prehistoric times, Hilferding confined his historical excursion to the pre-industrial period, in which prices equalled labour values. With the emergence of the capitalist, enterprise prices/labour values were gradually transformed into capitalist cost prices, as industrial methods extended into the production of goods, thereby displacing simple commodity production by handicraft. In his magnum opus *Der moderne Kapitalismus* (first edition 1902, second edition 1916/1927), Sombart dealt extensively with the rationalization of price formation, without, however, referring back to the transformation problem.

That Marx himself had felt some doubts about the postulated equality of aggregate surplus value and aggregate profits had escaped not only Sombart's attention but also that of Böhm-Bawerk. It was mentioned by Komorzynski, who criticized Marx's solution of the transformation problem for its confusion of values and production prices in his "schemes of reproduction" (258–259). The principal flaw in Marx's theory of value was fully exposed by Ladislaus von Bortkiewicz (1906/1976, 84), who showed that "the theorem of equality between total aggregate value and total aggregate price is generally false". The debate about the transformation problem took a new turn after publication of Piero Sraffa's book *The Production of Commodities by Means of Commodities* (1960). The main thrust of Sraffa's argument was directed against neoclassical theory. But in the light of Sraffa's alternative approach, it became evident that "the transformation problem was insoluble in Marx's own setting, while the necessity to derive prices from values disappears, as both are deduced from a third factor" (Schefold 2014, 201).

6 VI

Compared to his later writings, Sombart appears to have quite intensively concerned himself with issues of analytical theory in his review of 1895. Although he is not really interested in this aspect, he sees Marx's theory of value both as a theory of relative prices and of income distribution. He embarks on a detailed discussion of

the problem of transformation of values into cost prices. Apparently, he believed that Marx has solved this difficult task.

Only a few years after publication of his review Sombart's engagement for the Marxian theory of value appears considerably diminished. If Engels himself had – with some reservations – confirmed that Sombart's interpretation had "essentially" been correct, "other critics thought that (his interpretation) could no more count for Marx's value theory. Perhaps they are right" (Sombart 1900, 56).

This indicates not only a gradual distancing from the Marxian system but also a diminishing interest in the analytical elements of Marxian economic theory, which also appears in his successive discussions of core elements of Marx's theory of capitalist economic development. In his review article, Sombart had awarded unreserved praise to part three of *Das Kapital* Volume III for its "brilliant presentation of the law of the tendential decline of the rate of profit as self-evident consequence of the theory of value, respectively surplus value". With "progressive decline of variable capital relative to constant capital, and hence to total capital, an unchanged rate of surplus value must result in a declining rate of profit" (Sombart 1894, 564). Sombart also points to the importance of Marx's discussion of the "inner contradictions of the law", which goes beyond what was already known from Engels' *Anti-Dühring*.

In Sombart's view, the ultimate goal of Marx's economics was to provide a theory of capitalist development in the long run. In later editions of *Sozialismus und soziale Bewegung im 19. Jahrhundert*, he identifies five main determinants which he subject to critical discussion: the tendency towards concentration and centralization of capital, the tendency towards socialization, the theory of accumulation, the immiserization theory, and the theory of final collapse (Sombart 1908, 79ff). In the latter, no mention is made of a declining rate of profit, instead Sombart even denies that periodic crises are an immanent feature of capitalism but should rather be seen as "random complications" caused by equally random waves of speculation (97).

In a short monograph written at the occasion of the 25th anniversary of Marx's death, Sombart attempts an evaluation of Marx's contribution to the social sciences (Sombart 1909a, b, 31ff). The importance of Marx for the social science does not lie in contributions to the approved body of knowledge, nor in his various "laws", of which most have been a failure, but as system builder – as "founder of systemic social science". In this capacity, Marx "combined the achievements of classical political economy and historical school, thereby establishing the concept of economic system […] as object of economic science" (53–54).

If Marx "hardly contributed to augmenting the technical apparatus of economics" (52), in Sombart's view, this is of little relevance for his historical significance at a time when "perfection of the technical apparatus of the social sciences has become a kind of 'shoemaker's work". This indicates the change in Sombart's attitude towards the analytical side of economics – there is nothing left of the ambitions which appear in his review article of 1894.

In his little monograph of 1895, Sombart had identified epistemology as weak spot in Engels' thinking (Sombart 1895, 13). Now he directs his critique against Engels' attempt to give Marx's economics, in particular to his "law of value", the

appearance of exactness similar to that of natural science.[10] Not only have Marxian "laws" mostly turned out to be untenable, but Sombart considers Engels' analogy of Marx and Lavoisier to be "principally mistaken" (Sombart 1909a, b, 36).[11] As he elaborated in detail in his methodological work *Die drei Nationalökonomien*, there is a principal difference in how we "understand" nature and cultural/social phenomena. Whereas the natural sciences categorize natural phenomena from an extrinsic (*äußerlich*) point of view, cultural/social phenomena are capable of "meaningful understanding" (*Sinnverstehen*). The aim of the social sciences is to show that social reality is created by the meaningful actions of people themselves (Sombart 1930, 193–194). Thus, Sombart is one of the main founders of "interpretive sociology" (*verstehende Soziologie*), which contrasts with Engels' Hegelian ontological dialectics.[12]

Rather early during the phase of his deep engagement with Marx's economic theories, Sombart must have realized that – like Engels – he lacked "the talent for abstract mathematically oriented thinking, which was characteristic for Marx". With respect to abstract economic theory, Sombart thought that it had not made any progress worth noting since the days of Karl Marx, contenting himself with its rather simple versions.[13] Instead, Sombart pursued a multidisciplinary approach, which aimed at a wider synthesis with the explicit inclusion of what he considered the durable achievements of Karl Marx's work.

The second edition of Sombart's magnum opus *Der moderne Kapitalismus* (1919/1927) indicates a return to Marxian ideas, and to his economics in particular, which echoes several or the main topics of the early review article of 1894. Above all, the theory of surplus value is central for the explanation of the dynamics of the capitalist economy (Sombart 1927, 139ff).[14] Sombart also follows Marx in his emphasis on the role of technology and technological process and, on the other hand, in his tendency to downgrade the significance of competition.

Surplus value (m) is understood in the neutral sense of the difference between wages (v) and total product (v + m), ideally measured in terms of labour time. Changes in the rate of surplus value m/(v+m) is – in conjunction with technological

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[10] In his preface to Volume II of *Das Kapital*, Engels makes a comparison of Marx's "discovery" of the "law of value" to Lavoisier's discovery of oxygen (Marx 1884/1978, 98).

[11] In an essay of 1924, Sombart discussed in detail the use of the concept of social law by Marx and Engels. Certain ambiguities notwithstanding, they view social laws, which underlie the laws of motion of socioeconomic development, as analogous to natural laws.

[12] On this point, see the contribution of Hans Frambach, *Friedrich Engels and Positivism*, in the present volume.

[13] Sombart's tendency "to neglect all the last sixty years' achievements in economic theory […] with the healthy scorn of the creative thinker who disregards everything that is uncongenial to his thought" is one of the main points of Joseph Schumpeter's (1927/1954) otherwise positive review of Sombart's third volume of *Der moderne Kapitalismus*.

[14] A simpler version of Sombart's analytical framework is presented already in Volume I (Sombart 1919, vol. I, 324–325).

progress – the main determinant of capitalist dynamics.[15] The use of labour values, however, does not in any way imply that "labour receives less than what is produces [...] In a capitalist economy, total revenue is the product of all factors involved in the process of production" (139). Capitalism is characterized by production on an expanded scale accumulation. Nothing can be said a priori – i.e. by deductive reasoning – about long-run changes in $m/(v + m)$ – in this context, Sombart criticizes Marx and Ricardo for confusing empirical and theoretical arguments, insisting on their strict separation (143–144).

Hence, economics cannot operate with "laws" in the strict sense; there are only "tendencies of development" which can be discerned with certainty only ex post, by hindsight, not for the future (142). With respect to tendencies which are of key importance for development, Sombart largely remains within the framework of the Marxian system. As he did in previous works mentioned before, he often disagrees with Marx's opinions on their direction. Sombart elaborates in great detail on the development of technology, which can be seen as complementary to Marx more general emphasis on this factor. Unlike Marx, Sombart assigns a central role to the entrepreneur as driving force, for which he received high praise from Schumpeter.[16] The change of the structure of the capitalist enterprise and the function of the entrepreneur figure prominently in Sombart's theory of *Spätkapitalismus*, the next and final stage of capitalism, which he thought would follow "high capitalism" after World War I (951ff, 1008ff). Thus, Sombart's cautious predictions for future developments were to a considerable degree based on sociological considerations.

According to the preface to the III volume of *Der moderne Kapitalismus*, Sombart – although in a very general and certainly no more in a political sense – felt as a "Marxist": "what Marx said, was the splendid first word about capitalism", while in his own book "the modest l a s t word" was being said (Sombart 1927, xxi).

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[15] Sombart's presentation of this formal "theoretical" framework is astonishingly simple. Note that neither c nor C (the capital stock) figure in it. There is an echo of the transformation problem in the distinction between "surplus value" which is understood as an aggregate "related to total capital", and "profit", which is related to individual capitals (139). Yet, this is not the place to elaborate on Schumpeter's critique of Sombart's understanding of economic theory.

[16] See Schumpeter (1927/1954, 233ff). In this context, it is worth noting that Sombart's emphasis on the crucial role of the entrepreneur dates back to an essay published in 1910 (Sombart 1909a), 3 years before Schumpeter's *Theory of economic development*.

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Friedrich Engels and Positivism: An Attempt at Classification

Hans A. Frambach

1 Introductory Background

In the early nineteenth century, philosophical debate was strongly characterized by the opposition between philosophical reflection and experimental scientific research. Especially in Germany, idealistic (or Romantic) philosophy felt superior to other fields of scientific research, grasping itself as "true" science, being able to transcend experience on the one hand and to justify it on the other hand (Poggi and Röd 1989, 20). In the second half of the nineteenth century at the latest, an increasingly "integrative" view gained ground in the face of progress in scientific research, followed by an expansion of the spectrum of scientific knowledge. Positivist philosophers hoped the sciences could provide concrete, useful, and direct answers to ideological questions. The search for new, all-embracing syntheses came to the fore, and connections with Herbert Spencer's (1820–1903) emerging philosophical synthesis can certainly be drawn.

In this time of scientific and technical awakening, laboratories were established at universities, and scientific journals and associations were founded for the purpose of strengthening research activities. At the same time, a trend toward the popularization of scientific knowledge began, combined with the development of an attitude characterized by trust in science and mirrored, for example, in the new prestige of professions such as medicine and engineering. Broad thinking about the reorganization of society accompanied rapid change and widespread social and economic upheaval; indeed, philosophy itself was discovered as a central means of increasing productive power.

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The positivist way of thinking found its way into contemporary economic theory, too. Early neoclassical economists, in particular, with leading authors like William Stanley Jevons (1835–1882), Léon Walras (1834–1910), and Carl Menger (1840–1921), drew analogies between Newton's model of classical mechanics and economic behavior, adopting a mechanistic approach to the economic system. The aim was to predict future events and derive deterministic solutions in all areas of knowledge. If all the variables, all the cause-and-effect mechanisms were only known, all events could be understood and predicted. In the possibility of quantifying economic phenomena and carrying out reliable forecasting procedures, the early neoclassical economists hoped for a modernization of economic theory with successes like those that the natural sciences had to show (e.g., Georgescu-Roegen 1976, 2; Knight 1956, 179–180; Lowe 1951, 404; Thoben 1982, 292).

Engels took note of the neoclassical national economists at best en passant. He did not study their theories in any detail, since he completely rejected them as preservers and continuators of the Political Economy he so strongly criticized. He even contemptuously referred to the neoclassical national economists as "clueless vulgar economists"; his scorn for them knew no bounds (Engels 1894, 13; Frambach 2020, 318; Henderson 1976, 681, 742; Hutchison 1978, 317). This is surprising, because Léon Walras, for example, was well acquainted with socialist theories and open-minded to many of its ideas. Walras wrote some articles for the *Revue socialiste* and advocated the gradual purchase of land by the state (nationalization of land) in order to ensure equality of conditions; and he also advocated state intervention and state provision of public goods in the event of market failure (Bellet 2016, 201). Nor was Walras alone in this respect; another famous representative of early marginalist economic theory, Hermann Heinrich Gossen (1810–1858), for example, argued for the nationalization of land (Kurz 2020a, 98, fn. 32). Engels' dismissal of the marginalists in their entirety as vulgar economists merely shows a lack of interest in seriously engaging with them. They, like he, were in fact imbued with the same positivist spirit.

As a contemporary witness and active participant throughout most of the nineteenth century, Friedrich Engels lived in the heyday of positivism and to a considerable extent inhaled its spirit. His preferred approach and conviction ("moving from theory toward practice") was in line with the basic tenets of positivism in its attempt to structure the relationship between theory and reality. However, Engels cannot be assigned without further ado to any specific direction. On the one hand, with his demands for a radical reorganization of the economy and society, his obsession with technology, and the associated advocacy of new ways of increasing productive forces – and this against the background of immense progress in science and technology – Engels embodied an unshakeable belief in dynamic change. On the other hand, the demands contained in his reflections on change – the abolition of competition and private property, etc. – called into question the central forces driving it.

The following examples of three great representatives of positivism whose work was contemporary with Engels – Henri de Saint-Simon, Auguste Comte, the "founding father" of positivism, and John Stuart Mill – will be used to trace basic statements and essential aspects of positivism. Engels himself drew on some of these

scholars and received suggestions from them, but he also critically questioned and rejected some of their basic positions.

2 Philosophers of Positivism: Saint-Simon, Comte, and Mill

The detachment of natural science from speculative natural philosophy was essentially rooted in the mathematization of the newly emerging field of natural science in the period between 1650 and 1750. Isaac Newton's (1643–1727) *Principia Mathematica Philosphiae Naturalis* formed the pivotal point of this development. The principle of the immutability of the laws of nature, the guiding principle of positivism, reflects this development. The determinacy of the laws of nature and the growth and characterization of science through the development of such laws shaped the image of science both in the philosophy of positivism and in the natural sciences. From Comte's point of view, the purpose of the so-called imagination – the ability to perceive and express recognizable connections between observed facts as laws – lays in the control of observation, or more precisely, in the safeguarding of observation from deviation. Auguste Comte (1798–1857) warns against empiricism as a mechanical and undifferentiated collection of facts, as much as he does as against an unclear theological-metaphysical way of thinking, as enemies of the positive spirit (Comte 1979, 85–86). Science is science because it establishes laws perceived in phenomena and thus exceeds the level of pure observation. Comte assumes a tendency of science to ever more exact representation of its object, attainable by the application of laws. A complete representation of reality is impossible; however, scientific perfection can be achieved with the realization of an "ideal threshold." Progress of knowledge is synonymous with approximation to this threshold.

Comte was influenced primarily by Claude-Henri de Rouvroy and Comte de Saint-Simon (1760–1825), whom he served for a time as secretary. Comte used many of Saint-Simon's social utopian ideas and endeavored to combine them with the clarity of the mathematical method he favored. As an early socialist, Saint-Simon focused strongly on human labor and the unequal political and economic distribution of power and wealth to the disadvantage of the workforce. A worker, he said, is forced by his material situation to enter into labor contracts of any kind. Saint-Simon was one of the first to point out the increasing separation of property from labor and capitalist from worker as a consequence of the principle of unrestricted competition; he saw in the modern worker a continuation of the tradition of slavery, the exploitation of man by man. Although he did not deny the economic successes of political and economic liberalism, he found fault with leaving the social question open (Saint-Simon 1962, 105, 110–114, 123) and strove for the division of labor and full development of industrial society, which would culminate in the perfection of mankind.

Unlike with Marx and Engels, the focus here was not on exploitation, wages, and profits. Saint-Simon advocated the constitution of a new property relationship

between workers and the means of production to be achieved by easing property transfer, setting progressive tax rates, and taking a critical view of inheritances and indirect taxes on consumption. The new society should be conceived as a social working community pursuing association instead of competition and administration instead of government – all this with the aim of overcoming poverty and precariousness. Saint-Simon's conception of a future social order is characterized by an economic upswing. The focus is on the realization that the political constitution does not form the basis of social coexistence, but that, as Marx and Engels would later argue, economic factors exert the greatest influence. Accordingly, it is necessary to establish a social order that corresponds to the new economic form, namely, that of industry (Saint-Simon 1962, 44–45, 119). To achieve this, Saint-Simon called for harmony instead of class struggle – people should unite for the common good. In the new industrial system, everyone would be rewarded according to their efforts, abilities, and usefulness (Saint-Simon 1962, 14, 127–128). This ideal could only be achieved if the suppression of labor in the feudal-bourgeois property system were overcome and a new morality emerged, directed toward the public good. Nevertheless, Saint-Simon – in sharp contrast to Engels – advocated the retention of property. The continued existence of the individual right of inheritance also remained untouched.

Both Saint-Simon and Comte saw their goal in the reorganization of social structures. For this Comte considered the establishment of a positive social theory – he called it "sociology" – as indispensable. The term sociology is first used in the *Cours de philosophie positive* of 1839 (vol. 4, 252) as a synonym for positive science (Comte 1979, XV, fn. 3). However, Comte had already given a paraphrase of the term in 1822 when explaining the science of politics, distinguishing its empirical approach from the fantastical constructs of theology and metaphysics (Comte 1970, 273). He begins his positive social theory with a series of general investigations of the phenomena under consideration. Through these, he develops a social science whose leading principles can only be realized in a second step. Since it is not possible to derive general propositions from the observation of a single condition, it is necessary to compare present and past conditions in as complete an overview as possible of the phases of history. The historical knowledge thus gained has to be summarized into "general facts" before forecasts about future developments, or statements about the reorganization of society, can be made. The parallels to Baconian inductivism are obvious.

Comte's statements about the reorganization of society are made on the basis of his philosophy of history, which centers on the "law of three stages," according to which the development of knowledge and human intelligence takes place in three necessarily successive stages. In the *first* stage, the theological or fictive, man explains natural phenomena to himself through belief in human-like, volitional beings. The theological stage develops through fetishism and polytheism to the assumption of a creator God (monotheism), from which the postulate of legality in the world derives. The *second* (metaphysical) stage is described as a general modification of the first stage. The supernatural agents are now presented as abstract forces, independent entities that are generally considered to be the causes of natural

phenomena – Comte believed that the explanation of phenomena lies essentially in the attribution of metaphysical causality. However, in the development of the human mind, man comes to the realization that the attainment of absolute knowledge is impossible. This realization describes the *third* (or positive) stage, when man renounces delusive hopes and no longer demands ultimate causes or purposes. Rather, his attention is directed to the establishment of the "relative point of view" that is, the realization that all processes are subject to immutable laws. Irrational causes are renounced, and the real circumstances, causes, and interconnections among these causes are searched for. Comte's positive philosophy belongs to this final positive stage and is considered a "general system" in which the phenomena of nature can be explained. Positive philosophy describes the task of scientific research as the discovery and exact formulation of such laws, which are themselves derivable from a few basic principles. Conversely, positive philosophy illustrates the inability of the human mind to discover "essential causes."

On the basis of the law of three stages as applied to the development of human knowledge, Comte determined for the positive stage a "ranking" of the sciences according to their objects and methods ("encyclopedic law"). This begins with the most general and abstract science, mathematics, and ends with the most subjective and concrete, sociology. In between are astronomy, physics, chemistry, and biology. Mathematics develops the elementary forms of logical proof and deduction but cannot on its own support a general philosophy. Sociology describes the field of "social physics" or the field of science in which the historical method is applied; thus, sociology presupposes the mastery of all other methods (Comte 1979, 243, n. 26). The hierarchy of the sciences is also found in the concept of positivism, since a positive science is characterized by its empirical character, the claim to be value-free, and the ability to formulate practically relevant predictions on the basis of inductively established laws. For a positive science, the ability to gain general laws through observation in order to make predictions is crucial (Comte 1979, 310). Astronomy and physics, for example, are positive sciences not because they are mathematically formulated but because they are empirical.

Comte contributed significantly to directing nineteenth-century philosophy to the "law-like relations between facts" – the only thing that science can recognize at all from phenomena – which in turn helped to revive the idea of the relational nature of human knowledge. Nevertheless, Comte increasingly turned away from positive philosophy and devoted himself to speculative theses, which led, among other things, to a break with John Stuart Mill (who had also supported him financially). Comte increasingly took on the role of a high priest, founder, and director of a new school and religion – the "religion of humanity" (Comte 1966, 48). He considered Christianity degenerate, since on the one hand, it represented a morality that contradicted the benevolent inclinations of nature and on the other hand considered the dignity of work to be a divine curse. Comte called for a religion that would inspire the individual with a consciousness of his relation to all other beings. Positivism should in the most natural way abolish the mutual antagonism of the early religions and establish its rule on the basis on which all previous religions have intuitively been based, namely, the idea of humanity. Humanity, for Comte, was the immediate

moving force of every collective and individual existence and underlay the "sacred formula" of positivism: "love as principle, order as foundation, progress as end" (Comte 1966, 60–61).

Comte's positivism was further developed by John Stuart Mill (1806–1873) into empirical or methodological positivism, with the inclusion of psychological presuppositions, thus laying the foundation for the broader philosophy of English empiricism. According to Mill, all philosophy is based on psychology, understanding logic not only as a science separate from psychology but as a branch of it (Mill 1979, 461). Like Comte's positivism, empirical positivism saw a central task in the discovery or determination of regularities. Mill's starting point was the complete determinacy of the course of nature. In his *System of Logic* of 1843 – an attempt to defend the inductive method in the applied sciences and in mathematics, which embodies according to Scarre (1987, 1) "the greatest revolution in logical studies since Aristotle" – Mill unfolds his significant five "Canons of Induction":

1. Method of Agreement: "If two or more instances of the phenomenon under investigation have only one circumstance in common, the circumstance in which alone all instances agree, is the cause (or effect) of the given phenomenon" (Mill 1976, 390).
2. Method of Difference: "If an instance in which the phenomenon under investigation occurs, and an instance in which it does not occur, have every circumstance in common save one, that one occurring only in the former; the circumstance in which alone the two instances differ, is the effect or the cause, or an indispensable part of the cause, of the phenomenon" (391).
3. Joint Method of Agreement and Difference: "If two or more instances in which the phenomenon occurs have only one circumstance in common, while two or more instances in which it does not occur have nothing in common save the absence of that circumstance; the circumstance in which alone the two sets of instances differ, is the effect, or cause, or a necessary part of the cause, of the phenomenon" (396).
4. Method of Residues: "Subduct from any phenomenon such part as is known by previous inductions to be the effect of certain antecedents, and the residue of the phenomenon is the effect of the remaining antecedents" (398).
5. Method of Concomitant Variation: "Whatever phenomenon varies in any manner whenever another phenomenon varies in some particular manner, is either a cause or an effect of that phenomenon, or is connected with it through some fact of causation" (401).

After Mill had developed these rules for rules for explaining phenomena, discovering causal laws and ensuring their universal validity, he surprisingly stated that these methods are not applicable to the social sciences due to the complexity of causal relations prevailing there and the impossibility of conducting controlled

experiments. Instead, he proposed the deductive method for the social sciences.[1] This consists of three successive components (Mill 1976, 454–464):

1. Determination of the laws of causes (induction)
2. Conclusion (physical or concrete deductive method)
3. Verification

The task of the deductive method is to derive the law of an effect from the laws of the various tendencies of which it is the overall result. In the case of social or historical phenomena, the premises of the deductive method are nothing other than the laws of the causes which determine those phenomena. These causes are human actions, which in turn result from individual states of consciousness. In the same way in which the phenomena of social life are ultimately based on the actions and states of consciousness of human beings (and incompletely as these laws and connections are known), so in the natural sciences, the empirical positivists argued, the solid and liquid substances that form the organic body obey mechanical and chemical laws (Mill 1976, 454). Mill thus assumes an analogy between the laws of the natural and social sciences. The similarity of this to the manifold parallels drawn by Engels between scientific and social phenomena, as well as the overall goal of deriving general laws, is obvious, although Engels never even mentioned Mill.

The laws in question, according to Mill, are determined inductively, in line with his Canons of Induction of experimental research:

> Thus, if the subject be social or historical phenomena, the premises of the Deductive Method must be the laws of the causes which determine that class of phenomena; and those causes are human action, together with the general outward circumstances under the influence of which mankind are placed, and which constitute man's position on the earth. The Deductive Method, applied to social phenomena, must begin, therefore, by investigating, or must supposed to have been already investigated, the laws of human action, and those properties of outward things by which the actions of human being in society are determined. Some of these general truths will naturally be obtained by observation and experiment, others by deduction: the more complex laws of human action, for example, may be deduced from the simpler ones; but the simple or elementary laws will always, and necessarily have been obtained by a directly inductive process (Mill 1976, 454–455).

After the laws of the causes have been established, the conclusion of the causes that describe these laws is used to infer their effect. Within the framework of inference, Mill referred to findings in mathematics, geometry, mechanics, acoustics, and astronomy. And to ensure the application of the deductive method, he called for provability (verification) as the third key factor of this method. Observation serves as the testing authority for deduction.

The assumption of the existence of generally determined or determinable laws of nature – in agreement with Comte – characterizes not only the natural science of the nineteenth century but also the entire philosophy of positivism. This circumstance describes an essential characteristic of the nineteenth-century *zeitgeist*. The general

[1] Mill also introduced the idea of economic theory as determined by its method, not by its subject, the definition of a science being inseparable from its method.

tendency toward a scientific, law-bound, and "realistic" way of looking at things is also visible in Engels' studies, in all his scientific endeavors, and is indeed the precondition for the emergence of modern economic theory – which Engels rejected vehemently, even passionately. Moreover, all these developments seem to be based on the same understanding of time.

Another connection between empirical positivism and Political Economy as Mill saw it should be mentioned here. In his 1836 essay *On the Definition of Political Economy*, Mill resorted to the distinction introduced by Nassau William Senior (1790–1864) between pure and strictly positivist theory (science) and normative science (art) (Blaug 1980, 54–55; Mill 1967, 312–314). Mill also adopted Senior's generic categorization of economics as a mental science, given that economic theory deals primarily with human motives and instructions for action in economic life (Mill 1967, 317–320). Some see this as the birth of the concept of economic man (e.g., Blaug 1980, 56–58).

A glance at Mill's definition of Political Economy shows that his way of thinking was similar to Senior's. Mill defined Political Economy as:

> The science which traces the laws of such of the phenomena of society as arise from the combined operations of mankind for the production of wealth, in so far as those phenomena are not modified by the pursuit of any other object. But while this is a correct definition of Political Economy as a portion of the field of science, the didactic writer on the subject will naturally combine in his exposition, with the truths of the pure science, as many of the practical modifications as will, in his estimation, be most conducive to the usefulness of his work (Mill 1967, 324).

Senior based economic theory on a few general conditions that are the result of observation, consciousness, and normal everyday understanding (Senior 1965, cit. 26):

1. That every man desires to obtain additional Wealth with as little sacrifice as possible.
2. That the Population of the world, or, in other words, the number of persons inhabiting it, is limited only by moral or physical evil, or by fear of a deficiency of those articles of wealth which the habits of the individuals of each class of its inhabitants lead them to require.
3. That the powers of Labour, and of the other instruments which produce wealth, may be indefinitely increased by using their Products as the means of further Production.
4. That, agricultural skill remaining the same, additional Labour employed on the land within a given district produces in general a less proportionate return, or, in other words, that though, with every increase of the labour bestowed, the aggregate return is increased, the increase of the return is not in proportion to the increase of the labour.

These conditions, which still represent central assumptions in economic theory today – at least in the basic models – and also form their analytical basis, were all rejected by Engels in his critique of Political Economy (e.g., Engels 1844, 421–423). This shows that the young Engels already intuitively anticipated some basic

categories of economic theory – even if he did not really understand them in terms of their effect and significance (Frambach 2020, 292–302; Kurz 2020a, 81–82; 2020b; 330–350). Once again, the positivist world view of the nineteenth century was omnipresent to the scientists of that time, only different conclusions were drawn.

At this point, I will conclude initially with a provocative thesis. Namely, that the positivist understanding of economic theory as represented by Engels and the empirical positivists was not that far apart. In Political Economy, man is viewed as if his only goal is to increase individual consumption and wealth. Mill's assumption on this was that man, of his nature, will prefer greater to lesser wealth. Engels massively criticized this view, seeing in it the call, which in his opinion had existed since Adam Smith, to always and constantly obtain the maximum out of things – which was ultimately morally reprehensible (capitalism with its principle of competition and private property was to blame, etc.) (e.g., Frambach 2020, 292–293; Kurz 2020b; 338–341). Contrary to Engels' opinion, Mill, as well as the other classical and neoclassical economists, only saw the maximization assumption as an adequate procedure for science, which, according to Mill, was absurd in the context of the real world (Mill 1967, 321–322).

Most economists were (and are) of the opinion that there is probably no human action that is not triggered directly or indirectly by the desire for more. For Mill at any rate, the correctness and applicability of economic theory to those areas of human action in which the striving for utility is not in the foreground cannot be ruled out. However, since economic theory basically deals with the areas of human life in which striving for wealth is predominant, he had no reservations there. The economist, however, has to ask what actions result from this striving for maximization, provided that the different areas of action are delimited from one another. Mill believed that with this "economic method" or its underlying assumptions, he could better describe the behavior of economic subjects in terms of theory and achieve a more exact approximation to actual human behavior. We can see this as the beginning of thinking in models – of describing and analyzing reality with models. Perhaps it is precisely this that Engels criticized when he demanded that science should always refer to reality (Engels 1844, e.g. 333–334).

3 Engels and the Philosophy of Positivism

Engels received many ideas from early socialists, but he by no means only admired them, especially in his younger years. He considered, for example, Saint-Simon, to be rather unspecific and his theory nothing but social poetry; and he later judged Comte as falling behind even Saint-Simon (Engels 1843, 499; 1869a, 169; 1869b, 182). In the *Manifesto of the Communist Party* (1848), Saint-Simon, together with Charles Fourier and Robert Owen, was still placed in the "early undeveloped period […] of the struggle between the proletariat and the bourgeoisie," in which "any historical initiative or any independent political movement" of the proletariat went unrecognized (Marx and Engels 1848, 489–490). A "social science, social laws" for

the liberation of the proletariat were sought (ibid.), but these could only be determined in light of Engels and Marx's discovery of the material preconditions for liberation, as expressed in *Das Kapital*, based on the recognition of the parallel development between class antagonism and industry. Marx and Engels criticized Comte for seeing the task of science in the mere description of the facts of experience and considered his notion of the history of knowledge as the succession of the three states (or methods) of the human mind to be fundamentally erroneous. Especially Marx titled Comte a prophet of the empire, and thus of feudal order and dictatorship, a representative of a strict hierarchy, and a defender of inequality (Marx 1871, 555). Marx had expressed himself disparagingly about "Comtism," as he called it. Well-known is his letter to Engels of July 7, 1866, in which he speaks of "shitty positivism" and regrets that he now also has to read Comte, because "the English and French are making such a fuss of the fellow" (Engels 1866, 292).

Between 1876 and 1878, Engels wrote *Herr Eugen Dühring's Umwälzung der Wissenschaft (Anti-Dühring)*, which in 1880 gave rise to *Socialisme utopique et socialisme scientifique* and in 1882 to the German version *Die Entwicklung des Sozialismus von der Utopie zur Wissenschaft* ("The Development of Socialism from Utopia to Science" of 1883 with the appendix *Die Mark*). In *Anti-Dühring*, scientific socialism was substantiated in detail as a self-contained world outlook of the working class and presented as an organic unity of philosophical, economic, and socialist doctrines. For the first time, Engels coherently developed the essential philosophical foundations of the Marxist worldview (Engels 1988, 15).[2] Here he defends the early socialists, and in particular Saint-Simon, against Eugen Dühring's criticism and even discovers in the French philosopher a "brilliant breadth of vision" (Engels 1876/78, 429; 1882, 594). Fundamental preliminary work for scientific socialism, which Engels and Marx would now prove scientifically, had been done in many respects not only by Saint-Simon but also by Fourier and Owen, especially with regard to the critique of society. Reference is made to Engels' *Supplement to the 1870 Preliminary Note to 'The German Peasant War*[3] of 1874 (MEGA^2 I/24 1988, 383) and to his explanations of Saint-Simon's views on the opposition between providers and idlers (Engels 1988, 54). And he makes a virtually innovative characterization of Saint-Simon's interpretation of the French Revolution as a class struggle not only between the aristocracy and the bourgeoisie but also between the aristocracy, the bourgeoisie, and the dispossessed. Moreover, Saint-Simon's prediction of the "total absorption of politics into the economy" is lauded as a "brilliant breadth of view" (Engels 1882, 594).

Certainly, many ideas of the "three great utopians" (Saint-Simon, Fourier and Owen) were still criticized and rejected, but overall Engels interpreted them as a

[2] The introduction to the MEGA^2 edition of *Anti-Dühring* points out that in the process of reappraisal of the socialist and communist heritage, *Anti-Dühring* was the culmination. While the *Manifesto* was primarily concerned with distinguishing scientific socialism from all preceding socialist theories, *Anti-Dühring* was primarily concerned with appreciating previous achievements leading to scientific socialism (MEGA^2 I/27 1988, 54).

[3] *Ergänzung der Vorbemerkung von 1870 zu 'Der deutsche Bauernkrieg'*.

kind of preliminary stage on the path toward scientific socialism, which alone merited the name of a "realistic" explanation of the capitalist mode of production and the materialist conception of history (Engels 1882, 591, 599). In their own positivist science, founded in contradistinction to the philosophy of Hegel, Marx and Engels elaborated their dialectical method, describing social change as a development in terms of social evolution; in this respect, both can be seen as precursors of sociology.

Like the positivists, Engels' central goal was to discover absolute laws of nature, for example, to develop theoretical knowledge based on empirical foundations from such first principles as the nature of movement. This becomes clear in various scientific statements and notes in the *Dialectics of Nature* (1873–1882). Engels' great concern was to show the parallelism of complexity, and change in nature and society made possible by the materialist conception of historical processes laid down by Marx (in the sense of generalizing his specific perception of processes governed by natural law: Engels 1873/82, 504–505).[4] Engels pointed out parallels between the "history of human nature" and the "history of society," both of which develop along identical (dialectical) lines. The three main laws of this development are the "most general laws" developed by Hegel as "mere laws of thought" (Engels 1873/82, 356): "The law of the transformation of quantity into quality and vice versa; the law of the interpenetration of opposites; the law of the negation of the negation." Engels, however, did not go so far as to accept Darwinism as a law of social development and considered naive the attempt to derive from natural history general laws for the history of society (Engels 1873/82, 584).

In the question of inferring from the individual to the general and/or vice versa, Engels moved in his critique of pure empiricism (one will never arrive at general conclusions with mere fact-gathering, just as little as with pure deduction: Engels 1873/82, 507–508), as well as with his conception of theory, by and large on positivist terrain. But, he insisted: "Induction and deduction belong together as necessarily as synthesis and analysis. Instead of one-sidedly lauding one to the skies at the expense of the other, we should seek to apply each of them in its place, and that can only be done by bearing in mind that they belong together, that they supplement each other" (Engels 1873/82, 508). And in the same vein:

> Individuality, particularity, universality—these are the three determinations in which the whole "Doctrine of the Notion" moves. Under these heads, progression from the individual to the particular and from the particular to the universal takes place not in one but in many modalities, and this is often enough exemplified by Hegel as the progression: individual, species, genus. And now the Haeckels come forward with their induction and trumpet it as a great fact—against Hegel—that progression must be from the individual to the particular and then to the universal (!), from the individual to the species and then to the genus—and then permit deductive conclusions which are supposed to lead further. These people have got into such a dead-lock over the opposition between induction and deduction that they reduce all logical forms of conclusion to these two, and in so doing do not notice that they (1) unconsciously employ quite different forms of conclusion under those names, (2) deprive themselves of the whole wealth of forms of conclusion in so far as it cannot be

[4] For a discussion of the so-called Engels problem in this context, see the essay by Kaan Kangal in this volume.

forced under these two, and (3) thereby convert both forms, induction and deduction, into sheer nonsense (Engels 1873/82, 506).

Although Engels mentioned that all ideas derive from experience and reality, and true life begins with the description of reality, for which positive science is needed (e.g., Engels 1876/77, 596), it is clear that empirical observation alone could never adequately prove the necessity he seeks to establish as a (if not the) fundamental scientific principle (Engels 1873/82, 506) – a conviction already indicated in Marx and Engels' early writings (e.g., Marx and Engels 1845/46, 37). This insight is, of course, in line with Comte's principles of positivism, for example, that science is never merely the collection of facts, but is rather concerned with demonstrating the laws governing the objects of investigation and thus reaching the "ideal threshold" of knowledge – a principle Engels confirmed when he demanded that all science had to come to an end, "for it has to investigate precisely that which we do not know" (Engels 1873/82, 499). In his reflections on causality, Engels made the remarkable statement:

> Natural science, like philosophy, has hitherto entirely neglected the influence of men's activity on their thought; both know only nature on the one hand and thought on the other. But it is precisely the *alteration of nature by men*, not solely nature as such, which is the most essential and immediate basis of human thought, and it is in the measure that man has learned to change nature that his intelligence has increased (Engels 1873/82, 511).

In the end, the dialectic as it comes into effect in historical materialism underlines both the regular antagonism of productive forces and relations of production and the class struggle as a characteristic feature of societal development. Behind this, production according to Engels, is the "special law of motion of the present capitalist mode of and the bourgeois society it produces," a law discovered by Marx. "Science was for Marx a historically moving, a revolutionary force" (Engels 1883, 335–336). Nature itself gives proof of the dialectic, the ongoing process of the movement of history in opposites, an aspect confirmed by new knowledge every day:

> Dialectics, so-called objective dialectics, prevails throughout nature, and so-called subjective dialectics, dialectical thought, is only the reflection of the motion through opposites which asserts itself everywhere in nature, and which by the continual conflict of the opposites and their final passage into one another, or into higher forms, determines the life of nature (Engels 1873/82, 492).

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Engels' Conceptions of Dialectics, Nature, and Dialectics of Nature

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Engels' name stands and falls today with a variety of his contributions to socialist thought and Marxist philosophy. Yet there is one particular component of the Marxist body of thought that has been subject to a group of controversies for quite some time for which Engels is usually held responsible: dialectics and dialectics of nature. It is curious and ironic that a theoretical contribution to an intellectual tradition within the history of European political philosophy could be perceived and depicted as a major distortion of that tradition. In Engels' case, this irony is captured by the phrase "the Engels problem." In this chapter, I will first briefly summarize what "the Engels problem" is about and lay out its connection to the reception history of Engels' dialectics. Then, I will delve into the general outlines of Engels' dialectics and focus on his intentions, tasks, and purposes in pursuing dialectics in some of his prominent works on this theme from 1870s to 1880s, most notably in *Anti-Dühring* and the *Dialectics of Nature*. In the final section, I will briefly discuss some of the open questions of Engels' natural dialectics.

1 The Engels Problem

The so-called Engels problem is perhaps as old as a footnote in Georg Lukács's 1923 book *History and Class Consciousness*. Lukács (1971, 24) famously claimed there that "Engels – following Hegel's mistaken lead – extended the [dialectical] method also to the knowledge of nature." On Lukács's (1977, 175) reading, Engels' dialectics was misleading insofar as Marx's dialectical method was limited to "historical-social reality," while "natural knowledge" lacks "crucial determinations

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of dialectics" such as "reciprocity of subject and subject, unity of theory and praxis, historical change of substrates of categories as the foundation of their change in thought etc." Although these points were not the central concerns of the 1923 book, it did not escape Lukács's contemporaries, attracting much polemical attention.

The German sociologist Werner Sombart was one of the first to notice Lukács's critical remarks on Engels. Taking Lukács's infamous footnote as the point of his departure, Sombart (1924, 28) reproduced Lukács's language that "Engels has fundamentally misunderstood the doctrine of his friend," and that the dialectical "method must be limited to historical-social reality." Yet unlike Lukács, Sombart went so far as to deny that dialectics as a logic of real contradictions could be applied to both social and natural reality. According to Sombart, Engels simply followed and developed the theoretical consequences of Marx's allegedly curious claims in *Capital* and elsewhere. For instance, Sombart found it quite discomforting to read in Marx (1991, 685; 1996, 751) that social movements are conceived of as "a nature-historical process." For Sombart, Marx proved to be a naturalist when the latter wrote that the "capitalist production begets, with the inexorability of a law of Nature, its own negation." Even more disturbingly, Marx has written that in the critique of political economy as well as in natural science "is shown the correctness of the law discovered by Hegel (in his *Logic*), that merely quantitative differences beyond a certain point pass into qualitative changes" (Marx 1996, 246). Sombart argued that Marx's views clearly developed a plea for crude social determinism, falling short of doing justice to human freedom by reducing social activity to mechanically determined epiphenomena. Marx's cardinal sin, according to Sombart, was to argue for contradictions in society. Sombart (1924, 28) held that antagonisms and opposites may be admissible in social analysis, but contradictions in society, let alone in nature, is not compatible with the standard accounts of formal logic. On this reading, Engels' extension of Marx's dialectical logic to cover natural phenomena in similarly Hegelian terms was simply an inevitable by-product of Marx's own undertaking of a dialectical social science.

Sombart's position is hardly novel, for some of its core arguments go back to Eugen Dühring, Marx's neo-Kantian rival and the main target of Engels' *Anti-Dühring*. Anticipating Sombart's contention about real contradictions, Dühring had raised the issue of the Hegelian elements in Marx's dialectics. Dühring had found nothing inspiring in what he called Marx's "arabesque" "unlogic" (Dühring 1873, 446, 453) and its curious claims concerning "real contradiction[s]" (Dühring 1875, 32). Peculiar to formal-logical errors, contradictions, Dühring argued, cannot be found in reality at all.

Before Lukács and Sombart have singled out Engels' dialectics of nature, the dialectics debate largely clustered around the Hegelian heritage of Marx's method, philosophy, and worldview and the applicability of Hegel's dialectical conception to both social and natural realms. For instance, Adolf Trendelenburg (1843, 3, 18), an early disciple of Hegel and Dühring's teacher and main source of inspiration, had already pointed out as early as in 1843 that Hegel's dialectical logic runs into serious difficulties when it provides ready-made schemes in explaining as to how the order of (natural) reality is structured in conformity with the dictates of Hegel's

Greater Logic. Later on, Trendelenburg (1862, 101) developed his account and charged Hegel's dialectics with failing to bridge the divide between philosophical dialectics and "physics and natural sciences." Trendelenburg's views were soon popularized by Eduard von Hartmann (1868, 38) and Paul Barth (1890, 5–8, 14), two figures that were extremely influential in the nineteenth-century socialist circles. Yet it was possibly Khaim Zhitlovskii, a Jewish-Russian intellectual and co-founder of the Socialist-Revolutionary Party in Russia, who separately attacked Marx and Engels' dialectics for the first time. Zhitlovskii believed that while both Marx and Engels were equally wrong to adopt Hegel's dialectical logic of contradictions and to apply it to social and natural realms, Engels differed from Marx in his "rather static standpoint" from the latter's "more dynamic" account (Schitlowsky 1896, 364).

Despite these ongoing debates since the middle of the nineteenth century, Lukács's 1923 book is usually given credit for pointing out the problem of natural dialectics, counterposing it to the social dialectics of Marx. As part and parcel of the initial reception of Lukács's contention, Ladislaus Rudas, a Hungarian communist and one of the early editors of Engels' *Dialectics of Nature*, and Abram Deborin, a former Menshevik and a Soviet Hegel scholar, launched attacks against Lukács's dismissal of Engels' dialectics. Rudas, for instance, argued that the alleged differences between Marx and Engels are not supported by textual evidence. According to Rudas (1971, 73–77), Lukács's position was also at odds with Marx's dialectical references in *Capital* and elsewhere where Marx has spoken of negation of the negation, the transition from quantity to quality, and the logical flux of concepts. Deborin (1971, 91, 103–104), on the other hand, was suspicious of Lukács's advocacy of a non-Marxist worldview in addition to his bad scholarship (cf. Kangal 2020b, 52–56).

Lukács's argument was reproduced in the Anglophone world for the first time by Sidney Hook. Though offering nothing original in terms of the content of Lukács's initial position, Hook ([1950] 1962, 75) asserted that the "attempt to apply the dialectic to nature must be ruled out as incompatible with a naturalistic starting point. Marx himself never speaks of a *Natur-Dialektik*." Assuming that Marx's dialectics "expresses the logic of historical consciousness and class action," Hook concluded that nature is "relevant to dialectic only when there is an implied reference to the way in which it conditions social and historical activity" (Hook [1950] 1962, 76). Along the similar lines, Kołakowski (1978, 401) contrasted Marx's view of nature as an "extension of man, an organ of practical activity" with Engels' objective conception of natural history as a mind-independent reality that supposedly "cannot be an object of cognition since it is not an object of human activity" (Kołakowski 1968, 43–44). Perhaps most famously, Alfred Schmidt (1971, 51) went on to say that it was Engels, not Marx, who sought to "interpret the area of pre- and extra-human nature in the sense of a *purely objective* dialectic." According to Schmidt, this "dogmatic metaphysic" is to be kept apart from Marx's dialectics according to which there can be "no question of a dialectic of external nature, independent of men." Last but not least, Norman Levine has taken the Engels problem to an extreme by fabricating a psychological fiction. Levine (1975, 231) claimed that the

Marx-Engels relationship was a matter of mutual exploitation and perverse domination: "In the realm of ideas, in terms of philosophic leadership, Marx played the role of exploitative master. In this area, Engels willingly accepted Marx's strength and primacy. Engels needed someone like Marx in order to establish his own self-esteem."

As the above summary of the genesis of the Engels debate suggests, a critical appropriation of Hegel's dialectics and its modified application to natural and social scientific spheres did not meet everyone's expectations. While the earlier debates circled around the issue of the relationship between Hegel's *Logic* and its correspondence to social/natural reality, the later debates narrowed down to the admissibility of contradictions in reality, both natural and social. When Zhitlovskii and then Lukács separately tackled the problems of Marx and Engels' dialectics, the former was given more credit than the latter in terms of innovative contributions to critical social theory and politics of class struggle. The latest versions of the Engels problem came to utilize the alleged deficiencies of Engels' dialectics to play Marx off against Engels. In this regard, the main point of attention could be said to have become as to whether Marx agreed with Engels' dialectics or not.

2 Engels' Own Problems: Dialectics, Nature, and Philosophy

The later reception of a theoretician largely determines the way we relate ourselves to that figure. Engels is no exception in this regard. Various questions and objections that have been raised with regard to Engels' dialectics continue to shape our conception of Engels' dialectical undertaking. However, it goes without saying that the afterlives of Engels' dialectics should not be conflated with the tasks and goals that Engels has set for himself when working on his project (cf. Kangal 2019). One crucial question that calls for a closer scrutiny in this respect is why Engels bothered to work on a philosophical conception of nature and natural sciences. Provided that Marxist theory concerns itself by and large with working-class struggle, it does not appear to be immediately self-evident that Engels came to occupy himself with questions related to the Hegelian heritage in Marxist philosophy or a materialist account of nature and natural sciences (cf. Kangal 2021, 73–75). Therefore, it makes sense to inquire into Engels' motives behind his colossal undertaking.

Engels' decision to systematically occupy himself with natural dialectics stems from the need to respond to the obvious question as to where Engels, along with Marx, stood in the philosophical arena of their time. Their positive, yet critical reception of the Hegelian heritage was well-known, but in the wake of the rising tide of alternative materialisms such as those of Moleschott, Vogt, or Büchner in the 1850s, the specificity of their materialist reinterpretation of Hegelian dialectics became questionable.

Marx (1983, 249) was obviously well aware of the need to provide a materialist account of the Hegelian philosophy when he wrote to Engels in 1858 the following: "Hegel's *Logic*" was "of great use to me as regards method of treatment" when

Marx was working on the theory of profit. "If ever time comes when such work is again possible, I should very much like to write 2 or 3 sheets making accessible to the common reader the *rational* aspect of the method which Hegel not only discovered but also mystified." That he did not give up on this promised undertaking afterward is evident from Marx's letter to Josef Dietzgen in 1868 (Marx 1988, 31): "When I have cast off the burden of political economy, I shall write a 'Dialectic'." This promised piece on dialectics that Marx has repeatedly brought up was indeed one of the first manuscripts that Engels had looked for in Marx's archive after Marx's death. Engels was going to find out that Marx did not keep his promise. While certainly not identical with what Marx had promised to write, Engels' own undertaking on dialectics can be said to be a product of the shared concern to clarify the relationship between the contested Hegelian legacy of dialectics and Marxist materialism.

A second motive behind Engels' work on dialectics was a need to respond to and resist against a growing anti-philosophical trend among natural scientists and natural materialists. An advocate of philosophically sophisticated natural science and scientifically informed philosophy, Engels was highly critical of some natural scientists who believed "that they free themselves from philosophy by ignoring it or cursing at it." Regardless of whatever they think of the theoretical status of philosophy, natural scientists cannot avoid philosophical frameworks. For as long as their natural scientific practice is guided by theoretical thinking, a certain kind of philosophical framework would always shape the theory in use. The only question is "whether they want to be dominated by a bad, fashionable philosophy or by a form of theoretical thinking which rests on acquaintance with the history of thought and its achievements" (Engels 1985, 32, 65; 1987b, 490–491; translation modified). In his *Old Preface to Dühring. On Dialectics*, he positively formulated the theoretical function that he ascribes to dialectics:

> [I]t is precisely dialectics that constitutes the most important form of thinking for present-day natural science, for it alone offers the analogue for, and thereby the method of explaining, the evolutionary processes occurring in nature, inter-connections in general, and transitions from one field of investigation to another (Engels 1985, 167; 1987b, 339).

Engels conceived of dialectics as a heuristic device useful for describing, explaining, and predicting objective and subjective conditions of forms of development in nature and society. We should keep in mind that this point was a contested issue at the time as the contemporary materialist philosophers influential among the socialist circles were dismissive of the Hegelian heritage of dialectics. The rapid rise and development in natural sciences brought about a mixed result for philosophy in the 1870s. On one side, "the old metaphysical mode of thinking" was fortunately eradicated. But on the other side, "Hegel was forgotten, and a new materialism arose in the natural sciences" that hardly differed from the former materialisms of the eighteenth century. The "narrow-minded philistine mode of thinking" (pioneered afterwards by Ludwig Büchner, Carl Vogt, and Jacob Moleschott) was originally already "demolished by Kant and particularly by Hegel." Admitting that Hegel's dialectics was "inapplicable" in its original form, Engels (1980, 473) proposed to transform it

in order to meet the theoretical expectations of an internally consistent materialist philosophy.

Reductionist materialist views such as Ludwig Büchner's dualistic ontology of physical matter and force, or Carl Vogt and Jacob Moleschott's crude reduction of human thinking to brain substance or phosphorus fat were indeed of interest within the working-class organizations which is why Engels has taken natural, non-dialectical materialisms seriously. But there was another front that Engels also intended to attack, a "camp", as it were, built around prominent scientists such as Rudolf Virchow, Oscar Schmidt, and Ernst Haeckel. The right-wing trend in theoretical natural sciences was deeply disturbed by the growing embrace and reception of natural scientific theories in the socialist literature. For instance, Haeckel tried to confuse and muddle the positive adoption and circulation of Darwinism in the socialist literature. Haeckel's claim was that since the laws of the animal kingdom fully apply to human societies, the ideal of full equality as propagated by the socialists of his time does not hold. Another scientist that Engels has taken into account was the neo-Kantian botanist Carl Nägeli who was involved in the quarrel of *ignorabimus*. Nägeli asserted that infinity and the universality of natural laws remain a mystery, for only the finite domains of nature are accessible to the human mind. This view was expressive of the neo-Kantian stream in the increasing fragmentation of particular sciences and their positivist hostility toward dialectical philosophy of nature (cf. Kangal 2020a, 25).

A third motive for Engels' work on dialectics can be said to concern the function of theory in working-class struggle and its intimate connection to philosophical thinking. Categorically rejecting a tacit reliance on unknown theories in the background of natural scientific practice, Engels argued for the necessity and indeed inevitability of philosophical frameworks. What any applied scientific theory and practice cannot avoid and what Engels' integrative dialectics was prepared to offer was a self-conscious adoption of a philosophical theory that was capable of articulating the constitutive elements and conceptual tools in use and testing their adequacy and consistency in the respective field of application (Kangal 2020b, 111). Dialectics as an integrative scientific pursuit cannot afford to ignore the relevance of philosophy. For philosophy occupies itself with categorial schemes, frameworks, and concepts based upon which claims, arguments, and conclusions are formulated andpremises are justified. The task of philosophy, on Engels' view, is to offer a set of systematically interconnected propositions with a varying degree of generality, ordering and linking up such propositions from less general to more fundamental assertions. If a particular scientific theory, natural or social, figures as a categorial tool of description and explanation, it needs to be rationally controlled and critically revised by means of a fundamental philosophical framework (Kangal 2020b, 103–104). It is this philosophical framework that Engels has identified with his dialectical philosophy.

Finally, Engels also had personal reasons to deal with philosophical themes, a point which he made quite clear on the opening pages of *Anti-Dühring*: "[W]hen I retired from business and transferred my home to London, thus enabling myself to give the necessary time to it, I went through as complete as possible a 'molting', as

Liebig calls it, in mathematics and the natural sciences" (Engels 1987a, 11). His ultimate goal was "to convince myself also in detail – of what in general I was not in doubt – that in nature […] the same dialectical laws of motion force their way through as those which in [social] history govern the apparent fortuitousness of events" (Engels 1987a, 11). Admitting that these laws were developed by Hegel in an "all-embracing but mystic form," Engels intended "to strip of this mystic form and to bring clearly before the mind in their complete simplicity and universality" (Engels 1987a, 11–12). He was convinced that "there could be no question of building the laws of dialectics into nature, but of discovering them in it and evolving them from it" (Engels 1987a, 12–13). What came to be known as the *Dialectics of Nature* afterward was the very fruit of his intention to work out "materialist dialectics […] our best working tool and our sharpest weapon" (Engels 1962, 292).

3 Outlines of Engels' Natural Dialectics

Within the framework of *Naturdialektik*, Engels' dialectics can be said to boil down most notably to structural patterns in nature. This tenet is exemplified in oppositions, contradictions, and interrelations in nature as in the case of necessity and coincidence, interaction of opposite physical forces, or natural causes and effects. Engels (1988, 318) famously asserted in *Anti-Dühring* that "motion itself is contradiction." By this contention, Engels had in mind possibly the old paradox of motion that goes back to Parmenides and Zeno of Elea who gave rise to the debate of "being in the same place and elsewhere." Alternatively, Heraclitus's *panta rhei* (everything flows) comes to mind. Interestingly, Engels takes up the Heraclitean dialectics in a few manuscript fragments in *Dialectics of Nature*, capturing it under the headings of *identity and difference* or "difference within identity" (Engels 1985, 41, 15; Kangal 2019, 231–232). He illustrates the contradiction involved in the identity-difference relation as follows:

> The plant, the animal, every cell is at every moment of its life identical with itself and becoming distinct from itself, by absorption and excreation of substances, by respiration, by cell formation and death of cells (Engels 1987b, 495; 1985, 14).

While Engels does not make clear the connection between dialectical contradiction and the identity-difference relation, it is plausible to assume that he had taken change or alteration to be an embodiment of contradictions in nature. Considering an ordinary object with ordinary properties that is ordinarily subject to change in time, the crucial task for Engels would be to provide a balanced account of identity and change of that object. While common sense suggests no serious problems concerning the identity and change of a particular object, a closer scrutiny reveals a few difficulties. If we commonly identify an object based on its properties and if at least some of its properties are subject to change, then how can we identify that object as the same after it went through a process of change? The alteration of any single member of the set of properties of the object violates the very identity of that object.

Consequently, an alteration of properties brings about an alteration of the identity of that object. Now if change is the direct opposite of identity and if change occurs in all the ordinary objects in nature, then how are we to identify anything in nature and how can they be said to endure their identity? In pure formal-logical terms, to say that anything subject to change is to say that nothing can endure identity. Put conversely, an object that maintains its identity must be immune to change. For if the object can endure its identity, it should not be subject to change. Yet, everything in nature is subject to change, and in many cases, they can be said to endure their identity. Engels' Hegelian solution to this paradox is that we must admit the element of contradiction to capture this mutual opposition between identity and difference and take the moment of difference as a constitutive element of an object's identity. This is to say that difference has to be admitted embodying a logical-ontological moment in the very constitution of the identity of an ordinary object. In this regard, identity is redefined as identity of identity and nonidentity (or difference).

Engels did not neglect to give special emphasis on contradictions in nature for the simple reason that it was a hotly contested issue at the time. Neo-Kantians such as Dühring utilized Hegelian conception of real contradictions to launch an attack on Marx's dialectics. While Dühring did not have a principal problem with the unity of opposites, acknowledging its correlates in interrelation and interpenetration of mechanical forces in nature, he was keen to keep this structural unit apart from contradiction, a term that was reserved for logical inconsistencies. Dühring (1875, 31) argued that real opposites are "antagonisms" (*Antagonismus*) or "conflicts" (*Widerstreit*) but not contradictions (*Widerspruch*). Engels, by contrast, positioned himself against Dühring's Kantian restriction of contradictions and argued that while some contradictions certainly amount to logical inconsistencies, there are other kinds of contradictions that are ontologically existent, as he asserted in *Anti-Dühring* that "the kernel of dialectical conception of nature" is the recognition of "opposites and differences" in nature (Engels 1988, 497). Any natural process is essentially "antagonistic" (*antagonistisch*), embodying a "contradiction" (*Widerspruch*) or "transformation of one extreme into its opposite" (*Umschlagen eines Extrems in sein Gegenteil*) (Engels 1988, 335). Engels defined dialectical acquisition of knowledge as the "method of thinking" (*Denkmethode*) that operates "within polar opposites" (*in polaren Gegensätzen*) (Engels 1988, 233, 292). This led Engels to define the dialectics in broader terms as "the science of general laws of motion and development of nature, human society and thought" (Engels 1988, 336).

Given the importance that is attached to the concept of contradiction, it is surprising to note that it occurs only three times in *Dialectics of Nature*. The first occasion can be found in Engels' discussion of Newton's physics and the latter's analysis of planetary motion. Engels wrote that the relation between attraction of the Sun and the so-called tangential force of the orbit "run into a contradiction" (Engels 1985, 45). The term was mentioned for a second time in Engels' characterization of the relation between necessity and coincidence (Engels 1985, 137). This is intimately tied to contradictions in the sense of logical inconsistency when Engels charged former or previous metaphysics with ignoring the existence of real

contradictions in nature. On a final occasion, the term was used in Engels' famous *Plan 1878*, also known as "the general plan" of the *Dialectics of Nature*. Contradiction counts here as a component of one of the dialectical laws: "development through contradiction or negation of negation" (Engels 1985, 173).

4 Some Open Questions in Engels' Natural Dialectics

Having outlined a few motives behind Engels' undertaking and highlighted relevant philosophical intentions, I would like to draw attention to some of the questions that are left open in Engels' project. I have in mind, first and foremost, Engels' famous definition of dialectics as a science of universal connection and his dialectical laws. The definition of dialectics and the dialectical laws, like many other aspects of Engels' natural dialectics, were subject to various controversies. I will not offer a response to previous debates. But it is useful to briefly recall at least one famous quarrel before I introduce my insights: the French debate (cf. Remley 2012).

Shortly after the 1939–1941 edition of the *Dialectics of Nature* came out, two prominent French existentialists, Jean-Paul Sartre and Maurice Merleau-Ponty, brought forward some negative assessments of Engels' objective dialectics. Sartre argued that dialectics, as Engels or anyone following him understood the term, "moves in the opposite direction from science" (Sartre 1947, 165). Merleau-Ponty (1947, 165), on the other hand, wrote that if nature "is dialectical, it is dialectical because we are dealing with nature as perceived by man and inseparable from human action." Based on these grounds, Merleau-Ponty was in favor of dropping the "adventurous idea of a dialectic of nature" as "Engels took from Hegel" (Merleau-Ponty 1947, 165). In responding directly to Sartre's charge, Roger Garaudy believed that Sartre was misguided in his belief that "there exists a list of complete and immutable laws of dialectics." Relatedly, Sartre isolated the texts from their context, treating them as if Engels intended to publish them (Sartre et al. 1962, 27–28). In his *Critique of Dialectical Reason*, Sartre was going to return to this old issue with a renewed charge that Engels' natural dialectics was imposed as an "absolute principle," in an "a priori" fashion "without justification," that is, without "open to verification at all" (Sartre 2004, 27–28; Kangal 2020b, 68–69).

The content of the issues raised in these debates corresponds mainly to two manuscripts that were published in the very beginning of the popular editions of *Dialectics of Nature*: *the Plan 1878* (Ms. 164) and the manuscript on *Dialectics* (Ms. 165). Sartre's charge concerning the alleged immunity of dialectics to empirical verification and falsification addresses the issue of the metaphysical quality of Engels' famous definition of dialectics as the science of universal interconnection in the *Plan 1878*. Sartre was obviously also disturbed by the limited number of dialectical laws enlisted in the same plan. What Sartre does not notice is that the number of dialectical laws was reduced from four to three in the *Dialectics* manuscript for reasons that Engels does not provide. In the below, I will first tackle the issue of Engels' metaphysics and then turn to his dialectical laws.

5 The Question Concerning Metaphysics

An outspoken opponent of metaphysics just like Marx, Engels (1987b, 313) notes the following in the *Plan 1878* of the *Dialectics of Nature*: "the metaphysical conception has become impossible in natural science owing to the very development of the latter." Yet, just a few lines below, he provides us with a metaphysical definition of dialectics: "the science of universal inter-connection," (ibid.) immediately followed by four laws of dialectics: (1) "transformation of quantity and quality," (2) "mutual penetration of polar opposites and transformation into each other when carried to extremes," (3) "development through contradiction or negation of the negation," and (4) "spiral form of development" (ibid.). In the *Dialectics* manuscript, the number of the laws is reduced to three by dropping the fourth law (spiral form of development) (Engels 1987b, 356).

By the pejorative term "metaphysics," Engels seems to mean a *specific* theoretical practice of metaphysics rather than metaphysics *as such*. One finds a typical angle of attack in Engels' criticism of Kant's conception of the "thing in itself" in this regard. With a tone of ridicule, he wrote that the "assertion that we cannot know the thing in itself […] passes out of the realm of science into that of fantasy." "What would one think of a zoologist who said 'A dog seems to have four legs, but we do not know whether in reality it has four million legs or none at all'?" Aware of the recent revival of "a certain neo-Kantianism" doing harm to natural sciences, he condemned the term as deserving the "least merited preservation" (Engels 1985, 12; 1987b, 520–521, translation modified).

> One can scarcely pick up a theoretical book on natural science without getting the impression that natural scientists themselves feel how much they are dominated by this incoherence and confusion, and that the so-called philosophy now current offers them absolutely no way out. And here there really is no other way out, no possibility of achieving clarity, than by a return, in one form or another, from metaphysical to dialectical thinking (Engels 1985, 169; 1987b, 340–341).

This is indeed a justified objection to one of the extrapolations of Kant's epistemology of the "thing in itself." But Engels' criticism hardly amounts to a wholesale rejection of metaphysics. In fact, Engels would receive Hegel's metaphysical support for his criticism of Kant's "thing in itself." In the *Greater Logic*, Hegel (1986, 39) writes that it is "absurd" to believe that human cognition "does not know its objective as it is in itself." The way we gain access to a thing is determined by its appearance-predicates without which the so-called thing in itself emerges as an empty category. When the predicates are isolated from the thing to which they belong, it appears all too natural that the "thing in itself" cannot be known. Engels is in full agreement with Hegel that Kant's point is rather tautological. Provided that Engels positions himself against the disconnection of originally interconnected elements, he can be said to be critical of what Hegel termed "previous metaphysics" (*vormalige Metaphysik*). But this does not amount tout court to a rejection of what Hegel called "true metaphysics" (*eigentliche Metaphysik*).

Now the problem is that Engels' advocacy of dialectics is quite in line with Hegel's own ("true") metaphysics, and this exemplifies a terminological if not really an argumentative difficulty. When Engels (1985, 6) links the goal of dialectics to the attempt to prove empirical facts in nature in order to "rationally explain" and "bring" them "into interconnection among each other," he is fully on board with Hegel's metaphysics. Moreover, Engels' plea for the principle of relationality in nature is also in conformity with Hegel's own metaphysics:

> That these bodies are interconnected already presupposes that they affect one another, and it is precisely this mutual effect that constitutes motion. […] matter is unthinkable without motion […] matter confronts us as something given, equally uncreatable as indestructible, it follows that motion also is as uncreatable as indestructible. It became impossible to reject this conclusion as soon as the universe was acknowledged as a system, an interconnection of bodies (Engels 1985, 188; 1987b, 363; translation modified).

While Engels does not give credit to Hegel's metaphysics in the above passage or elsewhere, he conceives of Hegel's contribution as part and parcel of dialectical thinking: "contra metaphysicians and metaphysical natural scientists, Hegel dialectically turned the rigid differences and opposites upside down" (Engels 1985, 267). Here, the problem is that what Engels favors in terms of Hegel's dialectics stands and falls with metaphysics in Hegel's own conception of the term. Hegel defines the main business of true metaphysics in the following way:

> All knowing and representing is interwoven with, and governed by, this metaphysics; it is the network within which we grasp all the concrete subject matter that occupies our consciousness in its actions and endeavors. In our everyday consciousness this web of connections is embedded in the many-layered stuff comprising our known concerns and objects, the things of which we are aware (Hegel 2009, 194).

Engels would disagree, terminologically, but he would agree, argumentatively. After all, Engels is a proponent of a rigorous inquiry into the fundamental structures of reality and believes that our understanding of reality demands rationally controlled and philosophically sophisticated procedures of critical thinking. As I have argued elsewhere, such a scientific conduct cannot do without a "categorial framework that explicitly formulates and self-critically revises the conceptual tools in use in order to improve our command of the ways we experience and think of the world" (Kangal 2020b, 157). Indeed, Engels himself makes this point crystal clear in the *Dialectics of Nature*:

> [O]ur various senses might give us impressions differing absolutely as regards quality. In that case, properties which we experience by means of sight, hearing, smell, taste, and touch would be absolutely different. But even here the differences disappear with the progress of investigation. Smell and taste have long ago been recognized as allied senses belonging together, which perceive conjoint if not identical properties […] it is always the same I that receives and elaborates all these different sense impressions, that therefore comprehends them into a unity, and likewise these various impressions are provided by the same thing, appearing as its common properties, and therefore helping us to know it. To explain these different properties accessible only to different senses, to bring out their internal interconnection, is precisely the task of science" (Engels 1987b, p. 513; 1985, p. 134). "In addition to the eye, we have not only the other senses but also our capacity to think. […] [T]he imperfection of our sight […] [is] a necessary imperfection, for an eye that could see all

> rays would for that very reason see nothing at all […] [T]he construction of our eye […] restricts sight to definite limits and even so does not give quite correct reproduction […] What can be discovered by our thought is more evident from what it has already discovered and is every day still discovering […] [T]he investigation of the forms of thought, the thought determinations, is very profitable and necessary, and since Aristotle this has been systematically undertaken only by Hegel (Engels 1985, 228; 1987b, 519; translation modified).

In Hegel's view, the kind of theoretical thinking that governs natural scientific inquiry is open to improvement by metaphysical means. To Hegel's astonishment, Engels equates distorted thinking with metaphysics as such. Even more confusingly, what Engels (1985, 44) asserts in the following is one fundamental goal of Hegelian metaphysics: "The systematization of natural sc[iences]" is now "becoming more and more necessary" and it can be established only "in the interconnections of phenomena themselves."

6 The Question Concerning Dialectical Laws

Taking Sartre's objection as a point of departure, one could indeed question the potential motive behind Engels' list of dialectical laws. Without doubt, we are left in dark as to why we have to do with exactly three dialectical laws. Contrary to Sartre, however, my curiosity about Engels' story of dialectical laws is not prompted by the alleged immunity of Engels' laws to empirical verification but by the high level of generality and abstractness that fails to provide any specific insight into objectives that are binding for explanatory tasks of natural sciences. Engels is also not clear whether these laws are of descriptive or explanatory use, and why he speaks of laws rather than of ontological principles. I suspect that these inconclusive propositions that Engels did not manage to fully develop in the *Dialectics of Nature* and elsewhere led Sartre to guard himself against what he considered to be prescriptive dictates of dialectics imposed upon theoretical natural sciences from without. The aspect that I find rather intriguing is a different one, a key element in Engels' overall approach to natural dialectics that he neglected to elaborate: the place of Hegel's *Greater Logic* in Engels' natural dialectics.

We do know that Engels largely consulted the *Encyclopedic Logic* rather than the *Greater Logic* in the *Dialectics of Nature*. We are also familiar with Engels' repeated emphasis on the need to critically revise the logical configuration of various conceptual webs within the *Greater Logic*. What seems to be less well-known or at least less attended in Engels' undertaking is Engels' parallelization of his three dialectical laws to the internal division of Hegel's *Greater Logic* and to Hegel's overall system. This parallelization occurs in Engels' *Dialectics* manuscript where he asserts that the first two dialectical laws ("The law of the transformation of quantity into quality and vice versa"; "The law of the interpenetration of opposites") correspond to the first two parts of Hegel's *Greater Logic* (*Logic of Being and Logic of Essence*). The faith of the correlate for the third law ("The law of the negation of the

negation") is most curious, for it does not correspond to the third part of the *Greater Logic* (*Logic of Concept*) but to Hegel's "entire system" instead.

We not only do not know what in particular Engels may have had in mind or what he was trying to achieve by parallelizing the triadic internal division of Hegel's *Greater Logic* and his own three laws. In addition, we are also left in complete obscurity as to why the formal division of the *Greater Logic* should figure as a standard for the particular number of Engels' dialectical laws. To make this ambiguity clearer, one could recall that Hegel's *Greater Logic* also had an alternatively dual division: *Objective Logic* (= *Logic of Being* + *Logic of Essence*) and *Subjective Logic*. Accordingly, Engels' first two dialectical laws correspond to Hegel's *Objective Logic*, while the correlate of the third dialectical law is not Hegel's *Subjective Logic* but the latter's entire system. Engels provides no reason as to why he has chosen this parallelization, why he avoids establishing a correlation between the third dialectical law and the third of part of the *Greater Logic*, and most importantly what he means by Hegel's entire system (*Phenomenology* + *Logic* + *Encycl opedia?*). These open questions are not merely of formal nature, as Engels is fundamentally concerned with the issue of the ontological primacy of material reality of nature over its logical reproduction. Consequently, it is still an open question as to how Engels' parallelization between the three dialectical laws and Hegels's Logic/System would contribute to the materialist reversal of Hegel's idealist conception of nature.

7 Conclusion

Here and elsewhere, my task has been developing a problem consciousness about the kind of issues that remain to be solved in Engels' dialectics of nature. Keeping myself apart from both dogmatic opponents and proponents of Engels, I am fully committed to making a fruitful use of Engels' visionary philosophy of nature and natural science. The limitations of Engels' approach should not block our appreciation of his achievements. The *Dialectics of Nature* may have remained a torso, but the point is how to go beyond what he has left behind.

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Friedrich Engels and the Revolution

Frits van Holthoon

1 Introduction

Commemorating Engels as a thinker is not an easy task. About Marx regularly appear many general works, but Friedrich Engels remains very much in his shadow. In fact, we have two ways of dealing with his life and work. The first is to concentrate on the period between 1883 and 1894 when after Marx's death Engels became the grand old man of Marxism and the second is a rather peculiar approach. Engels wrote several works still worth reading, even one which he wrote before he met Marx, but his major achievement for which he received little applause was the editing of the second and third volumes of *Das Kapital*. We can safely say that without Engels as editor, we would never have been able to read *Kapital* II and III. Engels was the only one able to read Marx's incredibly difficult handwriting. And even today after the editors of MEGA have deciphered the manuscripts and put the result in print, we still rely on Engels' editorship, on which I will take a further look.

I have a special reason for doing this. In 1982, I published an essay on Marx in which I quoted the following passages from Marx's *Grundrisse*:

> To the extent that the larger industry expands, the creation of real wealth will depend less on labour hours and the quantity of applied labour hours than on the power of the agencies, which are set in motion and which themselves again […] bears no relation to the immediate labour time, which their production costs, but depends much more on the general scientific situation and the progress of applying science to the production.[1]

[1] "In dem Masse aber, wie die grosse Industrie sich entwickelt, wird die Schöpfung des wirklichen Reichtums abhängig weniger von der Arbeitszeit und dem quantum angewandter arbeirtszeit, als von der Macht der Agentien, die während der Arbeitszeit in Bewegung gesetzt werden und die

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This is of course a sensational statement for it means that capitalism could not only survive but could also expand. There were critics such as Arnold Heertje who correctly read the three volumes of *Das Kapital* and saw that Marx left loopholes for a further expansion of capitalism (Heertje 2003, 189ff.) and Paul Sweezy, according to Schumpeter the best interpreter of Marx's work, remarked:

> Nowhere do we find a doctrine about the specifically economic collapse of the capitalist production.[2]

At the time, I regarded Marx's remark as the expression of a genius who saw further than he wanted to see and assumed that Marx stuck to his vision suggested in *Kapital* I that capitalism would prepare for its own ruin. However, I was the victim of what I call later on this essay the "trap of *Kapital* I"; for reading *Kapital* II and III, it becomes clear that the focus has shifted from a theory about the exploitation of labourers to an analysis of the accumulation of capital. What are we reading here: Engels or Marx?

2 Engels' Editorship

Some critics have thought that Engels while editing *Kapital* II and III changed the course of Marx's analysis (Labica 1998). However, Engels did not alter Marx's text or intentions, because the new course was already visible in Marx's *Grundrisse*. Samuel Hollander concluded that Engels conscientiously followed Marx's manuscripts, and when on rare occasions, he added a comment he duly registered it (Hollander 2013, 303 ff.). During Marx's life, but particularly after Marx's death, Engels promoted his major work *Das Kapital*. He did so by editing the second and the third volume of this work, but he also prepared the second and third edition of *Kapital* I, and he helped with a French, an English, American, and even Japanese edition. Hollander did not look at Marx's manuscripts, as faithfully presented in the MEGA edition of Marx and Engels' works and I will have occasion to look at these manuscripts, because if Engels did not tamper with Marx's texts, he determined – as the editors of MEGA remark – the structure of both books (MEGA II, 12. 2, 497). He had to, because Marx's manuscripts did not or only insufficiently provide it. And though I did leaf through the mighty MEGA tomes, a collation text by text is still necessary. It will be a major undertaking which deserves a separate study which I

selbst wieder ... in keinem Verhältnis zur unmittelbaren Arbeitszeit, die ihre Produktion kostet, sondren viel mehr abhängt vom allgemeinen Stand der Wissenschaft und der Fortschritt der Technologie, oder der Anwendung dieser Wissenschaft auf die Produktion" (Marx 1857/58, 592; van Holthoon 1982, 27).

[2] I have used the German translation available in my university library: "Aber nirgendwo finden wir in seinem Werk eine Lehre von dem specifisch ökonomischen Zusammenbruch der kapitalistischen Production" (Sweezy 1959, 227).

gladly leave to younger scholars. The precise question then is what Engels selected from the manuscripts.[3]

First comes a comparison of the 1867 edition [II, 5.1] with the edition of 1890: The 1890 edition of *Kapital* I serves as the text for later editions. A comparison of the 1890 with the 1867 edition reveals that chapter 6 of the 1867 edition and the seventh part (*Abschnitt*) in 1890 show marked difference. However, the revisions are Marx's not Engels' work. The second edition of *Kapital* I, published in 1872, more or less corresponds to the 1890 text, and we know that Marx prepared the text for the 1872 edition. The third edition of 1883 basically follows the edition of 1872.[4]

Secondly follows the comparison of *Kapital* II compared to the relevant manuscripts. A comparison of Engels' editions of *Kapital* II and III leads to a less conclusive account. Marx did not deliver complete manuscripts. So Engels had to decide the construction of the texts.[5] As is to be expected the text of the 1885 first edition of *Kapital* II matches that of Engels' *Redaktionsmanuscript*. It is important to emphasize that Engels did not have a ready-made manuscript at his disposal. He had to view all the nooks and grannies of Marx's manuscripts in order to make his edition possible. This raises the question of how much of *Kapital* II is Marx's and how much it is Engels'? Basically, one cannot answer this question. Engels did his best to read Marx's intentions. On the other hand, it is clear that Engels had to provide the structure and the form of the book.

Thirdly follows a comparison of *Kapital* III compared to the relevant manuscripts.[6] Again Engels had to gather his text from everywhere, and he was hampered in reading the later manuscripts by Marx's obsession with the value-problem. [I, 4.2] was his basic text, but Marx had not completed it. So he had the same problem as with *Kapital* II.

Did Engels read Marx's intentions correctly in using his manuscripts? It is impossible to answer this question, but the editors write:

> When one keeps in mind that already with Marx's manuscripts the problems of representation (of the text as a whole) have led to such serious and decisive changes, that a judgment on Engels' changes and his responsibility for these depends on the question, how Marx's changes have to be understood.[7]

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[3] I wonder whether such a collation will produce new and startling results. Marx's early manuscripts justify Engels' approach. Marx's later manuscripts show him to be obsessed by the value-problem. They add nothing to the general outline of Marx's interpretation of the development of capitalism.

[4] See the diagrams in the appendix: Marx's texts are: MEGA II, 3.5; II, 4.1; II, 5.1; II, 6.1; II, 8.1.

[5] See appendix: Marx's Texte: II, 1.1 and 1.2: *Grundrisse*; 3.5.1 *Manuskripte* 1861–1863; II, 4.1 and 4.2; 4.3.1 *Notes and observations* 1867–1868; II, 12. 1 *Redaktionsmanuskripte* von Engels, 1884–1885.

[6] See Appendix: *Manuscripts* II.4.2.1; 4.3.1;II, 14.1: II.15.1.

[7] "Wenn man also bedenkt, dass die Problemdarstellungen bereits in Marx' Manuskripte solche gravierenden Aenderungen erfahren haben, bleibt die Beurteilung von Engels' Veraenderungen von Beantwortung der Frage abhängig, wie die Entwicklungen die bei Marx selbst angelegt sind, zu bewerten sein" (II, 12.2: 523).

It is clear that Engels had the latitude to interpret Marx's text rather than follow it. However, the extraordinary thing is that following the text of Marx's manuscripts as best as he could *Kapital* II and III are as much Marx as they are his. These volumes are a testimony to their close collaboration. And as to the course which Marx's indicated in his *Grundrisse* that capitalism could escape the threat of the falling rate of profit and capitalism would keep expanding, we have evidence that Engels followed Marx's texts.

3 The March of Capitalism

Who wants to read the full story of capital accumulation I refer to Sweezy's analysis. I will only select a few salient points. Marx writes in the *Grundrisse*:

> A condition of the production on the basis of capital is therefore the production of a constant widening circle of circulation, be it that the circle is enlarged directly or that more points therein will become points of production.[8]

Here we have the full measure of Marx's genius. The conventional notion (formulated by Quesnay and adopted by Adam Smith) was that a circulation of goods and services leads to a well-oiled basically stationary machinery. Marx insisted on a dynamic view of the circulation of goods. Commerce plays a major role in the accumulation of capital. And indeed, in *Kapital* III, in the third chapter, Marx/Engels[9] mentions international commerce as a way to counteract the falling rate of profit (*Kapital* III, 246). In *Kapital* II, in chapter 17, Marx/Engels discusses the circulation of surplus value. As soon as the capitalist appropriates the surplus value at the beginning of his career as factory owner, he must reserve part of it for future wages and the upkeep of his factory. What is left of the surplus value after that he can spend on making other investments and so that part of the surplus value will directly become productive capital; he can provide credit to a trader or spend it on personal consumption. In these two instances, his stimulus of production will be indirect. Marx and Engels conclude:

> The circulation of capital dealing with products includes the circulation of surplus value. This is also the case with the buying and selling by which the capitalist effects his private consumption, that is the consumption of surplus value.[10]

[8] "Eine Bedingung der auf dem Kapital basierten Produktion ist daher die Produktion eines stets erweiterten Zirkels der Zirkulation, sei es dass der Kreis direkt erweitert wird oder dass mehr Punkte in demselben als Produktionspunkte geschaffen werden" (Marx 1857/58, 311).

[9] To emphasize the co-authorship of *Kapital* II and III, I will use "Marx/Engels" to emphasize the co-authorship and use the singular in the verb.

[10] "Die Zirkulation des Warenkapitals schliesst die Zirkulation des Mehrwerts ein, also auch die Käufe und Verkäufe, wodurch die Kapitalisten ihre individuelle Konsumtion, die Konsumtion des Mehrwerts vermitteln" (Kapital II, 352).

Kapital II is a tidied version of what we read in the *Grundrisse*. *Kapital* III, however, was still in the state of the *Grundrisse* and though Engels did a great job in bringing some order in Marx's arguments, the volume still lacks focus. Yet its main message is clear. Capitalism will not fail on its own account. In fact in chapter 3, Marx and Engels counted the way in which capitalists can escape the falling rate of profit. That chapter directly takes up Marx's remark in the *Grundrisse* about the possibility that labour time will not exclusively determine the rate of profit. I mentioned international trade as one of these factors; the cheapening of machinery is another example (*Kapital* III, 245). Marx's remarks suggest that he had a notion of the impact of technology on the accumulation of capital in mind. Today, we would look first at inventions as counteracting the falling rate of profit.

In the seventh part, chapter 48 of *Kapital* III Marx and Engels discusses the "trinitarian formula" (trinitarische Formel): rent, capital, and labour. Both of them are clearly in two minds. On the one hand, they want to protect Marx's formula of surplus value, profit, and the wages of labour, but at the same time, he suggests that it has become a mystification under the influence of the changing conditions of capital. On the other hand, Marx and Engels write:

> The vulgar economy does indeed nothing but interpret the view of the agencies captured by the relations of production for the purpose of systematizing and defending them. We should not be surprised therefore that they precisely in the alienated manifestation of the economic relations in which they are prima facie in bad taste and contradictory – and all science would be superfluous if the form and substance of things would be identical – when exactly at this point the vulgar economy feels completely at ease and the more relations seem matter of course, the more the inner coherent connection remains concealed, but corresponds to the ordinary and prevailing view.[11]

So the very terms of Marx's method are necessary to unmask the hidden agenda of economists such as Ricardo and Mill. My long quotation reveals the twisted logic of the argument about surplus value. Had Marx not written in the *Grundrisse* that structural changes in the production could make the notion of surplus value obsolete? Why did he not adopt the new trinitarian formula of profit, interest, and the productive power of skilled labour, in which profit replaces surplus value as the force which causes the accumulation of capital, in which interest replaces rent as the opportunity that property can create a yield without any effort on the part of the owner, and in which the labourer becomes an accomplice rather than a victim of capitalism? Of course, this new trinitarian formula could be used to explain the capitalist order as being a haven of social harmony, but Marx/Engels wrote an

[11] "Die Vulgarökonomie tut in der Tat nichts, als die Vorstellung der in der bürgerlichen Produktionsverhältnissen befangenen Agenten dieser Produktion doktrinär zu verdolmetschen, zu systematisieren und zu apologetisieren. Es darf uns also nicht wundernehmen, dass sie gerade in der entfremdeten Erscheinungsform der ökonomischen Verhältnisse, worin diese prima facie abgeschmackt und vollkommenene Widersprüche sind – und alle Wissenschaft wäre überflüssig, wenn die Erscheinungsform und das Wesen der Dinge unmittelbar zusammenfielen –,wenn gerade hier die Vulgärökonomie sich vollkommen bei sich selbst fühlt, und ihr diese Verhältnisse um so selbstverständlicher erscheinen, je mehr der innere Zusamenhang an ihnen verborgen ist, sie aber der ordinären Vorstellung geläufig sind" (*Kapital* III, 825).

expressive account in all the three volumes of *Das Kapital* to point at the chaos and the crises which capitalism occasionally engenders. It was indeed Schumpeter who presented an economic analysis that explains that capitalism is innovative and destructive at the same time (van Holthoon 2019, 131ff.). Why did Marx need the old apparatus and why did Engels follow him in this? Perhaps the explanation is in that little word "Wesen". His struggle with concepts is one between the essentialism of his original approach and the nominalist one he was more or less forced to adopt if he wanted to analyse the relations of the modern economy.

In the postscript Engels wrote for his edition of *Kapital* III, he takes the Italian Loria to task who maintained that value and price are the same thing and he praises Sombart and Conrad Schmidt for saying that value is a meta-concept. According to Sombart, value is the historical form which controls productivity, and Schmidt called it a hypothesis (Hollander 2013, 312–314, *Kapital* III, 903–904). Engels adds that both authors present value in too restricted a sense, and it is not difficult to guess that he wanted to add the Marxian logic which starts with the surplus value, though he does not say so. This is a statement, which somehow is implied in *Kapital* II and III, while searching to understand the economic reality of capitalism. Engels by editing *Kapital* II and III offers us a text which makes surplus value also a superfluous tool, and he ends his postscript with a reference to the stock exchange. Before 1865 (when Marx worked on *Kapital* III), the stock exchange mostly traded government bonds according to Engels:

> Now things are different. The accumulation since the crisis of 1866 went on with increasing speed, and indeed it is the case that in no industrial country, particularly in England, the growth of production could keep up with the accumulation which in the case of the individual capitalist could not be used in the enlargement of his own business.[12]

So a lot of value is handled in the stock exchange in the form of shares of industrial and commercial firms. However, what did Engels mean by his example? Had the stock market become the symbol of capitalism or did it determine – in the end – the value of goods produced under the capitalist regime?

Engels stuck to the original trinity of capital, rent, and labour, but I think it is fair to say that he had at least the intimation that capitalism was acquiring a character in which values acquired a virtual reality. However, Engels was not prepared to accept that surplus value means profit in the modern economy. His polemics with Loria makes this clear.

[12] "Jetzt anders. Die Akkumulation ist seit der Krise von 1866 mit einer stets wachsenden Schnelligkeit vorgegangen, und zwar so, dass in keinem Industrieland, am wenigsten England, die Ausdehnung der Produktion mit der der Akkumulation schritt halten [sic], die Akkumulation des einzelnen Kapitalisten in der Vergrösserung seines eigenen Geschäfts volle Verwendund finden konnte" (*Kapital* III, 917–918).

4 The Trap of Kapital I

Marx started writing *Kapital* I in 1866 and had it published the next year. So, certainly for Marx, it was written relatively quickly. In it he applied a new invention: The factory system exploits the labourers and turns a large part of the surplus value (*Mehrwert*) over to the capitalist. The labourer, let us say, needs 4 h of work to keep himself and his family alive, but he works 12 h, and so the factory owner appropriates 8 h as surplus value. This notion also helps Marx to explain the falling rate of profits. In the fraction Marx presented, the rate of profit(p') is surplus value (m) divided by constant (c) and variable (v) capital. The factory owner can exploit the labour force by reducing their wages to a bare minimum of existence, but he cannot exploit his constant capital invested in machines. Yet because of competition, he is forced to keep investing in machines, thereby lowering his rate of profit, because constant capital keeps growing without adding to the *Mehrwert*.

Marx, uncritically for him, adopted with a static view of capitalism. So as in a still, it mirrors the situation in the English cotton mills around 1850, and as such Marx's presentation of the situation is basically correct. Marx's analysis was a huge success. In Marxist circles, *Kapital* I was seen as the scientific answer to Marx and Engels' prediction in the *Communist Manifesto* of 1848 that capitalism would create its own ruin. And so *Kapital* I became the textbook of Marxism, and *Kapital* II and III were largely ignored.

If we look at Marx's manuscripts dealing with *Das Kapital*, it seems that volume I rather is the exception in Marx's train of thought and that since the *Grundrisse* he strove to present a dynamic portrait of capitalist development. Why then did Marx write *Kapital* I in the way he did? The simple answer is that Marx did not predict the ruin of capitalism in *Kapital* I. His analysis of the falling rate of profit was only a suggestion that capitalism could collapse because of it. And apparently, he thought that he could effortlessly move from the static to the dynamic interpretation of capitalism. However, that transition is not so easy, if only for the reason that the central concept of *Kapital* I, the surplus value, tends to become irrelevant for the analysis of capitalism.

5 Economic Analysis and Communist Politics

If we leaf through the volumes of Marx's *Theorien über den Mehrwert*, it is clear that Marx made a thorough study of his predecessors. By understanding their economic thinking, he was able to construct his alternative. Surplus value was the key concept in this respect.

In order to reorganize capitalism and turn it into a communist order, you have to go back to the root of the trouble and that is the appropriation of surplus value by the capitalist. Surplus value was the lynchpin of his system that he did not want to abandon at any cost.

But still, we are puzzled by the question why Marx gave up the explanation of the position of the capitalist in *Kapital* I? The volume was a huge success among socialists and why give it up as propaganda? The answer is that this was not how Marx's mind worked. He was genuinely interested in the process which capitalism creates. It was his priority to find out how it worked. There is perhaps a more prosaic answer to the question, which only recently occurred to me. A successful revolution not only depended on the conditions capitalism is creating but also on the "ripeness" of the proletariat to take over. However, it must be able to manage the economy in the post-revolutionary era. For this, it was not only necessary to understand capitalism in its actual state, but the proletariat also needed this information to carry on after the revolution. We can only learn this message because of Engels' editing of *Kapital* II and III.

It is important to note that Marx and Engels did not become revisionists *avant la lettre*. Socialism should not sneak its way into the capitalist system; it should take over the system whole sale and at short notice. There should be a clean break with the past.

6 Marx and Engels on Contemporary Politics

Engels contributed regularly to newspapers among them the *New York Tribune* in which he reported on political events such as the Crimean and the Franco-Prussian war. There is no need to delve their comments from the sources because Hollander and Engels' biographer Gustav Mayer has done this job already.

Hollander uses the same division as Sweezy when approaching the subject of Marx's and Engels' "revisionist" remarks. First he deals with constitutional matters and then with social reform and its impact on revolutionary prospects. Constitutional matters mean above all the coming of universal suffrage. Engels wrote in 1846 that only under a communist regime, we can have real democracy (Hollander 2013, 181). Nevertheless, Marx and Engels hoped that the introduction of universal suffrage would enable the proletariat to take over the power of the bourgeois regimes in Europe. For this, workers had to create a party of their own, and the two authors were confronted with the difficulty that socialist parties started to appear on the continent, but that in Britain, the industrially most advanced country in the world, the working class was only interested in better wages and not in forming a party.[13] Chartism in 1838 became a mass movement agitating for universal suffrage (of men of course), but the movement started to decline when the leaders formulated social demands. As to the continent, Engels applauded the formation of parties which thus became part of the legal machinery (Mayer 498). Engels was thinking of the success

[13] The English Labour Party was founded in 1901. For a long time, it operated under the wings of the liberal party. Socialism was represented in Great Britain by the Fabian Society. Their socialism served as a model for Bernstein's revisionism.

of the S.P.D. which became the second largest party in the *Reichstag* of 1890 notwithstanding Bismarck's attempt to obstruct the socialist movement.[14]

Marx and Engels were not for revolutionary violence per se. It should have a purpose. However, I wonder if they would have approved of Lenin's interpretation of "that you cannot make an omelette without breaking eggs". When we review the enormous sacrifices of men and goods during the Russian experiment (and I am not counting the number of Russian soldiers slain during Russia's war with Germany), I count millions of victims, particularly during the Stalin regime. Marx and Engels would have condemned this "dictatorship of the proletariat"; I suspect that they shunned violence anyway. Engels writes in 1845:

> Communism is a question of humanity and not of the workers alone. Besides, it does not occur to any Communist to wish to revenge himself upon individuals, or to believe that, in general, the single bourgeois can act otherwise, under existing circumstances, than he does act (Hollander 2013, cit. 179).

The two men were much too civilized to believe in violence at all. It could be necessary to break eggs, but only *doucement*.

In the 1892 preface to a re-edition of *The Condition of the Working Class in England*, Engels had to admit that the situation of the working class in England had become better since 1845 as to working hours, wages, housing, and the condition on the work floor (Hollander 2013, 261). Some years earlier, Engels doubted whether the English working class could maintain its improved living standard because of international competition (Hollander 2013, 258–259). There is in Engels' commentary a constant switch from a positive to a negative appreciation of the effects of social reform, and this switch had to do with what Hollander calls "a grand dilemma" (Hollander 2013, 267). Engels welcomed improvements for humanitarian reasons, but he feared that the working class would be appeased by these improvements and would forget its revolutionary mission. Witnessing the attitude of trade union leaders in Britain, he had ample reason for his fear.

However, there was more. Engels was against the bill that would introduce the 10 h working day. Hollander remarks:

> All in all, it is remarkable to find Engels condemning the 1847 bill [decreeing the ten hours working day] as a measure 'attempting to cripple industrial development' and applauding – and attributing the same sentiment to the proletariat – industrialists' schemes to thwart the legislation in practice (Hollander 2013, 240).

Engels acted as a factory owner who fears international competition for his manufactured products because he faces higher costs of production. Later Engels enthusiastically supported the agitation of the Second International for the 8-hour working day (Hollander 2013, 262). His attitude shows that he was not sure how to react to measures of social reform. One thing he knew for certain: The revolution would come and it would come soon. In his celebrated phrase, this would mean the jump from the realm of necessity into that of freedom. However, what would this phrase mean in the practice of politics?

[14] Under Emperor William II the S.P.D. became a legal party.

7 The Dream of a Stateless Society

How can the transition to communism be made in an orderly fashion? There is one text in which Marx envisaged a strategy. Reflecting on the events in Paris during the revolt of the *Communards*, he suggested that they had had the opportunity to master and control France by using the central institutions to promote the revolution from Paris by using the *Commune* as a model.[15] It was a crazy idea. Marx knew perfectly well that both in 1848 and in 1871, the revolution had been put down with the support of the provinces, and we can ask how you make a smooth transition from a capitalist order into a communist one? Engels made it even worse. In an essay in which he distinguished utopian from *scientific* socialism, he wrote: "It is the jump of mankind from the realm of necessity into the realm of freedom",[16] which we have to affect. Engels wrote this piece at the urgent request of Marx, and apparently, they considered Dühring as a serious rival, because he presented a scientific version of socialism, and they felt that their version of socialism was the only genuine scientific one.

Engels' polemic was a dreary undertaking. Dühring was an arrogant nitwit, but he did not deserve Engels' heavy ironic comment. In fact, Engels (and Marx) made school with their method of bashing an opponent. Engels told Dühring that he had no clue what the dialectical method in natural science was like. Engels introduced the dialectical method as a law of movement, not as a heuristic device as Hegel had introduced dialectics. That is, I think a dead end as so many large-scale theories that nineteenth-century scholars invented. These theories including Engels' have had their day of glory but cannot inspire us anymore.

As to the question of the Communist takeover, Engels makes some interesting remarks which help us to determine the nature of his political thought. Engels makes the remark that individual factories are run efficiently and rationally but that the capitalist market is pure anarchy (Engels (1876/78 [1971], 255). And so capitalist society is in a state of constant crisis. Engels was very sympathetic to the utopian socialists, and he admired Saint Simon in particular, probably because of his plans to organize the industrial elite necessary to run the new society. However, all the utopian socialists, including Saint Simon, did not see that it was crucial to adopt the model of the factory for the economy at large.

So the proletariat should take over the factories, and the state was to play a certain role in this. The means of production should become the domain of the state. This can only happen when society expropriates the means of production (Engels (1876/78 [1971], 260). The role of the state as a central organizing force is only

[15] "Die Pariser Kommune sollte selbstverständlich alle grossen gewerblichen Mittelpunkten Frankreich zum Muster dienen. Sobald die kommunale Ordnung der Dinge einmal in Paris und den Mittelpunkten zweiter Ranges eingeführt war, hätte die alte zentralisierte Regierung auch in den Provinzender Selbstregierung der Produzenten weichen müssen" (Marx 1891 [1931], 66).

[16] "Es ist der Sprung der Menschheit aus dem Reich der Nothwendigkeit in das Reich der Freiheit" (Engels (1876/78 [1971], 264).

temporary. After a while, the labourers should become the masters in their own factories (Engels (1876/78 [1971], 262). Engels was as much a utopian as Dühring; he believed that the state could be run as a post office, and he had no idea that the maintenance of the rule of law was a major duty of the state and its political organizations.

Engels followed political events and wrote about them during most of his life. I am impressed by his moderation but not by his wisdom. He was an expert on military affairs, and in this respect, he was a so-called realist thinker. War was inevitable under certain circumstances. He sympathized with Domela Nieuwenhuis's pacifism (Mayer 1934, 507) but considered it unrealistic. What Engels' realism meant in practice can be gathered from his urgent message to the French socialists not to endorse the Franco-Russian alliance for if war came, their German fellows would have to participate in the defensive war which Germany would have to fight. And he added, if war came, the revolution would be a fact in 3–15 years (Mayer 1934, 512). In one sense, Engels was prophetic in his forecast. The Germans thought they were fighting a defensive war in 1914 and even risked a pre-emptive strike by invading Belgium. As to the revolution, Engels' prediction did not come true. The socialist leader Friedrich Ebert became the president of a democratic but not a communist republic, and when the revolution broke out, it came from the right. My hero in 1914 is Jean Jaurès who went to Brussels to plead with leaders of the Second International to stop this senseless war which was going to be fought for all the wrong reasons. He was shot when he returned to Paris by a French nationalist.

One last remark. Most advocates of utopias have regarded them as the final settlement of society and the economy. The definitive equilibrium of society had been reached. Mill pleaded for less competition and less economic growth in his *Principles of Political Economy* (as we would say today) in his chapter 'On the Stationary State' [Book IV, Ch. VI, 752ff., Coll. Works, vol. 3, Toronto University Press,1965]. A thinker like Fourier believed in the possibility of a static equilibrium and many utopian socialists with him. What was the opinion of Marx and Engels? In the 40s, they wrote *Die Deutsche Ideologie* (only published in the twentieth century). In it, they portrayed a society with a rationally led economy in which people would work in the morning and go fishing in the afternoon. That is the view of a society at rest. How did Engels regard the prospect of a situation after the proletarian revolution had taken place? He still believed in a rationally led economy, but, I think, no longer chose the option of a stationary economy. Economic growth would still be possible and even be desirable.

8 Four Conclusions

1. Engels said about himself: Marx is a genius who discovered things I could never have done to myself. In Marx's case, his genius was a handicap rather than an advantage. Without Engels, we should never have learnt that Marx was working on a theory about the *development* of the capitalist system rather than on its

functioning at a certain moment. It is almost pitiful to see Marx wrestling with the problem of value in the course of this development, and Engels' report on Marx's work in *Kapital* II and III is a glorious piece of interpretation. Marx and Engels believed that the problem of the revolution had to be treated against the backcloth of capitalism in full swing.

2. Marx's and Engels' message was an odd mixture of realism and utopianism. Their analysis of the development of capitalism was more realistic than that of the British school of equilibrium analysis (the Adam Smith to John Stuart Mill School). It made them the forerunners of Austrian economists such as von Böhm-Bawerk and Schumpeter. Not that Marx and Engels inspired them. It was more that an economist as Schumpeter recognized that his approach had much in common with that of the two Germans, except that Marx and Engels only emphasized the destructive element of development, while Schumpeter also pointed at the creative element in the process.

   The other side of the Marx/Engels message is its utopian character. After the Communist takeover, the state will dwindle away according to Engels. With this remark, he puts himself in line with the utopian socialists who either thought they could easily do away with the state or who ignored its existence altogether. The utopian element in their thought made them belong to the nineteenth century, and the criticism of later authors, who made them the promoters of Stalin's *diamat* or of monopolist-capitalism or of Lenin's theory that imperialism prolonged the existence of a dying system, is beside the point. Marx and Engels believed that the revolution would take place at short notice, and it was Engels in particular who promoted this message in the later stage of his life. He was not a revisionist *avant la lettre*.

3. One of the fascinating elements in their thought is their struggle with concepts. They started with capital, money that is to say labour saved, in order to invest in capital goods such as machinery, rent which represented the monopoly of landowners as proprietors of the land turned into capital disposable as credit. Labourers were no longer tied to a bare minimum of existence. However, Marx and Engels were not prepared to give up their original trinity of concepts, but their analysis of the accumulation of capital almost forced them to do so, and their priceless concept of surplus value tended to change into profit. What was the point of sticking to the original concept when the link between the exploitation of labour and profit faded into the background? However, for them it was too great an offer to give up *Mehrwert* essentialist concepts.

   What fascinates me surveying the recent history of ideas is that no one really wanted thought to become abstract and instrumental at the same time, by which we are losing contact with the tangible reality around us, but it happened and it happens. Marx and Engels participated in the process.

4. The fourth conclusion has the character of a postscript. The idea of a stateless society has remained a dream, but Marx's and Engels' analysis of the development of capitalism still is relevant to us today. It is a reminder how powerful and uncontrollable that development is. We are in the situation that we must stop this development as it is taking place today, because otherwise mankind is doomed in the long run. Drastic measures will not work. Getting capitalism under control

will be a case of piecemeal engineering. The slogan must be no more economic growth; common sense will tell us that we first must try to consolidate what we have. That is a lesson very different from the one Marx and Engels had in mind. They believed in development and the exploitation of nature, also under the new Communist regime. Of course, there is no point in asking whether Engels would have agreed that it becomes necessary that time must have a stop. All I can say is that he had a lot of common sense and above all that he was a nice guy.

Bibliographical Appendix

Diagram I The Pedigree of Kapital I

1894 ed. (MEGA II, 15.1) (from which modern editions are derived).
1883 ed. (MEGA II, 8.1)|.
1872 ed. (MEGA II, 6.1) (for which Marx made the substantial revisions which return in 1883 and 1894 editions).
1867 ed. (MEGA II, 5.1.

Diagram II The provenance of Kapital II

1857–1858 (MEGA II, 1.1–1.3) the *Grundrisse.*
Hollander (2013, 87) mentions that Engels did not know this manuscript which to me seems unlikely. It is in the collection of manuscripts that went to Moscow from the SPD archive in Berlin. Before that they belonged to the collection that Engels consulted for his editorial work. It is probably Marx's most creative piece of work.
1861–1863 (MEGA II, 3.5) Manuskripte.
This is the *Urfassung* of *Das Kapital*. It was as yet not clearly divided in three parts.
1861–1863 (MEGA II, 4.1) *Manuskripte.*
On *Kapital* I and II.
1867–1868 (MEGA II, 4.3.1) *Manuskripte.*
On *Kapital* II and III.
1884–1885 (MEGA II,12.1) *Redaktionsmanuskript Kapital* II.

Diagram III The Provenance of Kapital III

1857–1858 (MEGA,1.1–1.2) *Grundrisse.*
1861–1863 (MEGA II, 3.5) *Urfassung.*
1863–1867 (MEGA II, 4.2.1).

An early version of *Kapital* III.
1867–1868 (MEGA II,4.3.1) *Manuskripte.*
On *Kapital* II and III 1871–1895 (MEGA II,14.1) K.M & F.E: *Manuskripte und Radaktionelle Texte zum Dritten Buch.*

MEGA Editions Used

In the MEGA edition the number II stands for all those volumes which Marx wrote and Engels prepared for publication of *Das Kapital*. I am using the numeration of the university library in Groningen which adds an Arabic number to the MEGA numbering. So II, 4.1.2 means the second part of volume 4. The MEGA only has 4 in this case. The MEGA edition originally was a joint effort of the Mosco-DDR *Institut für Marxismus und Leninismus*. After the fall of the Berlin wall the edition were taken over by another printer (Akademie Verlag instead of Dietz) and the *Internationale Marx-Engels Stiftung* in Amsterdam as sponsor since 2003.

II, 1.1–1.3: Karl Marx *Oeconomische Manuskripte 1857–1861, Grundrisse*, Berlin: Dietz 1978.

II.3.2–3.4: *Theorien über den Mehrwert, Manuskripte 1861–1863.*

II, 3.5–3:7 K.M: *Zur Kritik der Politischen Oekonomie, Manuskripte 1861–1863.*

This is the first version of *Das Kapital* without any clear division in three parts.

II, 4.1: K.M, *Oeconomische Manuskripte, 1863–1868*, Berlin: Dietz 1988.

Contains the Apparat of *Kapital* I and the text of *Kapital* II.

II, 4.2.1: An Early Version of *Kapital* III, Berlin 1992, under the auspices of the *International Institute of Social History Amsterdam* (When Hitler came to power part of Marx's manuscripts were shipped to Moscow, another part to Amsterdam, hence the involvement of the institute in Amsterdam).

This was Engels' main lead to his edition of *Kapital* III.

II, 4.3.1: *Manuskripte zum Zweiten und Dritten Buch von Das Kapital, 1867–1868.*

Notes and Observations.

II, 3.5.1: K.M., *Das Kapital, Kritik der Politische Oekonomie, Erster Band*, Berlin: Dietz 1983.

This is the text of the first edition of *Kapital* I.

II, 6.1: *Das Kapital, Band I*, Berlin: Dietz 1987.

This is the second 1872 edition of *Kapital* I.

II, 8.1: *Das Kapital*, Berlin: Dietz 1989.

This is the third edition of 1983.

II, 10.1: *Das Kapital*, Hamburg 1890, Berlin: Dietz 1991.

This is the fourth edition seen through by Engels. It serves as the text of modern editions.

II,11.1: K.M; *Manuskripte zum Zweiten Buch, 1868–1881*, Akademie Verlag 2008.

II, 12.1: *Das Kapital. Zweiter Band.*

Contains Engels' *Redaktionsmanuskript* of *Kapital* II.

II, 14.1: Karl Marx and Friedrich Engels, *Manuskripte und Redaktionnelle Texte zum Dritten Buch,* Akademie Verlag 2003.

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Remarks on the Embarrassed Publishing History of Engels, *Die Lage der arbeitenden Klasse in England*

Wilfried Nippel

The following text is not an analysis of Engels' (later) famous book but a bio-bibliographical essay on its strange publishing history which reveals the elder Engels' ambiguous opinion of a book he had published at the age of 24 and his difficulty to cope with the fact that England had gone through a development quite different from that Engels had prophesied.

1 Biographical Background

Friedrich Engels did a sort of internship at Ermen and Engels[1] in Manchester from December 1842 to August 1844 (Schmidtgall 1981). We have no information on the actual tasks he completed in the company's office since the correspondence of his first stay in Manchester has not survived. Having spent about 10 days in Paris in company with Marx, Engels returned to Barmen in early September 1844. Until March 1845, he worked willy-nilly in his father's firm, carried on writing articles for English and German journals and engaged in "communist" propaganda activities culminating in the three Elberfeld meetings of February 1845 organized by Moses Hess and Gustav Adolf Köttgen.

During this time, Engels wrote a book which was finally titled *Die Lage der arbeitenden Klasse in England* (henceforth: *Die Lage*). On 19 November 1844, he

[1] The company was founded in 1838 by Gottfried Ermen and Friedrich Engels senior; on its history and the involvement of Friedrich Engels junior, see Henderson 1971; Knieriem 1987; Illner 2011.

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had informed Marx that he had started with his analysis of a bulk of English newspapers and books and on 17 March 1845 that the manuscript was on its way to the Leipzig publisher Wigand and the royalty of 100 Talers (which he had promised to Marx) soon to be expected (MEGA² III/1, 251 and 270). At this time, Engels considered his book only as a prelude to a major work on the social history of England, which he hoped to complete in Summer 1845. He also confirmed his plan (in concert with his father) to register at Bonn University in April. But for reasons that are far from clear, Engels applied on 7 April 1845 for a permission to emigrate to England, which was granted by the district government in Düsseldorf on 25 April, when Engels had already left Barmen[2] – however not for England but for Brussels where he settled in the neighbourhood of the Marx family who had arrived there in early February after Marx's expulsion from France.

2 "Own Observation and Authentic Sources"

Engels' book with a size of 358 pages appeared in late May 1845.[3] The subtitle reads: "Nach eigner Anschauung und authentischen Quellen", suggesting that personal observation was of greater importance than the use of written sources. In his preface, Engels said that during his 21 months in Manchester, he had become acquainted with the English proletariat, from personal observation and intercourse, and at the same time "supplemented" his observations by recourse to the requisite authentic sources. "What I have seen, heard and read has been worked up in the present book" (MEW 2, 232; MECW 4, 302). But this order was hardly compatible with his statement that only in England the life conditions of the proletariat were fully documented in official publications.

His message for the German public reads that one had to concentrate on those social facts which theoretically minded socialists and communists as well as bourgeois social reformers were not aware of. Germany, Engels claimed, will in future undergo the same development as England, and the misery and exploitation of the proletariat will lead to social disturbances until a "new basis for the whole social system" is established. Whether that could be achieved by reform or only by revolution is left open, whereas later in the book, Engels prophesied for the near future a revolution in England "in comparison with which the French Revolution, and the year 1794, will prove to have been child's play" (MEW 2, 252; MECW 4, 323). The stirring message Engels had announced in his letter to Marx of 19 November 1844,

[2] The permission to emigrate entailed according to law that Engels lost his Prussian citizenship; surprisingly, at later occasions, the Prussian authorities were not aware of this fact (Nippel 2022).

[3] MEW 2, 227–506. The forthcoming edition in MEGA² I/4 will provide a detailed account of the genesis and the contemporary reception of the book and an ample commentary on the facts mentioned by Engels and the sources he had exploited. See Roth 2020 for a preliminary account. For a recent discussion of the book, see also Hunt 2012, 106–158 [English original 2009, 78–117]. Kumpmann 1973 is still recommendable.

that his "indictment" of the English bourgeoisie for "murder, robbery and other crimes on a massive scale" was also aimed at their German counterpart who employed the same methods (though not that unscrupulously) was left to the readership's sensibility. The overall message of the preface was: This is a serious book based on checkable facts, not a political pamphlet.

Engels added an emotional address, written in English, to "the working classes of Great-Britain". Here he underlined again his personal experience.

> I have studied the various official and non-official documents as far as I was able to get hold of them – I have not been satisfied with this, I wanted more than a mere abstract knowledge of my subject, I wanted to see you in your own homes, to observe you in your every-day life, to chat with you on your condition and grievances, to witness your struggles against the social and political power of your oppressors. […] I forsook the company and the dinner-parties, the port-wine and champaign of the middle-classes, and devoted my leisure-hours almost exclusively to the intercourse with plain Working-Men […] obtaining a knowledge of the realities of life […] (Engels 1845, 3; MECW 4, 297).

He praised the English workers as "members of the great and universal family of Mankind, who know their interest and that of all the human race to be the same" (Engels 1845, 5; MECW 4, 298) – an attribution which would have surprised the addressee. Engels claimed reasonably that he – as a foreigner – was the first to make a "single readable book" from the numerous blue books, but his assertion that those reports were generally ignored is rather counterfactual.

That would have been an appetizer in a book for the English public but looks rather out of place in a German publication. In his letter of 19 November 1844, Engels had told Marx that he wanted to have printed separately the English preface and sent it to English party leaders, men of letters and members of parliament. One wonders whether that would have been the right addressees, but, anyway, there is no evidence that Engels has realized this plan.[4]

It is impossible to say which "considerable first-hand knowledge of working class life" (Hobsbawm 1979, 15) Engels really had. He attended meetings of socialists (Owenites) and Chartists but also of the Anti-Corn Law League (which often were disturbed by organized workers)[5] and made the acquaintance of some Owenite and Chartist spokesmen, but those circles were hardly representative for the urban masses even of Manchester, let alone England.

In his book, Engels gave a detailed description of the slums of Manchester and especially the districts where Irish workers housed. Engels has a sharp eye for the social segregation of the city and is familiar with the streets of the squalid quarters

[4] The assumption of Carver 2020, 60, that this address should be communicated to English workers by German emigrés in England is highly speculative.

[5] Engels on his attending such meetings: MEW 1, 470ff. ("Briefe aus London", May 1843); MEW 4, 300 ("Der Freihandelskongreß in Brüssel", October 1847); MEW 4, 328f. (Letter to "L'Atelier", November 1847).

(Zimmermann 2020).[6] But his remarks on housing, poor health or malnutrition of the inhabitants follow contemporary accounts.

It is, however, often asserted that Engels made intimate acquaintance with the living conditions especially of Irish workers because of his love affair with Mary Burns. We don't know when it had begun. Apart from Mary's Irish origin, we don't know anything about her in the years 1842–1844 that can be qualified as indisputable (Whitfield 1988; Frow and Frow 1995).[7] And almost everything Engels says about the Irish community in Manchester reproduces English stereotypes and prejudices about barbarian folks addicted to drinking and brawling and always available for cheap labour and strikebreaking (Roth 2011).

All in all, there are very few points in the book that may directly reflect Engels' personal observations, and they are of minor importance. His insistence on his status as eyewitness is a red herring. This is not to say that he might have written the same book without having spent a longer time in Manchester. Here he had the best access to newspapers, journals, broadsheets and pamphlets of the leftist political scene and could combine his readings with his knowledge of debates in public meetings and personal conversation.

In theory, Engels might have consulted other "authentic sources" elsewhere, for example, in the library of the British Museum. They include numerous bluebooks, especially on child labour, official reports of local authorities and personal accounts of renowned experts on housing, sanitary conditions and public health.

The amount of information Engels had accumulated and fit together into a coherent picture is amazing. This impressed the majority of German reviewers who mostly accepted Engels' claim that personal acquaintance with the Manchester workers was the main basis for the book and made only summary hints at the printed materials he had used. This is not surprising for reviews published in papers and journals for the general public and written by authors who hardly had the expertise to judge on the book's scholarly dignity. Of course, they differed with respect to Engels' political judgements and his stress on the tremendous social costs of the "industrial revolution"[8] and with respect to the question whether Germany would necessarily undergo the same development as England or which measures were adequate to avoid it (Mönke 1965; Ullrich 1970).[9]

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[6] It looks like a sort of misery tourism when Engels guided visitors like Jakob Venedey or Georg Weerth through "Little Ireland"; Venedey 1845, 263ff.; Weerth to his mother, 6 July 1844, in: Weerth 1989, 261. – During his stay in Bradford (January 1844–April 1846) Georg Weerth often accompanied a public assistance doctor. According to his impressions, the fabric workers did relatively well but were in misery (like the subproletariat) in times of unemployment; see Zemke 1989, 44ff.; Köster 1993.

[7] That is my reading of these books by experts in Manchester working-class history. The authors' assumptions, probable as they often seem, should not be taken as proven.

[8] Engels was one of the first German writers who used this term which probably had been coined in France; Nolte 1983, 336; Stedman Jones 2006, 205ff.

[9] It was only in 1848 that the Marburg economist Bruno Hildebrand made a thorough analysis of *Die Lage* which he considered as the empirical counterpart (das "communistische Evangelium der Thatsachen", 182) to Engels' moralizing critique of economic science published in 1844

The reaction to Engels' book was vivid, the success on the book market rather moderate. Unfortunately, there is no information on the number of copies printed in 1845. In 1848, the publisher Wigand offered a "second edition", which meant only using a new title page for the copies hitherto unsold.

3 The Long Way to a New Edition

For a certain time after 1845, Engels may have maintained his plan to write a social history of England but did not realize it. After his return to Ermen & Engels in autumn 1850 as assistant, clerk and finally partner, he was well informed about the labour conditions in textile mills but took them for granted. In his letters, he often gave Marx information on the operational aspects of textile production and trade from the entrepreneurs' point of view but did not discuss "the condition of the working classes" (Mata and Van Horn 2017). And that was also not an issue of Engels' (mostly anonymous) journalism.

In his famous autobiographical sketch of 1859, Marx stated his general accordance with Engels in theoretical questions: Engels had come to the same results though on a different way as *Die Lage* proved.[10] Later, Marx cautiously tried to convince Engels that a new edition of this book was desirable. That is perhaps already implied in a letter after 11 January 1860 in which he told Engels that the fabric commissioners' reports for the years 1855 to 1859 showed a different picture in comparison with the data in *Die Lage* (MEW 30, 7) and explicitly said in a letter of 10 February 1866 (MEW 31, 174f.). Marx also engaged his admirer Kugelmann in Hanover to persuade Engels. On 8 April 1863, Engels wrote to Marx that he did not renounce his book, as assumed by Kugelmann, but that a new edition was not appropriate since the English proletariat showed no longer any revolutionary spirit (MEW 30, 338). A last attempt by Marx via Kugelmann in 1867 was answered by Engels with the remark that firstly everything important could be found with Marx, that is, *Kapital*, vol. 1 (just published) and secondly that he himself had no time to revise his own book as long as he was an active businessman.[11] This raises the

(Hildebrand 1848, 155ff.). That Hildebrand discussed these two writings together may have led him to overemphasize Engels' bias in dealing with empirical data in the sense that the details often were correct but the whole picture was distorted (170). Hildebrand rejected Engels' thesis that the general standard of living of the lower classes had deteriorated in comparison with pre-industrial times. He did this also by referring to the situation in Germany thus making the comparison Engels had only implied. Despite all criticism, Hildebrand treated Engels as "without doubt the most gifted and learned German author on social issues" ("zweifellos der begabteste und kenntnisreichste unter allen deutschen Sozialschriftstellern"; 155). It is assumed that Hildebrand's later model of economic stages was partly an alternative draft to Engels' outline of economic development; Müssiggang 1968, 104ff.

[10] *Zur Kritik der politischen Ökonomie* (preface); MEW 13, 10 = MEGA² II/2, 101.

[11] Marx to Kugelmann, 13 July 1867; MEW 31, 552: Kugelmann should tell Engels on occasion of his forthcoming visit in Hanover the *pia fraus* ("noble lie") that the head of the Statistical Office in

question whether it was only lack of time or also incompatibility with his position as associate of a prosperous textile mill. But Engels' "retirement" from Ermen & Engels in 1869 did not change his attitude.

After his return to Germany in 1862, Wilhelm Liebknecht asked Marx and Engels again and again for permission to reprint older texts of them that were almost forgotten or no longer available but badly needed for propagandist purposes, especially in the infight with the Lassalle party. Liebknecht was for many years Marx's and Engels' sole person of trust in Germany, but internally they were constantly angry about Liebknecht's habit of asking them for advice and then acting according to his own discretion and were suspicious that Liebknecht would interfere incompetently in their texts. Since they could not put Liebknecht off, they conceded to his wishes in some cases but treated them often dilatorily in this manner: Yes, in principle, but the old text needs revision, annotation or a new preface which no one else could do, but due to urgent chores we cannot do that at the moment … (Nippel 2019, 459–461).

That is also true for Engels' reaction to a possible republication of *Die Lage*. Liebknecht who had asked for a new edition already in 1865 (or earlier)[12] made concrete offers to Engels in 1872 and 1873.[13] In the first case, Engels answered that at the moment he was too occupied with the preparations for the forthcoming congress of the International Working Men's Association; in the second one when Liebknecht planned to include *Die Lage* (best in an updated version) in a book series (*Sozialpolitische Bibliothek*), which should start with Thomas Morus *Utopia* (1516), Engels remarked that it would take much time to come from Morus to Marx and Engels; Liebknecht should primarily look for the intermediate texts. And, after all the copyright question had to be settled with Wigand.[14]

In 1882, Adolf Hepner, former editor of the party newspaper *Volksstaat* who had emigrated to America, asked Engels for permission to publish his book in a series of socialist texts called *Arbeiterbibliothek*. Engels explained that according to current international rules, Hepner was free to do this in the USA but announced a sharp public statement in case Hepner interfered in the text. Engels added that he might make amendments for an updated edition but that would take 6 months, and he would only do this if the publication was guaranteed.[15] Nothing happened.

Hanover had made friendly remarks about *Die Lage*; that could persuade Engels to write the continuation from 1845 onwards which he finally had promised. ("Engels promise" is perhaps another noble lie). Kugelmann to Marx, 12 August 1867; http://megadigital.bbaw.de/briefe/detail.xql?id=M0000315 [15 April 2022], reporting Engels' reaction.

[12] Liebknecht to Engels, 25 March 1865; Liebknecht 1963, 50 ("ceterum censeo" may imply the repetition of his request). – Paul Stumpf to Engels, 16 July 1866, in: Monz 1986, 287 f.: In a recent conversation Liebknecht pleaded for an updated version.

[13] Liebknecht to Engels, 15 May 1872, and 8 February 1873; Opitz 1981, 400 and 410.

[14] Engels to Liebknecht, 22 May 1872, and 12 February 1873; MEW 33, 466 and 567.

[15] Engels to Hepner 25 July 1882, answering to Hepner's letter of 3 May; MEW 35, 344.

The book was out of print since 1875 or 1876.[16] Since 1884, Engels was approached by the two publishing houses of the German Socialists – the Volksbuchhandlung in Hottingen near Zurich (head: Hermann Schlüter), distributor of publications forbidden (or likely to become forbidden) under the Anti-Socialist Law, and the legally operating publisher Dietz in Stuttgart (a private company owned by the socialist Member of Parliament Johann Heinrich Wilhelm Dietz).[17] In other cases, Engels used to decide where to publish his own texts or texts from Marx's estate according to the criterion whether a ban in Germany was to be expected or not. In this case, he made a fuss of the unclear copyright question for several years. In 1884 and 1885, he complained that Liebknecht had done nothing with respect to Wigand during the last 15 years and asked Bebel to obtain a legal advice which then read that the copyright was still with Wigand.[18] In 1892, Engels asked Bebel again and got the same answer.[19] In spring 1892, Dietz informed Engels repeatedly that he was now the copyright owner; Engels finally agreed to a new edition.[20]

It's very strange that the veteran businessman Engels apparently had never directly contacted Wigand though he had repeatedly announced to do so.[21] That does not look like a serious interest in a new edition. In all these years, he had repeated his argument the book needed a revision that would take 6 months or so which he had not left especially as his edition of the third volume of Marx's Kapital was of prime importance. He said this in 1885 when he was about to start with this edition as well as in 1892 when the end was in sight.[22] Editing and completing Marx's bundle of unfinished manuscripts were indeed extremely laborious and painful (also for Engels' eyes), but Engels had found enough time during the years of work on this volume to produce (besides numerous newspaper articles) new texts

[16] Engels to Hermann Schlüter, 1 January and 22 February 1885; MEW 36, 268 and 285. Kautsky from Vienna to Engels, 11 November 1882; Engels and Kautsky 1955, 68: Antiquarian copies are offered at exorbitant prices; a new edition is necessary.

[17] Kautsky to Engels, 2 February 1884; Engels/Kautsky 1955, 96: Engels to Kautsky, 16 February 1884; MEW 36, 109. Kautsky asked on behalf of the Volksbuchhandlung for permission to reprint *Die Lage*. Engels replied that there was a previous offer by Dietz which he had accepted in principle. Engels' following correspondence with Schlüter shows, however, that a publication by the Volksbuchhandlung was a serious alternative.

[18] Engels to Liebknecht, 10 May 1883; to Kautsky, 16 February 1884, and to Bebel 19 January 1885, MEW 36, 24, 109 and 273f. Bebel to Engels, 7 February 1885; Bebel and Engels 1965, 216. However, Engels wrote to Florence Kelley on 10 February 1885 that "a new German edition of my book is in actual preparation"; MEW 36, 280 [English original: MECW 47, 259].

[19] Engels to Bebel, 2 February 1892; MEW 38, 263; Bebel to Engels, 12 February 1892; Bebel and Engels 1965, 503f.

[20] Engels' answers to Dietz 23 April, 5 May and 12 May 1892; MEW 38, 329f.;334 and 337. The royalties should go the Austrian socialist party or better directly to its leader Victor Adler; Engels to Adler, 19 May 1882; MEW 38, 343f. It was Engels' general practice to donate the earnings from his publications either to the German or the Austrian party.

[21] For example, Engels to Liebknecht 22 May 1872; MEW 33, 466; Engels to Schlüter 22 February 1885; MEW 36, 285.

[22] Engels to Schlüter 22 February and 21 December 1885; MEW 36, 285 and 411; Engels to August Bebel, 2 February and to Pasquale Martignetti, 21 April 1892; MEW 38, 263 and 327.

of his own and publish new editions of Marx and Engels texts to which he added new introductions, made and revised translations, etc.

The 1892 second German edition of *Die Lage* did only contain minor corrections of expression and just about three short additional notes of random character. Thus, it was not the result of this time-consuming revision that Engels so long had used as an argument for postponing a new edition. It was simply a corrected reprint of the 1845 book.[23] It also reproduced the address to the British working men[24] that had been skipped from the English translation and should only be reprinted in English since the 1950s.[25] There was, however, a new preface to this 1892 German edition, but that was substantially the "appendix" written for the English (American) edition of 1887. This appendix had also appeared in German in *Die Neue Zeit* (the theory journal published by Dietz, and edited by Karl Kautsky) and then had been used in revised and somewhat enlarged version as "preface" to a new English edition of 1892 (see below). Now Engels added some additional remarks on the present German situation.

Engels used to publish his prefaces to his own or to newly edited texts of Marx separately in *Die Neue Zeit*, or if that seemed too dangerous under the Anti-Socialist Law, in the German party's weekly *Der Sozialdemokrat* which was published in Zurich under the editorship of Eduard Bernstein and distributed illegally in Germany. In all those cases, separate publication of the preface was promotion for the book (Nippel 2017). Thus 1887 would have been the appropriate moment to re-edit the old German book with a new introduction (which at least would have avoided the later bibliographical chaos).

It remains a puzzle why it took 5 more years to do this after Engels had agreed to an unrevised English translation. The published correspondence gives no hints. Maybe Dietz could not come to an agreement with Wigand. It seems less plausible that in 1887, the Anti-Socialist Law was an impediment that should only be removed by its expiration in autumn 1890.

4 The English Translation

Engels' agreement to an English translation of *Die Lage* was his first step to skip the plan, or pretence, to republish it only in an updated version. The initiative came from the young American Florence Kelley [-Wischnewetzky] (1859–1932) who in autumn 1884 had registered at Zurich University, mingled in socialist circles, and had her socialist awakening in a lecture delivered by Eduard Bernstein.[26]

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[23] As noted on the title page: "Zweite durchgesehene Auflage".

[24] Why this address was reprinted is far from clear. Since it is not mentioned in Engels' (surviving) letters to Dietz, it was probably the publisher's decision.

[25] Jenkins 1951, 7, claimed that he was the first to do so.

[26] Blumberg 1964, 104f. – In Zurich Kelley met the Russian emigré Lazar Wischnewetzky to whom she got married in 1884. – On her lifelong activities as socialist and feminist in the USA and her scholarly work, see, e.g. Timming 2004.

In August 1884, Kelley approached Engels via Hermann Schlüter, and by early December, Engels accepted Kelley's offer and declared he would write a new introduction provided that Kelley would find a publisher for the book.[27] It is not discernible why he agreed to a translation of the 1845 book while at the same time thought of a German reimpression only in form of an updated version.

On 4 February 1885, he wrote to Kelley, who in the meantime had returned to the USA, that the preface to the German book and the address to the English workers should better be deleted as outdated (MEW 36, 278: English original: MECW 47, 257). Kelley had sent Engels the translation of these parts as a specimen. About the same time, Engels started writing an article "England in 1845 and in 1885" which appeared in the London journal *The Commonweal* in March and in a German version in *Die Neue Zeit* in June 1885 (MEGA² I/30, 61–66 and 67–73). In January and February 1886, Engels revised Kelley's translation thoroughly.[28] He added an appendix for the book which mainly consisted of his article "England in 1845 and in 1885" (MEGA² I/30, 163–168). Engels also declared that the title should read "The condition of the working class in England *in 1844*".[29]

Kelley's search for a publisher proved difficult, led to delay and caused frictions with Engels who meanwhile was in doubt whether it was sensible to have the "old thing" translated.[30] In December 1886, Kelley wanted to remove "in 1844" from the title, but Engels refused since this "omission would give an entirely false idea of what the reader has to expect".[31] The translator now asked Engels also for a preface which should address the present situation of the labour movement in America in which she was involved. Engels agreed and posted this additional text, dated 26 January 1887.[32] The book appeared in April 1887 with the odd title *The Condition of the Working Class in England in 1844*. *With Appendix written 1886, and Preface 1887*. The "preface" appeared also separately in New York ("The Labor Movement in America")[33] and in Engels' own translation ("Die Arbeiterbewegung in Amerika") in *Der Sozialdemokrat*.[34]

The book was again published in London with the same title and identical content in 1888. In 1892 appeared a new English edition *The Condition of the Working-Class in 1844. With Preface written in 1892*. The 1887 preface which "had little to do with the book itself" was omitted (MEGA² I/32, 74). In substance, the "new" 1892 preface (MEGA I/32, 74–87) was the 1886 appendix. The English 1892

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[27] For all details concerning the translation, see MEGA² I/30, 1034–1058. Kelley's letters to Engels are printed in Blumberg 1964.

[28] See MEGA² I/30, 1038–1042, for the modifications of the original text made by Kelley and Engels; for shortcomings of the final product Chaloner/Henderson 1958, XXII, fn. 2.

[29] Engels to Kelley, 25 February 1886; MEW 36, 451 [MECW 47, 415].

[30] Engels to Friedrich A. Sorge, 29 January 1886; MEW 36, 430.

[31] Engels to Kelley, 28 December 1886; MEW 36, 590 [MECW 47, 542].

[32] Engels to Kelley, 27 January 1887; MEW 36, 597 [MECW 48, 8]. Engels' preface: MEGA² I/31, 29–36.

[33] References: MEGA² I/31, 690.

[34] MEGA² I/31, 40–48.

edition in turn became the model for the second German edition the same year as mentioned above.[35]

5 Conclusion

The publishing history of *Die Lage* is puzzling. I pass over the piece on the labour movement in America[36] and concentrate on Engels' later estimation of his 1845 book. He apparently had never a clear idea what an updating of the book should mean. In his 1886 appendix (and its later versions), he declared that the translation was not due to his own initiative and that he had not attempted "to bring the book up to date, to point out in detail all the changes that have taken place since 1844". Firstly, that would have doubled the size of the book which could not be done at short notice, secondly, Marx, *Kapital* vol. 1 "contains a very ample description of the state of the British working class, as it was about 1865 […] when British industrial prosperity reached its culminating point. I should then have been obliged again to go over the ground already covered by Marx's celebrated work" (MEGA^2 I/30, 167).

Would one not rather had expected an analysis of the condition of the British working class in 1885? It had dramatically improved as Engels underlined in this appendix which included the piece on England in 1845 and in 1885. But he differentiated between lasting and temporary improvements and tried to qualify them by, for example, stating that on the one hand the Manchester slums had disappeared whereas on the other hand formerly "almost idyllic" quarters "have now, with the growth of the towns, fallen into the same state of dilapidation, discomfort and misery" (MEGA^2 I/30, 165).[37]

Engels' most important point was, however, that the higher standard of living was only enjoyed by those workers organized in strong trade unions. "They form an aristocracy among the working class; they have succeeded in enforcing for themselves a relatively comfortable position, and they accept it as final" (MEGA^2 I/30, 64). They shared in the benefits of England's industrial monopoly. But England's dominance on the world market was over due to new competitors like France, Germany and especially the USA. "With the breakdown of that monopoly the

[35] Engels to Dietz, 23 April 1892; MEW 38, 329: This English edition had convinced him that it was sufficient to print the old text with a new preface.

[36] Engels dealt with the Henry George movement, the Knights of Labor and the Socialist Labor Party (consisting of German immigrants) and was optimistic that a united labour party would emerge. But one may doubt that he was well enough informed to analyse the American political scene since he relied on communication with very few persons, especially Friedrich A. Sorge; see Callesen 2003. It is also significant that he waited for the return of Eleanor Marx and Edward Aveling from their America tour "to have a full report of the state of things in America"; Engels to Kelley, 28 December 1886; MEW 36, 588 [MECW 47, 540].

[37] Engels had made this point already in 1872 (second article "Zur Wohnungsfrage"); MEGA^2 I/24, 54ff.

English working class will lose that privileged position; it will find itself generally – the privileged and leading minority not excepted – on a level with its fellow-workers abroad. And that is the reason why there will be Socialism again in England" since the "dying-out of Owenism" (MEGA² I/30, 66).

Supposing these theses were right, to elaborate and base them on ample empirical data would have demanded a totally different book in comparison with the original one, and the new part might have appeared as a démenti of the old one. In this sense, it was a clever strategy to combine the old text with such an appendix (or later preface) with a sweeping generalization by which the economic and social progress was acknowledged and qualified in one.

Engels stressed that he had written the book 40 years ago at the age of 24 and that "its production bears the stamp of his [the author's] youth with its good and its faulty features of neither of which he feels ashamed" (MEGA² I/30, 163). He admits that his many prophesies of an imminent social revolution in England have proved wrong but will prove right in future. Or that he had been wrong in predicting a great industrial crisis every 5 years, whereas the development from 1842 to 1862 had shown "that the real period is one of 10 years" (MEGA² I/30, 168). Engels could not overcome his habit to correct old prognoses by making new ones.[38]

Engels is very reluctant as for the merits of his book.[39] He wrote that scientific socialism was developed almost exclusively by Marx and did not yet exist in 1844. "My book represents one of the phases of its embryonic development […] and exhibits everywhere the traces of the descent of modern Socialism from one of its ancestors, German philosophy" (MEGA² I/30, 167). This is in striking contrast to his assertion of 1845 that he wanted to overcome philosophical discussions by analysis of empirical data which he indeed had done in the greatest parts of his book.[40] And those chapters in Marx *Kapital* on the development of industrial capitalism in England had followed Engels' lead especially with the use of official sources like factory inspection reports (Bohlender 2007).

Karl Kautsky praised in 1887 *Die Lage* as the pioneer work of "scientific socialism".[41] Sometimes Engels considered his book as an original and independent contribution to the theory that Marx should later develop,[42] sometimes he did not list it as a fundamental work of "Marxism".[43] After reading the German version of 1892

[38] Schwab 1987; Hölscher 354ff.

[39] Engels to Bruno Schoenlank, 29 August 1887; MEW 36, 697, referring to French and English predecessors.

[40] In 1872 (third article "Zur Wohnungsfrage"), Engels had mentioned this intention behind his book; MEGA² I/24, 79.

[41] MEGA² I/31, 489. Kautsky's biographical sketch of Engels was based on information he had obtained by Engels (see MEGA² I/31, 1249–1251).

[42] Preface to the English edition of the "Manifesto of the Communist Party", dated 30 January 1888; MEGA² I/31, 120.

[43] Engels to Joseph Bloch, 21/22 September 1890; MEW 37, 464; Engels to Frederick Borkheim, July 1892, quoted in Gemkow 2003, 231f.; Engels to W. Borgius, 25 January 1894; MEW 39, 207. Engels listed: *Anti-Dühring; Die Entwicklung des Sozialismus von der Utopie zur Wissenschaft;*

(or its preface), August Bebel stated that Marx would not have become the famous Marx one knows without Engels' decisive influence.[44] And German economists and other scholars had appreciated the documentary richness of this book despite all disagreeing with its political messages.[45]

Engels acknowledged only late that his book was a "historical document" but insisted at the same time that it was still of actual importance since the economic and social conditions in the USA and in Germany in 1886 or 1892 were just the same as in England 1844.[46] Whether he really believed that or not – Engels always felt the obligation to make judgements on the current situation.

In many other cases, Engels was a master of self-historizing, explaining the historical circumstances in which texts of Marx and himself had been written, why certain judgements had proved wrong, which consequences had to be drawn from totally changed social and political conditions and according to the different stages of development in various countries and finally that this all was the proof of the superiority of scientific socialism. It remains a riddle why he had such an odd estimation of his book which by later generations should be appreciated as a "classic", be it of socialism, social history, urban sociology or all together.

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[44] Bebel to Engels, 17 September 1892; Bebel and Engels 1965, 588.

[45] For example, Held 1881, 400f.; Adler 1885, 119f. and 141f.; Sombart 1895, 5ff.

[46] Engels to Dietz, 23 April 1892; MEW 38, 329; preface to 1892 German edition of *Die Lage*; MEGA I/32, 155f.

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“Economic Facts Are Stronger Than Politics”: Friedrich Engels, American Industrialization, and Class Consciousness

James M. Brophy

“Economic facts are stronger than politics, especially if the politics are so much mixed up with corruption as in America” (MEW, vol. 37, 48; MECW, vol. 48, 172). Asserting this claim in a letter of 1888, Engels believed that the United States would finally succumb to the pressing logic of free trade. The inexorable laws of markets would not only force the rising industrial giant to shed its protective tariffs but also recast its working class into a revolutionary force. By embracing its historic role as global competitor, reasoned Engels, an intensified American capitalism would in turn forge a socialist worker’s party. But were economic determinants stronger than politics? Both Engels and Marx assigned the United States a leading role in capitalism’s expansion and, concomitantly, in socialist politics. Yet, despite their sustained attention to capitalism in the United States, their prescriptions for working-class solidarity consistently misread American political culture. Its patterns of social mobility, its ethnic and racial differences, and its preindustrial republicanism that lionized small-scale producers constituted significant anomalies that undermined workers’ allegiance to socialism. Neither thinker was blind to these features of American life, but they underestimated their persistence and their negative impact on labor politics. Although Engels’ knowledge of the United States was extensive, his indomitable belief in capitalism’s impending global crisis subordinated America’s specific conditions to broader aspirations. In doing so, Engels and Marx held to a European definition of class conflict that poorly fit American circumstances. By surveying Engels’ and Marx’s texts on American industrialization and political economy over four decades, this chapter traces their evolving viewpoints on American capitalism and Engels’ resistance to grapple with the “exceptionalism” of American labor politics.

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1 Taking Stock of a Rising Giant

Beginning in the 1840s, Friedrich Engels and Karl Marx grasped the importance of the United States and strove to integrate it into their evolving models for capitalist development. For both, the young republic portended leadership in commerce and industry. Engels first articulated his vision of America's "giant steps" in *The Condition of the Working-Class in England* (1845). Against Manchester's social misery, he sketched the economic potential of the United States. "America, with its inexhaustible resources," he wrote, awaited greatness, "with its unmeasured coal and iron fields, with its unexampled wealth of water-power and its navigable rivers, but especially with its energetic, active population." By comparison, he quipped, the "English are phlegmatic dawdlers." With the water-driven mills in New England, "America has in less than ten years created a manufacture which already competes with England in the coarser cotton goods, has excluded the English from the markets of North and South America, and holds its own in China, side by side with England." Based on Manchester's trade and stock reports, he hazarded the prediction: "If any country is adapted to holding a monopoly of manufacture, it is America" (MEGA[1] I/4, 279; MECW, vol. 4, 579–580).

The young Karl Marx was no less informed about American political economy. Because Thomas Paine's Rights of Man (1792) stood in his father's library, one can assume that Marx read the classic early in his life (Sperber 2013, 19). A remark in "The Jewish Question" (1845) further reveals that he was acquainted with Alexis de Tocqueville's *De la démocratie en Amérique* (1835), the era's seminal work for explaining American government and society (MEW, vol. 1, 352; MECW, vol. 3, 146–174; Mayer 1966, 4). In 1846, Marx co-authored a polemic against Hermann Kriege, a German journalist in New York, who advocated the "free soil movement." In this pamphlet, Marx flatly rejected Krieg's assertion that the cost-free distribution of land to workers amounted to a communist reform (MEW, vol. 4, 8–11; MECW, vol. 6, 35–51). Marx furthermore addressed American ideals of republicanism, which celebrated a citizen's economic independence and political freedom. For craftsmen and workers, the early introduction of universal (manhood) suffrage in the 1830s played a central, if not decisive, role in their political development. Versed in constitutional history, Marx recognized the value of the franchise that guaranteed claims of liberty and freedom. In the "German Ideology" (1845–46), he noted: "the workers attach so much importance to citizenship, i.e., to active citizenship, that where they have it, for instance in America, they 'make good use' of it, and where they do not have it, they strive to obtain it" (MEGA[2] 1/5, S. 271; MECW, vol. 5, 117ff.). Such constitutional rights shaped the political behavior of American workers over the course of the entire nineteenth century (Bridges 1986, 162, 165, 185–189, 191–196). Forged in the early republic, the credo of political individualism endured, even when large-scale industrialization and mass politics beckoned for collectivist strategies.

The unearthing of gold in California in 1849 fundamentally reframed the American question for Marx and Engels. Still processing the painful setbacks of the

German Revolution of 1848–1849, they labeled the discovery, "the most important thing to have occurred here, more important even than the February Revolution […] one may predict that this discovery will have much more impressive consequences than the discovery of America itself." With rhetoric that resembled new-world boosterism, they declared that the wheel of world history had turned, with global trade taking a new direction: "The role played by Tyre, Carthage and Alexandria in antiquity, and Genoa and Venice in the Middle Ages, the role of London and Liverpool until now—that of the emporia of world trade—is now being assumed by New York and San Francisco, San Juan de Nicaragua, and Leon, Chagres and Panama. The center of gravity of world commerce, Italy in the Middle Ages, England in modern times, is now the southern half of the North American peninsula. The industry and trade of old Europe will have to make huge exertions if they are not to fall into the same decay as the industry and trade of Italy since the sixteenth century, if England and France are not to become what Venice, Genoa and Holland are today" (MEGA^2 I/10, 218; MECW, vol. 10, 265). As a leavening agent for socio-economic upheaval, Marx and Engels welcomed the gold rush.

Over the 1850s, America's economic potential foreshadowed its future leadership in global trends (MEGA^2 I/10, 218 ff.). The economic and financial crisis of 1857–1859 confirmed Marx's thesis that the productive forces had already shifted to the new world. The overheated speculation with banks and railroads initiated a worldwide financial panic, exhibiting synchronized business cycles on both sides of the Atlantic. The instability of capitalism that Friedrich Engels observed in Manchester in 1844, and what Marx predicted in 1848 in the *Communist Manifesto*, now arose in Ohio and New York with full force. For both authors, cyclical overproduction and recurring recessions augured the collapse of capitalism – a mantra that repeatedly arose throughout their lives. Seeing their predictions confirmed in October 1857, Marx exclaimed to Engels: "The American crisis – its outbreak in New York was forecast by us in the November 1850 Revue – is beautiful" (MEGA^2 III/8, 184; MECW, vol. 40, 191). For both, the United States had become a pacemaker for a crisis-ridden capitalism.

But slavery stood in the way of capitalism's full development in North America. As Marx noted in the first volume of *Capital*, "In the United States of North America, every independent movement of the workers was paralysed so long as slavery disfigured a part of the Republic. Labour cannot emancipate itself in the white skin where in the black it is branded" (MEGA^2 II/5, 239 ff.; MECW, vol. 35, 305). Building on that claim, he prophesized, "As in the eighteenth century, the American War of Independence sounded the tocsin for the European middle class, so in the nineteenth century, the American Civil War sounded it for the European working class" (MEGA^2 II/5, 13; MECW, vol. 35, 9; MEGA^2 III/10, 153; MECW, vol. 41, 3 ff.). He further characterized Abraham Lincoln's Emancipation Proclamation of September 22, 1866, as "globally ground breaking." Depriving the Confederate states of its labor pool for cotton production had now injected a revolutionary dimension to the conflict (MEGA^2 III/12, 186–187; MECW, vol. 41, 399 ff.; MEGA^2 III/12, 256–258; MECW, vol. 41, 419 ff.; MEGA^2 III/12, 256–258; MECW, vol. 42, 268). Engels, too, did not overlook the war's significance. Although he lamented

over the Union's poor military tactics (and admired the decisive actions of the Confederate generals), Engels hesitated to predict a victory for the Union. Only at the end of 1864 did Engels see sufficient evidence for a Union victory, and he further elaborated on the nature of this world-historical event. "A people's war of this kind," he wrote, points "the direction for the future of the whole of America for hundreds of years to come." With the shackle of slavery broken, the country "will acquire quite a different position in world history within the shortest possible time" (MEGA[2] III/13, 72; MECW, vol. 42, 37).

Marx concurred, declaring that "never has such a gigantic revolution occurred with such rapidity. It will have a highly beneficial influence on the whole world" (MEGA[2] III/13, 90; MECW, vol. 42, 48). With slavery abolished, Marx reasoned, the path was clear for the dominance of genuine waged work throughout the entire continent. American workers were now in the position to recognize the exploitative dimensions of wage labor, thereby setting in motion the mechanisms for acquiring class consciousness. "The first fruit of the Civil War was the eight hours' agitation," he averred in *Capital*, "which ran with the seven-league boots of the locomotive from the Atlantic to the Pacific, from New England to California" (MEGA[2] II/5, 240; MECW, vol. 35, 305). A decade later, he approvingly reiterated the consequences of a dominant wage system: "If the Anti-Slavery war has broken the chains of the black, it has on the other hand enslaved the white producers" (MEW vol. 34, 359; MECW, vol. 45, 344).

Yet the Union victory hardly ended racism. Reconstruction and the ensuing era of Jim-Crow laws deprived black citizens equal access to an agricultural livelihood, just as color lines segregated labor in workshops, factories, and mines. In some instances, white workers accepted lower wages rather than work with blacks (Foner 1974, 87). When African American workers moved to northern industrial centers during the Great Migration, employers deployed them as strikebreakers, thus setting the stage for antagonistic relationships (Roediger 2007, 177 ff.). Fearing competition and lower wages, Irish and German workers in the north also strove to exclude blacks from organized labor. In 1883, Frederick Douglass, the former slave and rights activist, exhorted union management to integrate: "The labor unions of the country should not throw away this colored element of strength … [and] weaken the bond of brotherhood between those on whom the burden and hardships of labor must fall." Despite decades of effort, interracial labor "foundered on the shoals of racial conflict" (Trotter 2019, 68–69). Although instances of cooperation between black and white workers exist, the overall picture is bleak. In the 1880s, the Knights of Labor and the American Federation of Labor, the country's largest unions, endorsed equality and created some mixed craft associations, but overall national leadership did little to prevent local associations from barring Blacks from their local affiliations. (Similar patterns of exclusion occurred with Mexican-American and Chinese-American laborers.) As late as 1902, W. E. B. Du Bois found 43 unions, including railroad brotherhoods, without a single black worker; 27 others had very few Blacks and furthermore barred black apprentices (Foner 1974, 74). In view of these significant impediments to organization, Marx and Engels' relative silence on the racial divide among workers is surprising. Philip Foner's judgment that Marx

considered "the issue of black-white relations a minor one" also applies to Engels, who did little in the decade after Marx's death to reorient his position (Foner 1977, 41; Nimtz 2003, 172–178).

Far more prominent for Marx and Engels than debilitating race relations was industrial growth. During the three decades after the Civil War, the United States tripled industrial production and gross national product. In small towns, factories grew by 159%; in cities, by 245%. In this period, America's productivity rose to stand among the world's leaders. Despite the influx of skilled workers from Europe, insufficient labor pools for expanding industrial sectors altered work opportunities. In short supply, labor became more expensive and redefined workers' political rights (Shefter 1986, 199–200, 204). While the business class banked on extensive mechanization of work as a means to mitigate labor costs, Marx and Engels believed that such industrial work would accelerate the systemic contradictions of capitalism and increasingly regarded the United States as a bellwether for such development. As Marx noted in 1878, "The most interesting field for the economist is now certainly to be found in the United States, and, above all, during the period of 1873 (since the crash in September) until 1878 – the period of chronic crisis. Transformations –which required *centuries* in England – were here realised *in a few years*" (MEW, vol. 34, 359; MECW, vol. 45, 344). The concentration of American capital, he continued in another letter, stemmed from "unprecedented rapid industrial development," whose tempo far outstripped English progress. Moreover, Marx noted, "the masses are quicker, and have greater political means in their hands" (MEW, vol. 34, 374 ff.; MECW, vol. 45, 357–358).

Friedrich Engels was no less impressed by the "colossal speed with which the concentration of capital is taking place in America" (MEW, vol. 35, 315; MECW, vol. 46, 251). In 1882, Engels dubbed Cornelius Vanderbilt, the railroad tycoon valued at 300 million dollars, the "king" of American capitalists, but "the number of American money barons is far greater" (MEW, vol. 19, 307). For Engels, such concentrated wealth ripened revolutionary conditions. The expropriation of land for railroads and mines, he wrote, raised the price of land, which only the well-off farmers could afford, thereby radicalizing the small-scale immigrant farmers in the West (MEW, vol. 34, 59; MECW. vol 45, 250ff.). He further saw far-reaching consequences in the pattern of American land settlement for other countries. "Mass production," he wrote to Karl Kautsky, "was yet only in its infancy, and really large-scale agriculture are threatening to all but suffocate us by the sheer volume of the means of subsistence produced" (MEW, vol. 35, 150 ff.; MECW, vol. 46, 57). With the cultivation of the American prairie through mechanized agriculture, Engels foresaw a new epoch. Demographic growth, technological progress, and concentrated capital, he argued, increasingly radicalized both agricultural and industrial sectors. In the fourth edition to the German-language version of the *Communist Manifesto*, Engels took stock of the world's political economy and underscored the reversed role of the United States in relation to Europe. Whereas America's raw materials once stabilized the European order, "how all of that has changed today!" Both the mass scale of agriculture and rapid industrial development will, he penned in 1882, shortly "put an end to the industrial monopoly of Western Europe" and, moreover,

"react in a revolutionary manner on America itself" (MEGA[2] I/31, 255; MECW, vol. 27, 54). No less important for Engels, such developments portended repercussions for the workers' movement in Europe, because America no longer acted as the safety valve for Europe. "The stream of emigration, which Europe sends to America annually, only exaggerates the consequences of the capitalist economy, so that a colossal crash will come in the long or short term" (MEW, vol. 19, 307).

Convinced of America's leading role to destabilize capitalism, Engels refined his analysis of global political economy. His correspondence with Florence Kelley-Wischnewetzky, the prominent social worker and the translator of Marx, highlights Engels' efforts to adjust to the current conditions. America, he wrote to her, is not in the position to inherit England's monopoly. Such advantageous conditions, which England enjoyed in the years 1848 to 1870, could not be produced anywhere, "and even in America the condition of the working class must gradually sink lower and lower." Instead, Engels emphasized a dynamic brought about by the competitive pressure of world markets:

> For if there are three countries (say England, America, and Germany) competing on comparatively equal terms for the control of world markets, there is no chance but chronic overproduction, one of the three being capable of supplying the whole quantity required. That is the reason why I am watching the development of the present crisis with greater interest than ever and why I believe it will mark an epoch in the mental and political history of the American and English working classes (MEW, vol. 36, 432 ff.; MECW, vol. 47, 396–397).

Not as an enthusiastic free trader but, rather, as a committed socialist, Engels promoted the unrestricted flow of goods in the Atlantic basin and throughout the world. The dovetailing of British, American, and European markets would, according to Engels' schema, raise the frequency of business cycles, exert new pressures on the international working class, and thereby accentuate more clearly the political goals of the proletariat. Simply put, free trade would stimulate a new revolutionary dynamic. In 1886, using a dubious zero-sum logic, he raised the prospect of economic collapse into a scenario of permanent crisis: "If one great monopolist industrial country produced a crisis every ten years, what will four such countries produce? Approximately a crisis in 10/4 years, that is to say, practically a crisis without end" (MEW, vol. 36, 438 ff.; MECW, vol. 47, 402). In 1893, he sketched this desideratum with greater care:

> …while England is fast losing her industrial monopoly, France and Germany are approaching the industrial level of England, and America bids fair to drive them all out of the world's market both for industrial and for agricultural produce. The introduction of an, at least relative, free-trade policy in America is sure to complete the ruin of England's industrial monopoly, and to destroy, at the same time, the industrial export trade of Germany and France; then the crisis must come, *tout ce qu'il y a de plus fin de siècle* (MEW, vol. 39, 37 ff.; MECW, vol. 50, 111).

In sum, Marx and Engels keenly followed American economic growth over three decades and assessed its impact on global capitalism and on the European core. But this macroeconomic perspective on industrial production came at a price. It

overshadowed a closer examination of America’s political economy and its culture of work, thus hindering a more accurate assessment of political possibilities.

2 Assessing the US Labor Movement

On May 1, 1886, the Haymarket Riots in Chicago shook the country. What started as a rally to demand an 8-h working day turned into a tragic melee when an unknown participant threw a bomb at police officers, who had been engaged to disperse the crowd. The police shot one worker dead and injured many; gunfire from the crowd killed four policemen, four civilians, and wounded numerous others. The violence, along with the state’s reaction of blaming and prosecuting anarchists on the thinnest of evidence, set a new political tone for the workers’ movement. The workers’ response to the riots and deaths was galvanic. Approximately 200,000 workers went on strike in Pittsburgh, New York, Louisville, Milwaukee, St. Louis, Baltimore, and other cities, supported by the Knights of Labor and, after December 1886, the American Federation of Labor (MEGA[2] I/31, 29 ff.; MECW, vol. 26, 399–405; cf. David 1963; Green 2006; Messer Kruse 2011). Membership to the Knights of Labor swelled to over 700,000, and the United Labor Party scored success in local city elections. For Engels, it was “completely unprecedented for a movement to achieve such electoral successes after an existence of barely eight months” (MEW, vol. 36, 579; MECW, vol. 47, 531–534; Licht 1995, 166–196). The American proletariat, he wrote in December 1886, “was moving, and no mistake … This appearance of the Americans upon the scene I consider one of the greatest events of the year” (MEW, vol. 36, 589; MECW, vol. 47, 540 ff.; MEW, vol. 36, 490; MECW, vol. 47, 452).

I only wished, sighed Engels, that “Marx could have lived to see it!” (MECW, vol. 47, 452) He viewed the events as a key developmental stage in historical materialism. On the fortunate soil of America, “where no feudal ruins block the path, where its history begins in the seventeenth century with already developed elements of modern bourgeois civil society, the working class has reached these stages in only ten months” (MECW, vol. 47, 452). With unprecedented speed, the “promised land” of the United States would spring over entire historical epochs, which had required generations in Europe. Engels’ visit to America’s Northeast in 1888 only confirmed his faith in the character of average workers to act in their own interest – even the lowest of social classes. After visiting a prison in Boston, he remarked that the “chaps, dressed as ordinary workmen, look you straight in the eye with none of the hang-dog look of the usual criminal in gaol—this is something you will see nowhere in Europe … I acquired a great respect for the Americans in that place” (MECW, vol. 48, 207).

American agitation also affected European politics. The mass strikes of this era undermined the bourgeois credo “that America stood *above* class antagonisms and struggles.” But that “delusion has now broken down,” Engels wrote in 1886. “The last Bourgeois Paradise on earth is fast changing into a Purgatory, and can only be prevented from becoming, like Europe, an Inferno by the go-ahead pace at which

the development of the newly fledged proletariat of America will take place" (MEW, vol. 36, 490–491; MECW, vol. 47, 452). In a letter to Friedrich Adolf Sorge, Engel's principal liaison in the United States, he claimed that recent events demystified the legend of a classless society:

> The absence up till now of a labour movement in England, and more especially in America, has been the great trump card of radical Republicans everywhere, notably in France. Now these chaps are utterly dumbfounded—Mr. Clemenceau in particular who, on 2 November, witnessed the collapse of all that his policy was based on. 'Just look at America', he never tired of saying, "that's a real republic for you—no poverty and no labour movement!" And it's the same with men of Progress and "democrats" in Germany and over here, where they are just experiencing an incipient movement of their own. What has completely stunned these people is the fact that the movement is so strongly accentuated as a labour movement, and that it has sprung up so suddenly and with such force (MEW, vol. 36, 580; MECW, vol. 47, 533).

America's nascent movement, argued Engels elsewhere, would also affect the conservative trade unions in Great Britain. Inspired by transatlantic developments, English workers would politicize themselves, adopt continental socialism, and unite themselves with a "common program of millions of workers of all countries, from Siberia to California" (MEGA^2 I/31, 257; MECW, vol. 27, 53–60). At the apex of his euphoria, he declared in 1887: "But I am absolutely convinced that things are now going ahead over there, and perhaps more rapidly than here" (MEW, vol. 36, 704; MECW, vol. 48, 103). Engels' high spirits were justified. Between 1885 and 1890, there was an average of 1000 strikes per annum; in the early 1890s, the number rose to 1300 (Licht 1995, 173). After 1893, however, more sobering trends set in. The workers' movement failed to follow Engels' prediction of further radicalization. Despite numerous mitigating factors in America's political economy, he never wavered from the belief that class conflict would sharpen and clarify the workers' movement in the United States.

Reconciling actual events with desired aims proved difficult, and Engels turned to well-known stereotypes of American politics to justify failed expectations. He emphasized, for example, the baleful influence of anarchists at the Haymarket Riots, which he characterized as "foolish." Engels similarly invoked a common lament about Anglo-American pragmatism, noting that the demonstrations for the 8-hour day remained mired in its "trade-union stage," when it was necessary for unions and workers to move beyond "high wages and short hours" and thereby develop a "mixed" political program (MEW, vol. 36, 489; MECW, vol. 47, 451). He also mocked the religious piety that pervaded American culture as well as the schismatic tendencies of its political culture: "it will be years before anything can be done to inhibit sectarianism in America" (MEW, vol. 36, 123; MECW, vol. 47, 114). The rival influence of Ferdinand Lassalle and the sway of Karl Heinzen, a transplanted radical democrat, he dismissed as vestigial factionalism that would soon dissipate (MEW, vol. 36, 215; MECW, vol. 47, 197ff.; MEW, vol. 39, 173; MECW, vol. 50, 235 ff.). Engels worried about the political divide between native and immigrant workers as well as the "theoretical ignorance" of "all young nations," but he waved aside these problems as transitory, stressing instead positive developments.

He thus characterized the "entry of the indigenous working masses into the movement" as one of the "great events of 1886," for it signaled a unifying process that might bring American labor into the fold of scientific socialism. Such assumptions are instructive. On the one hand, he did not exempt American praxis from broader theoretical axioms; on the other, he assigned European workers the role of tutors and theoretical guides, a stratagem bound to fail for its patronizing premise. The "Germans over there," he advised Sorge, "will be a step or two ahead of the latter" and thereby constitute the "nucleus" who "retain a theoretical grasp of the nature and progress of the movement." Using abstract metaphors in place of specific facts and trends, Engels hoped that assimilated German emigrants "will keep the process of fermentation going and, eventually, rise to the top again" (MEW, vol. 36, 478.; MECW, vol. 47, 441).

With these reservations, and based on his trip to America in 1888, Engels gradually conceded that American conditions did not align with his analytical forecasts. Although America had "never known feudalism and has from the outset grown up upon a bourgeois basis," he admitted that other old-world mentalities and practices did in fact affect American society. Such cultural legacies included common law, religious sectarianism, and an Anglo-Saxon contempt for theory. The widely embraced mindset of expediency and practicality, noted Engels, prevented "the people to recognize clearly their own social interests." Regrettably, he observed to Eduard Bernstein, American workers were still "trapped" within "a wholly bourgeois level of thinking" (MEW, vol. 36, 487; MECW, vol. 47, 449). "If America's energy and vitality were backed by Europe's theoretical clarity," wrote Engels in 1883 to Sorge in the United States, "you would get everything fixed up within ten years. But that is, after all, an historical impossibility" (MEW, vol. 36, 47; MECW, vol. 47, 44).

Through the 1880s, Engels believed that the movement could iron out such ideological wrinkles. The lack of theoretical knowledge was, he reasoned, a phenomenon of all young cultures. "True, the Anglo-Americans want to do things their *own* way with a total disregard for reason and science," he noted in 1886, "nor could one expect anything else, yet they are drawing closer and will end up coming all the way" (MEW, vol. 36, 47; MECW, vol. 47, 44). A year later, he endorsed the same viewpoint: "I am absolutely convinced that things are now going ahead over there, and perhaps more rapidly than here, despite the fact that, for the time being, the Americans will have to learn exclusively from practice, and relatively little from theory" (MEW, vol. 36, 304; MECW, vol. 48, 103–104). Consequently, he advised America's Socialist Labor Party that "there is no better way to theoretical clearness of comprehension than to learn by one's own mistakes—*durch Schaden klug warden*" (MEW, vol. 36, 589; MECW vol. 47, 541). In that spirit – and contradicting earlier advice – he added "our theory is a theory of evolution, not a dogma to be learnt by heart and to be repeated mechanically. The less it is drummed into the Americans from outside and the more thoroughly they test it – with Germans' assistance – by personal experience, the more deeply will it penetrate their flesh and blood" (MEW, vol. 36, 597; MECW, vol. 48, 8).

Engels, then, sought to splice together American pragmatism and European socialist theory, but his prescriptive glosses did not always ring persuasive. While supporting the Socialist Labor Party as the best answer for workers, he recognized that it consisted exclusively of German immigrants. "If it came from a foreign stock," he asserted, "it came, at the same time, armed with the experience earned during long years of class-struggle in Europe, and with an insight into the general conditions of working-class emancipation, far superior to that hitherto gained by American workingmen." It's fortunate for the American workers, he continued, "who are thus enabled to appropriate, and to take advantage of, the intellectual and moral fruits of the forty years' struggle of their European classmates, and thus to hasten on the time of their own victory" (MEGA^2 I/31, 46; MECW, vol. 26, 440). But that form of paternalism cut against the attitude of American workers who did not wish to be schooled on labor politics, which is why Engels also remarked that socialists "will have to doff every remnant of foreign garb. They will have to become out and out American" (Kammen 1993, 29). Addressing workers' bourgeois attitudes, Engels argued, "it is precisely his opposition to a mother country still garbed in feudalism that leads the American working man to suppose the traditional bourgeois economic system he has inherited to be by its nature something immutably superior and progressive, a *non plus ultra*" (MEW, vol. 38, 560; MECW, vol. 50, 74). References to opportunity and land ownership, however, were more convincing "special American circumstances." As Engels noted in 1851, both "the ease with which the surplus population can drain off into the country" and the "ever more rapid, increase in the country's prosperity" caused workers "to regard bourgeois conditions as the beau ideal" (MECW, vol. 38, 406). This insight remained undeveloped.

Despite poverty and immiseration – 40% of American workers in the 1880s lived in poverty – American workers remained unreceptive to socialism (Montgomery 1976, 117). Engels turned to life-cycle analogies to compare American infancy and youth with European maturity, praising the former as preeminent "when it comes to practice and still in swaddling clothes as regards theory," or that America is a "'youthful'" country which still can't quite extricate itself from the hobbledehoy stage" (MEW, vol. 36, 689; MECW, vol. 48, 91; MEW, vol. 38, 560; MECW, vol. 50, 74). With metaphors of immaturity, Engels justified the dilatory tempo of America's transition from republican democracy to socialism without addressing whether his theoretical premises warranted equal scrutiny.

But the reasons for American resistance to socialist agitation ran deeper, and four stand out. First and foremost, political and economic struggle remained discrete domains of action, thereby confounding the praxis of European socialists, who saw state power as a central enemy. Although American factory workers, craftsmen, and construction workers exhibited a pronounced militancy in the 1860s, with which they asserted their interests through strikes, they perceived employers as their opponents, not the state. Whereas state governments and its military and police were long-established adversaries for European workers, American laborers fundamentally separated economic grievances from political revolution. Despite the alarmist images of political anarchy from the sensational press, the impressive strike waves

between 1876 and 1900 remained mostly unpolitical. For most strikers, the work stoppages turned on the issues of a living wage, unjustified dismissals, and better work conditions. Approximately 60% of all strikes from this period centered on the issue of wages, and a third of them were carried out without a union (Licht 1995, 173–175). Despite organizational deficiencies, many strikes succeeded, because their communities – including the bourgeoisie – stood behind them. Manufacturing and mining communities closed ranks against such "big bosses" as Jay Gould or Andrew Carnegie. Like the Granger Movement of western farmers, workers and local communities directed their wrath at the monopolies of banks, railroads, mines, and meatpacking companies, demanding that the government regulate them (Cronon 1992, 362–364). For this reason, the aspiration of European socialists to move strikes beyond pragmatic issues of wages and work conditions never took firm root. For a new era of political actions against the democratic state, Engels' hopes did not reflect American conditions or behavior.

America's republicanism and its political credo of democratic civic rights marked the second prominent reason for socialism's weak reception. In myth and in reality, the franchise loomed large in the American political imagination. The country's decentralized, federated political system conferred measurable political influence on ordinary white men. (Of course, Jim Crow laws undercut the black franchise, just as nineteenth-century civil society excluded women from formal political participation.) Since the Jacksonian era, unpropertied workers voted and consequently wielded influence in municipal, local, county, and state elections. Unions and workers' associations developed political networks in cities and towns – the so-called political machines – and were capable of placing their candidates up for election as mayors, city councilors, sheriffs, police chiefs, and local judges. Despite electoral fraud, ordinary Americans saw their vote count. At the national level, diverse social classes formed the Democratic and Republican parties. These complex umbrella organizations mobilized voters into large camps for national and state elections, a form of political mobilization that undercut specific labor-oriented issues. To be sure, anarchists, syndicalists, socialists, and left-wing populists exerted influence on the workers' movement. For example, Samuel Gompers, the head of the AFL, was influenced by Marxism, just as some unions of unskilled labor had a "strong element of syndicalism," but long-term ideological impact was minimal (Shefter 1986, 225; Foner 1984, 16). Rather than look to radical political change or even revolution, workers believed that republican democracy could resolve the monopolistic tendencies of big business. For workers, the US constitution and its mixed-powers political structure was more a bulwark of legal protection than a problem. Notwithstanding notable exceptions, neither the rudimentary state bureaucracies nor their police forces emerged as self-evident opponents of organized labor. On the contrary, in such cities as Boston, New York, Philadelphia, Baltimore, and Chicago, white working-class ethnic communities exerted influence and power through municipal administrations and police forces. In this regard, Marx and Engels misjudged the deep-seated regard among workers for democratic republicanism. Just as many European socialist movements had moved beyond the political radicalism of 1848, so too did Engels and Marx expect that America's infatuation with bourgeois

civic culture would erode when confronted with the material inequities of industrial capitalism. Their premise that waged labor necessarily produced an antagonistic class consciousness hindered a sharper analysis of American class formation (Foner 1984, 2).

The complexities of class identity constitute the third factor. The clear delineations of class, caste, and social privilege that ostensibly existed in European society did not crystallize in nineteenth-century America. The identities of employee and employer were not the fixed categories of continental Europe or Britain. In 1867, Edwin L. Godwin, the progressive editor of the *Nation*, underscored the blurred distinction between worker and capitalist:

> The social line between the laborer and the capitalist is here very faintly drawn. Most successful employers of labor have begun by being laborers themselves; most laborers hope, and may reasonably hope, to become employers. Moreover, there are … few barriers of habits, manners, or tradition between the artisan and those for whom he works, so that he does not consider himself the member of an 'order'… Strikes, therefore, are in the United States more a matter of business, and less a matter of sentiment, than in Europe (Godkin 1867, 178).

Contributing to this outlook among ordinary Americans was their preindustrial embrace of artisanal autonomy, which included property ownership. The ideal type of the producer yeoman, so championed by Thomas Jefferson and Thomas Paine, endured well into the nineteenth century. The high regard for economic independence and the corresponding disdain for servile waged labor struck deep roots in the "producer ideology" of the early republic when farmers, craftsmen, and other producers considered themselves the backbone of the nation. Whig ideology celebrated the "yeoman producer" as the core independent political citizenry necessary for a republic. It touted the independent craftsmen as the predominant bearers of the republic's democratic values and individual freedoms. Independent artisans, craftsmen, and farmers took pride in their status as owners and producers, thus viewing waged labor as a loss in autonomy and status. Although wage labor dominated the American economy after the Civil War, the respect for the producer ideology endured, especially when demographic mobility permitted workers to become proprietors. The republican form of rights-bearing citizenship therefore saw no contradiction in linking property and equality (Cotlar 2011). In sum, democratic radicalism stamped the workers' worldview. This political attitude, which persisted well into the twentieth century, undercut the expansion of the Socialist Party.

Finally, and not least, the long-enduring racist legacy of slavery constituted yet another critical difference. Prior to the Civil War in the Confederate states, as well as those in the north, white workers assumed greater commonality with employers than with black workers. After the Civil War, workers' organizations largely failed to integrate black workers because of this ingrained bigotry. Believing that black members would bring down trade-union wages, many craft associations used African American's lack of formal craft credentials as a pretext to exclude black workers. Such prejudice was all the more strengthened with the basic division of workers' organizations. In the 1870s and 1880s, closed shops of skilled workers (mostly of white European origin) identified themselves as trade unions, thus

distinguishing themselves from the more inclusive labor unions, the open associations of unskilled laborers and factory workers. In 1886, Samuel Gompers founded the American Federation of Labor (AFL), an umbrella organization that effectively represented the economic interests of craftsmen. In doing so, the AFL bracketed out both political issues and unskilled workers. The move neutralized the revolutionary potential of organized labor and segregated it. In similar fashion, ethnic and religious identities cut against the grain of class consciousness and undermined overarching solidarity among workers. If the mass industrial unions absorbed the new waves of unskilled and semiskilled immigrants, the closed shops of skilled trades did not (Olssen 1988, 422). Divisions among European workers – e.g., Catholic/Protestant and northern/southern – strengthened fissures in working-class culture; and in the western territories, white settlers only saw Mexican and Chinese laborers as constituencies to exclude and exploit (Cf. Montgomery 1987; idem 1993; Livesay 1978; Harris 1982; Weir 1996; Gordon 2001). The intersection of race, class, and ethnic loyalty undermined worker solidarity. Moreover, racism, nativism, and ethnic hostility further poisoned cross-cultural alliances, thus hindering a consciousness of collective interests (Foner 1984 66).

Marx and Engels were not oblivious to America's segmented workers' movement and engaged the issue with Sorge in the 1870s. They had encountered English bigotry toward Irish workers in the British labor movement, leading Marx to identify the antagonism as "the secret of the impotence of the English working class" (Foner 1977, 41). With the reconstitution of the "International Workingmen's Association," or the First International (1865–1876), they regarded the recruitment of skilled workers from the northern states as strategically more essential than introducing a broad reform program of all American socialists, whose platforms included equal rights for women and African Americans. Convinced of the accuracy and correctness of their "scientific socialism," Marx and Sorge rejected the big-tent principle that American radicals espoused, even though many elements of Marx's program accommodated the radicals' platform. At its Hague conference in 1872, the IWA leadership not only excluded Bakunin's anarchists but also distanced itself from Section 12, the so-called Yankee International. In this way, Sorge, as General Secretary of the First International, reinforced the polarizing divisions of the workers' movement (Messer-Kruse 2000, 157–186).[1] After Marx's death in 1883, Engels kept to this course of action, a decision that squandered political opportunities into the next decade.

Shortly before his death in 1895, Engels sought to comfort Friedrich Sorge, his important emissary in New Jersey, about socialism's decline in the United States. By wrapping the problem in cultural paradox and emphasizing cultural lags in fashion design, Engels strained to make a persuasive argument:

> I have for some time been aware of the temporary decline of the movement in America and it is not the German socialists who will stem it. Though America is the *youngest*, it is also

[1] For a positive assessment of Marx's position on the role of race in the United States, see Nimtz 2003, 227 ff.

> the oldest country in the world. In the same way as you have, over there, the most antiquated furniture designs alongside your own vernacular ones or, in Boston, cabs such as I last saw in London in 1838 and, in the mountains, seventeenth-century stage coaches, alongside Pullman cars, so too you continue to sport all the old mental trappings which Europe has already discarded. Everything outmoded here may persist in America for another generation or two.

He also attributed political stagnancy yet again to America's exceptional size and accelerated development, themes that he and Marx had reiterated frequently since the 1840s:

> it may also be attributed to the dual nature of America's development, still engaged as it is on the one hand in the *primary* task of reclaiming the vast area of untamed country, while being already compelled on the other to compete for first place in industrial production. Hence the ups and downs of the movement, according to which point of view takes precedence in the average person's mind—that of the urban working man or that of the peasant engaged in reclamation. In a couple of years' time, all this will change and then we shall witness a great step forward.

Even less convincing was his recourse to racial attributes:

> The evolution of the Anglo-Saxon race with its ancient Teutonic freedom happens to be quite exceptionally slow, pursuing as it does a zig-zag course (small zig-zags in England, colossal ones on your side of the Atlantic) and tacking against the wind, but making headway nonetheless (MEW, vol. 39, 385 ff.; MECW, vol. 50, 422).

In other letters, he also drew on general nostrums of scientific socialism to temporize about American peculiarities: "It is the revolutionising of all time-honoured conditions by the *growth* of industry which likewise revolutionises men's minds" (MEW, vol. 38, 560; MECW, vol. 50, 74–75). Engels furthermore resorted to indefinite moments in the future when socialism would avenge itself: "*When* the time comes over there, things will move with tremendous speed and dynamism, but that may not be for some while yet. Miracles never happen" (MEW, vol. 38, 182; MECW, vol. 49, 265).

With these desultory impressions and digressions, Engels tacitly acknowledged that his essentialist definition for class conflict failed to provide an accurate prognosis. Economic facts were not always stronger than politics. Despite his considerable attention to cultural determinants, Engels' persistent belief in a class-consciousness derived from the economic exploitation of industrial labor failed to explain the vagaries of the American labor movement. Despite Engel's prodigious talents for analyzing empirical data, and despite his predilection for pragmatic political action, a young country had evaded his analytical grasp.

Engels was not alone in this failure, and for over a century, economists and historians have debated why American workers rejected socialist precepts. In 1893, Frederick Jackson Turner argued that the American frontier forged values of democratic egalitarianism and rugged individualism. Werner Sombart reframed those arguments in 1906 to emphasize America's two-party system, its high standard of living, and the emphasis on individual achievement as retardants to socialism. Such iterations of American exceptionalism held sway during the Cold War Era and continues to have its adherents (Lipset and Marks 2000). More recent scholarship has

tempered the triumphalism of consensus liberalism by focusing on social groups – women, Native Americans, African Americans, Asian Americans, Mexican Americans, etc. – who were excluded from the privileges of white labor. How unions and parties constructed working-class culture as white and male, thereby effacing racial and ethnic elements of working-class identity, partially explains why a purely economic definition of class formation is insufficient (Roediger 2007; Trotter 2019). But whether such elements constitute a genuine American exceptionalism is a pressing question that calls for comparison. Set in broader frameworks, America’s working-class entanglement with race, ethnicity, religion, and political customs becomes far less unique and singular. Both within and outside Europe, such cultural factors also shaped class attitudes and behavior, and such comparative analysis remains a desideratum (Olssen 1988, 417ff.; Foner 1984 76; Wilentz 1984; Kammen 1993; Chakrabarty 2000). Hence, while historical hindsight affords a clear perspective on the problems of Engels’ essentialist understanding of industrial class conflict, one should view Engels’ blind spot with due regard. Even in the twenty-first century, modeling class behavior continues to confound the social sciences.

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Engels' Strategic Advice to the Representatives of the Italian Labour Movement

Paolo Dalvit

Without a doubt, during the last two decades of the nineteenth century, Marxism spread increasingly, as socialism and labour movement took root in Europe.

> The degree of its influence, measured out in different forms, was specific to every single country and connected with the different political and social situation, as well as the cultural traditions (Kuck 1989a, b, 7).

This also applies to Italy, where an immature stage of development gave rise to political trends such as Bakuninism, Mazzinianism and, at a later time, along with the birth of the Worker Italian Party, Economism. The German expatriate worker Emil Kerbs, living in Milan, was in favour for an electoral fight, aiming to separate from the democratic, petty-bourgeois currents in the manner of Cavallotti's, but he remained bound to a mere economistic organization, pleading the "lack of conditions" for developing a party based on the German model. It is a strategic blemish which can also be found in Russian Economism and which Lenin will decry, stating that the issue has more to do with poor leadership skills than unfavourable conditions.

After all, Engels expressed himself in the Italian press or through a correspondence with Italian labour movement leaders, outlining the strategic prospects of the "international workers movement", in which the Italian movement took its rightful place.

On March 30, 1879, Engels argued on the newspaper *The Plebe*, that the Russian revolutionary social crisis would be the call for revolutionary action in Europe.

On February 1, 1892, Engel's headline "The German socialist Party and Peace", on the newspaper *Critica Sociale* applies a strategic perspective to the scientific prophecy of a historical phase of world wars and proletarian revolution.

Eventually, on February 1, 1894, while replying to Anna Kuliscioff on *Critica Sociale*, regarding the most appropriate policy facing the revolutionary uprising of

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Fasci Siciliani, Engels invokes the strategic scheme of the *Communist Manifesto*. As an independent party, democratic currents had to be endorsed throughout every real movement (Casella 2004, XXI–XXII).

These three contributions, along with others, show how Engels' views on Italy were part of an international strategic perspective.

In his work on Party objectives and organization *Che fare?* (What is to be done?) of 1902, Lenin warns about the dangers of a formal repetition of the Marxist Theses, without a critical evaluation submitted to the test of a scientific assimilation. In Italy, the concept of strategy collided with Economism, Evolutionary Positivism, Maximalism, and Localism: four strongholds on which the political phase of Revisionism, entered by Bernstein in 1899, could count (Casella 2004, XXII).

1 The Historical Political Framework

In a letter to Turati from late January 1894, published on *Critica Sociale* on February 1, 1894, Engels portrays Italy's historical outline, underlining its blemishes:

> The situation in Italy is, in my opinion, as follows. Having come to power during and after national emancipation, the bourgeoisie was neither able nor willing to complete its victory. It did not sweep away the remains of feudalism, nor did it reorganize national production on modern bourgeois lines. Incapable of enabling the country to share in the relative and temporary benefits of the capitalist regime, the bourgeoisie imposed on it all this regime's burdens and disadvantages. Not content with that, it has rendered itself intolerable and contemptible in the extreme and forever through its disgraceful financial swindles.
>
> Working people—peasants, tradesmen, agricultural and industrial workers—thus find themselves crushed, on the one hand, by old-fashioned corrupt practices, not merely the legacy of feudal times but also dating from antiquity (mezzadria, the latifundia of the south, where cattle are replacing men) and, on the other, by the most voracious fiscal policy which the bourgeois system has ever devised. We might well say, with Marx, that we "like all the rest of Continental Western Europe, suffer not only from the development of capitalist production, but also from the incompleteness of that development. Alongside of modern evils, a whole series of inherited evils oppress us, arising from the passive survival of antiquated modes of production with their inevitable train of social and political anachronisms, we suffer not only from the living, but from the dead. Le mort saisit le vif! (Engels 2020a, 455)

In this regard, the social classes are formed, destined to take up the revolutionary challenge:

> This situation is heading towards a crisis. Everywhere the productive mass is in a state of ferment; in places it is rebelling. Where will this crisis lead us? Obviously, the socialist party is too young and, because of the economic situation, too weak to hope for the immediate victory of socialism. Nationwide, the rural population far outnumbers that of the towns; in the towns there is little large-scale developed industry, and consequently few typical proletarians; the majority are made up of tradesmen, small shopkeepers and déclassés, a mass floating between the petty bourgeoisie and the proletariat. It is the small and middle bourgeoisie of the Middle Ages in decline and disintegration; for the most part they are future, but not yet actual, proletarians. Only this class, constantly facing economic ruin and now provoked to despair, will be able to supply both the mass of fighters and the leaders of a revolutionary movement. It will be backed by the peasants, whose geographical dispersal

> and illiteracy prevent them from taking any effective initiative, but who will nonetheless make powerful and indispensable auxiliaries. (Engels 2020a, 455–456)

In the gloss of the recent text studies on the development of capitalism in Italy, Lorenzo Parodi clarifies this concept, in reference to the slow process of social classes formation:

> The kind of State founded by Camillo Benso di Cavour was the expression of a class already compelled to organize itself nationally, but [which] at the same time had to deal with the survival of "regional states" – in the double meaning of the term [State and Order] – which expressed the incompleteness [of] the class (Parodi 1998, 173).

An example of this bourgeois incompleteness was embodied by the Southern Bourgeoisie in the early nineteenth century, which benefited from the land lots purchased by the Murattian State, without however becoming an agricultural entrepreneur. In Italy, although freed from the feudal regime and theoretically free already from those years, the peasants did not access the property (apart from the North) and therefore did not differentiate. The peasant masses therefore remained tied to the land, in the condition of agricultural labourer or sharecropper (Gianni 2006, 79).

Risorgimento socialism is the expression of a situation of backward capitalist development and of a working class equally at its dawn, and it was, theoretically, almost entirely in debt to other nations. Enclosed by events concerning the national question, he never completely managed to free himself from it.

Engels' theoretical and political battle to form in Italy a group of men linked to the conception of scientific socialism on the model of Bebel's and Liebknecht's Germany does not find any obstacles in the defenders of thinking such as Mazzini's. The obstacles are Bakunin's political action and the spread in Italy of the theory of "integral socialism" of the former Communard Benoit Malon.

These initial considerations show the backwardness and peculiarity of capitalist development in Italy. We will return to this issue, in the exposition of the position taken by Engels on tactics and strategy to be adopted in the 1880s and especially the 1890s.

Gian Maria Bravo, in his text *Marx and Engels in Italy*, underlines the Engelsian frequentation of the peninsula, from his youth:

> Several times in the course of his existence, Engels dwelt on these three trips to Italy, from which he drew quite precise geographical knowledge of the country, while deepening the knowledge of the Italian language, learned in his early youth, and of the Lombard dialect, for which he always had a special predilection. The opportunities for excursions were varied. Touristic, instructive and commercial at the same time for the first trip in 1841; then "forced" in 1849, as a refugee from Switzerland and headed to Genoa to embark for England; and commercial and touristic for the last trip, dating back to '65. (Bravo 1992, 27)

Although he subsequently never returned to Italy, starting from 1865, his relations with Italians intensified: the correspondence with Cafiero, Bignami, Martignetti, Turati, Labriola and other secondary figures, but significant of his important role as adviser of the labour movement and its representatives, bear witness to this, which he also held as correspondent secretary for Italy in the General Council of the International Workers' Association.

Three main phases can be identified that characterized Engels' intervention in Italian affairs. From 1848 to 1871, during which the confrontation takes place with bourgeois-democratic representatives, the next, from 1871 to 1880, from the Paris Commune to the epilogue of the First International, in the two branches, anarchist and positivist socialist. Finally, the 1880s and early 1890s saw an increase in the translations of works by Marx and Engels into Italian and the birth and development of workers' organizations.

In the span of these almost 40 years, the most important and decisive figures in various capacities in the history of the early stages of the Italian labour movement emerge, and the guiding action carried out by Engels on individuals, on the editors of workers' newspapers and magazines and on workers' organizations, gains weight.

2 First Period: 1848–1871, Bourgeois Revolutions and National Unification

The period of 1848 and January 1871 comprises a complete historical phase of bourgeois national revolutions and wars. The February revolution of 1848 in Paris proclaims the second republic and will have its epilogue with the birth, proclaimed in Versailles, of the second German Reich. In this frame, the Italian unification is completed. Inaugurated in Palermo and Milan, it ends with the breach of Porta Pia in September 1870.

The late manifestation of socialism in Italy can be explained by the slow-speed process of national unification, falling into step with the major European capitals.

A letter from Engels to Kautsky, dated February 7, 1882, addresses precisely this aspect:

> It is historically impossible for great people to discuss this or that internal matter in any serious way, as long as national independence is lacking. Prior to 1859 socialism wasn't a matter of discussion in Italy; even the republicans were few in number, although they constituted the most vigorous element. Not until 1861 did the republicans begin to expand, subsequently yielding their best elements to the socialists (Marx-Engels 2008, 153).

Roberto Michels confirms this assessment, where he writes:

> Not only did Karl Marx not yet exist in the eyes of the Italians before 1870 in his capacity as an economist and philosopher of history, but even Marx as a politician could not make his way and make himself known in a country like Italy of that time, occupied and concerned solely with the struggles for national freedom (Gianni 2004, p. XIV).

Engels dedicates several articles to the historical framework and socio-economic condition of Italy. Among these, two major publications were featured in the *Deutsche-Brüsseler-Zeitung*, respectively, on January 23and January 27, 1848.

In the first article, entitled *The Movements of 1847*, Engels describes the effects of the riots in various Italian regions, prefiguring the effects of the reforms introduced following the insurrectionary movement:

> Today the movement in Italy resembles that which took place in Prussia from 1807 to 1812. As in Prussia of those days, there are two issues: external independence and internal reforms. For the moment there is no demand for a constitution, but only for administrative reforms. Any serious conflict with the government is avoided in the meantime so as to maintain as united a front as possible in face of the foreign overlord. What kind of reforms are these? To whose advantage are they? In the first place to that of the bourgeoisie. The press is to be favoured; the bureaucracy to be made to serve the interests of the bourgeoisie (cf. the Sardinian reforms, the Roman consulta, and the reorganization of the ministries); the bourgeois are to be granted extended influence on communal administration; the bon plaisir of the nobles and of the bureaucracy is to be restricted; the bourgeoisie is to be armed as guardia civica. Hitherto all the reforms have been and could be only in the interests of the bourgeoisie […] As earlier in Prussia, so today in Italy, the bourgeoisie, owing to its growing wealth and, in particular, to the growing importance of industry and commerce in the life of the people as a whole, has become the class upon which the country's liberation from foreign domination mainly depends. The movement in Italy is thus a decisively bourgeois movement. All the classes now inspired with a zeal for reform, from the princes and the nobility down to the pifferari and the lazzaroni, appear for the nonce as bourgeois, and the Pope himself is the First Bourgeois in Italy. But once the Austrian yoke has finally been thrown off, all these classes will be greatly disillusioned. Once the bourgeoisie has finished off the foreign enemy, it will start on the separation of the sheep from the goats at home; then the princes and the counts will again call out to Austria for help, but it will be too late, and then the workers of Milan, of Florence, and of Naples will realize that their work is only really beginning (Engels 1973a, 534–535).

In the second article, entitled *The Beginning of the End in Austria* and reported in two episodes, in the issues of February 25 and March 5 of the democratic newspaper of Lucca *La Riforma*, Engels expresses an openly anti-Austrian position, which is part of the revolutionary strategy being developed for 1848 in Europe. Key points were a proletarian revolution in France, a bourgeois-democratic in Germany, and support for an alliance for Italian independence, against Austria and Poland, against Russia. In particular, the reactionary role played by the Habsburg monarchy and the alliance between the German people and the European nations struggling for their emancipation is emphasized:

> The House of Austria was thus from the first the representative of barbarism, of reactionary stability in Europe. Its power rested on the foolishness of the patriarchalism entrenched behind the impassable mountains, on the inaccessible brutality of barbarism. A dozen nations whose customs, character, and institutions were flagrantly opposed to one another clung together on the strength of their common dislike for civilization […] This explains Austria's passive, hesitant, cowardly, sordid and underhand policy. Austria can no longer act, as before, in an openly brutal, thoroughly barbarous way because it must make concessions to civilisation every year, and because its own subjects become less reliable every year […] Although Austria was still able to disperse the Piedmontese, Neapolitan and Romagnese rebels with cannon fire in 1823 and 1831, it was forced to set in motion a still undeveloped revolutionary element—the peasantry—in 1846 in Galicia; it had to stop the advance of its troops near Ferrara in 1847 and resort to conspiracy in Rome. Counter-revolutionary Austria uses revolutionary means—this is the surest sign that its end is approaching (Engels 1973b, 542).

Many correspondences by Engels and Marx on the political-military situation in Italy, in the period 1848–1849, appear in the *Neue Rheinische Zeitung*. On April 1, 1849, Engels published an article, *The Defeat of the Piedmontese*, which

underlined, in the face of the defeat of the Savoy army at Novara, the lack of courage of the Piedmontese monarchy. With a republic in Turin, nothing would be lost:

> The Piedmontese have suffered defeat; they are cut off from Turin and thrown back to the mountains. That is all. If Piedmont were a republic, if the Turin Government were revolutionary and if it had the courage to resort to revolutionary measures—nothing would be lost. But Italian independence is being lost not because of the invincibility of Austrian arms, but because of the cowardice of Piedmont royal […] The lost battle at Novara resulted merely in a strategic disadvantage; the Italians were cut off from Turin, whereas the way to it lay open to the Austrians. This disadvantage would have been entirely without significance if the lost battle had been followed by a real revolutionary war, if the remainder of the Italian army had forthwith proclaimed itself the nucleus of a national mass uprising, if the conventional strategic war of armies had been turned into a people's war, like that waged by the French in 1793 (Engels 1984, 176).

3 Second Period 1871–1880, from the Paris Commune to the Epilogue of the First International

The spreading of the writings of Marx and Engels will happen later, but it started in this period of greater concentration, before 1872 and after 1877, which correspond to the two phases of Engels' direct action in Italy, as secretary of the International and as London correspondent for *La Plebe* newspaper in Lodi. They begin with the Paris Commune of 1871 and close with the last congresses of the two areas in which the First International in Italy was divided. The Commune imposed a choice of field: the International, openly siding in favour of the Commune, became its bulwark and forced to take sides. Emilio Gianni:

> The anarchist current, embodied in the Italian Federation of the International Workers' Association (F.I.A.I.L.) and born in Rimini in August 1872, terminates its activities in April 1878, during its fourth congress […] the other current, the socialist-evolutionist one, born in October 1876 as the Upper Italy Federation of the International Association of Workers (F.A.I.A.I.L.), came to an end in Chiasso in December 1880, during its third and last congress. In the same year, the first foundations of what will later become the worker-socialist current of the Italian Workers' Party (P.O.I.), started to seed in Milan, eventually involving leading exponents of the F.A.I.A.I.L. itself (Gianni 2004, XIX).

Between 1871 and early 1872, Marx and Engels partake several times in the Italian debate: both in disputes with anarchists and in response to Mazzini's attacks. In this endeavour they find support, within national borders, on the part of figures such us Enrico Bignami in Lodi, Theodor Cuno, a Swiss-German engineer in Milan and, above all, Carlo Cafiero, in Naples.

Cafiero adheres to the First International and keeps up a correspondence with Engels (1871.72) relaying his political positions until he eventually shifts towards anarchism (1872), drifting apart from Engels as a result, namely, upon autonomy and political centralism. Imprisoned for participating in the insurrectional attempt on the Matese mountains, he reads the Capital and compiles a summary text which will be published in 1879 in Milan.

A letter from Engels to Carlo Cafiero in particular, dating back to July 28, 1871, provides a series of indications on the positions of Bakunin and Mazzini and reports the deliberations of the General Council of the International on the sectarianism of the anarchic Alliance of Socialist Democracy:

> In fact we must go much further, we must develop the positive side of the question, how the emancipation of the proletariat is to take effect, and thus the discussion of different opinions becomes not just inevitable but necessary. As I say, this discussion is going ahead constantly not only within the Association but also in the General Council, where there are Communists, Proudhonists, Owenists, Chartists, Bakuninists, etc., etc. The most difficult thing is to get them all together and ensure that the differences of opinion on these matters do not disturb the solidity and stability of the Association. In this we have always been fortunate, with the sole exception of the Swiss Bakuninists, who with true sectarian fury always dared to impose their programme on the Association, [...] When this was attempted in the form of the Alliance de la démocratie socialiste de Genève, the Council replied as follows (22 December 1868):
>
> The General Council of the International Working Men's Association unanimously agreed:
>
> '1) All articles of the Rules of the International Alliance of Socialist Democracy defining its relations with the International Working Men's Association are declared null and void;
>
> '2) the International Alliance of Socialist Democracy may not be admitted as a branch of the International Working Men's Association.
>
> Now for Mazzini [...]
>
> Mazzini says:
>
> "This Association, founded in London some years ago and with which I refused to collaborate from the start [...] a nucleus of individuals which takes it upon itself directly to govern a broad multitude of men of different nations, tendencies, political conditions, economic interests and methods of action will always end up by not functioning, or it will have to function tyrannically. For this reason I withdrew and shortly afterwards the Italian workers' section withdrew."
>
> Now for the facts. After the foundation meeting of our association on 28 September 1864, as soon as the Provisional Council was elected in public assembly, Major L. Wolff presented a manifesto and a number of rules drawn up by Mazzini himself. Not only was there no objection in these drafts to governing a multitude directly, etc., not only did he not say that this effort "if it is to work at all, will have to function tyrannically", but on the contrary, the rules were conceived in the spirit of a centralised conspiracy, giving tyrannical powers to the central body. The manifesto was in Mazzini's usual style: la démocratie vulgaire, offering the workers political rights in order to preserve intact the social privileges of the middle and upper classes [...]
>
> You will have seen that Mazzini has made a frenzied attack on the Paris Commune in the British press too, which is just what he always does when the proletarians rise up; after their defeat, he denounces them to the bourgeoisie. After the insurrection of June 1848, he did the same thing, denouncing the insurgent proletarians in such offensive terms that even Louis Blanc wrote a pamphlet against him (Engels 1990a, 259, 262–263).

In a letter to Cuno, from January 24, 1872, Engels presents in details the irreconcilable positions of Bakunism as opposed to Marxism, considering the weight that it objectively carried in Italy:

> Bakunin, who up to 1868 had intrigued against the International, joined it after he had suffered a fiasco at the Berne Peace Congress the General Council. Bakunin has a singular theory, a potpourri of Proudhonism and communism, the chief point of which is first of all, that he does not regard capital, and hence the class antagonism between capitalists and

> wage workers which has arisen through the development of society, as the main evil to be abolished, but instead the state. While the great mass of the Social-Democratic workers hold our view that state power is nothing more than the organization with which the ruling classes—landowners and capitalists—have provided themselves in order to protect their social privileges, Bakunin maintains that the state has created capital, that the capitalist has his capital only by the grace of the state. And since the state is the chief evil, the state above all must be abolished; then capital will go to hell of itself...
>
> All this sounds extremely radical and is so simple that it can be learned by heart in five minutes, and that is why this Bakuninist theory has also rapidly found favour in Italy and Spain among the young lawyers, doctors, and other doctrinaires. But the mass of the workers will never allow themselves to be persuaded that the public affairs of their country are not also their own affairs; they are by nature political and whoever tries to convince them that they should leave politics alone will in the end be left in the lurch by them. To preach that the workers should abstain from politics under all circumstances means driving them into the arms of the priests or the bourgeois republicans (Engels 1990b, 393).

Engels therefore immediately underlines the pernicious influence of the anarchists and the followers of Bakunin, who interpose themselves as workers' representatives (Engels to Theodor Cuno, May 7, 1872):

> The damned difficulty in Italy is simply getting into direct contact with the workers. These damned Bakuninist doctrinaire lawyers, doctors, etc., have penetrated everywhere and behave as if they were the hereditary representatives of the workers. Wherever we have been able to break through this line of skirmishers and get in touch with the masses themselves, everything is all right and soon mended, but it is almost impossible to do this anywhere due to a lack of addresses (Engels 1990b, 393).

Cuno was arrested in February 1872 and expelled from Italy in April. Thus, Engels loses his support in Italy, which was crucial both because of his theoretical competence and for his presence in Milan, the most developed industrial centre of the peninsula.

Urged by Cafiero, who does not agree with the Resolution IX of the London Conference of the International, according to which the proletariat cannot act as a class other than by constituting itself into a distinct political party (letter to Engels of November 17, 1871), Engels replied on November 29, 1871, addressing the editorial staff of *Il Proletario italiano of Turin*, which raised a similar objection:

> Citizens,
>
> In your issue No.39 you publish an announcement by Turin workers which contains the following:
>
> "We hereby publicly announce that the decision of the Grand Council in London to subordinate socialism to politics was communicated to us by the editors of the Proletario immediately after it was made and that the decision was not of an official nature since it was withdrawn by the Grand Council in view of the fact that many European associations would have rejected it outright, as would we".
>
> This assertion obliges the General Council to declare: 1) that it never took any decision to subordinate socialism to politics, 2) that it therefore could not have withdrawn such a decision, 3) that no European or American association could reject such a decision, or has indeed rejected any other decision of the General Council.
>
> The position of the General Council as regards the political action of the proletariat is sufficiently well defined.
>
> It is defined:

> 1) By the General Rules, in which the fourth paragraph of the preamble runs: "That the economical emancipation of the working classes is the great end to which every political movement ought to be"
>
> 2) By the text of the Inaugural Address of the Association (1864), this official and essential commentary on the Rules, which says:
>
> "The lords of land and the lords of capital will always use their political privileges for the defence and perpetuation of their economical monopolies. So far from promoting, they will continue to lay every possible impediment in the way of the emancipation of labour [...] To conquer political power has therefore become the great duty of the working classes" (Engels 2018, 97–98).

In June, Cafiero joined the anarchist ranks, after breaking off relations with Engels.

The newspaper *La Plebe*, founded in 1868 by the former Garibaldian Enrico Bignami and transferred to Milan in 1873, remains a reference for Engels.

In January 1872, Bignami asked Engels for direct collaboration. From April to December, eight letters are published, known as London Letters: they deal with various topics, from A.I.L. and its section in Italy, to disputes with anarchism as well as other aspects of the international labour movement.

In Engels' letter to Enrico Bignami, published on October 5, 1872, in *La Plebe*, the competences of the A.I.L. are definitively clarified, as opposed to the anarchist Confederation of Rimini:

> The Italian Internationals may rest assured that as long as an International, a Congress, a General Council, General Rules and Regulations exist, no section will be recognized by the Congress or by the Council so long as it refuses to recognize the conditions fixed by the General Rules and Regulations, which are the same for all (Engels 2019, 303).

An important assessment of the Italian situation in those years is provided by Engels in an article published on March 16, 1877, in the *Vorwärts*, in which he mentions events which, while partly suffering from the narrowness of the political organizations of the Italian workers' movement, were symptoms of a break with the traditions rooted in the Italian labour movement and signalled a new connection with a general trend present in the most advanced countries of Europe (Ragionieri 1976, 53).

The Bakunist Alliance was able to prevail in Italy, among the workers, only in the initial phase of the movement:

> The beginnings of the movement in Italy can be traced back to Bakuninist influences. While a passionate but extremely muddled class hatred against their exploiters was dominant among the working masses, an army of young lawyers, doctors, writers, clerks, etc., under Bakunin's personal command, seized the leadership in every place where the revolutionary proletarian element appeared. All of them, albeit with varying degrees of initiation, were members of the secret Bakuninist "Alliance" whose aim was to impose its leadership on the entire European workers' movement, [...] In contrast to the essentially political struggle by which the English workers' movement, followed by the French and finally the German movement, had become big and powerful, here all political activity was rejected since it implied recognition of "the State", and "the State" was the epitome of all evil (Engels 2010, 174).

Engels identifies an objective process of transformation of social relations in Italy, especially in its most developed part, in Northern Italy: this appears to be the primary cause of the crisis in Bakunism's fortune:

> As we have already said, as long as the movement was in its infancy this all went splendidly. The vast majority of Italian towns are still largely isolated from world traffic, which they know only in the shape of tourist traffic. These towns supply the local peasants with handicraft products and facilitate the sale of agricultural produce over a larger area; moreover, the landowning nobility live in these towns and spend their revenue there; and, finally, a multitude of foreigners bring their money there. The proletarian elements in these towns are not very numerous, still less advanced, and moreover include a strong admixture of people who have no regular or steady jobs, as is favoured by tourism and the mild climate. Ultra-revolutionary phrases, which tacitly implied dagger and poison, fell upon fertile soil here to begin with. But there are also industrial towns in Italy, especially in the north, and as soon as the movement gained a foothold among the truly proletarian masses of these towns such a hazy diet could no longer suffice, nor could these workers allow those failed young bourgeois—who had thrown themselves into socialism because, to use Bakunin's words, their "career had reached a deadlock"—to patronize them in the long run.
>
> And so it happened. The dissatisfaction of the North Italian workers at the ban on all political action, i.e., on all real action which went further than idle talk and conspiratorial humbug, grew with every passing day (Engels 2010, 175).
>
> By now the whole European labor movement has shown that it has overcome Bakunism by adopting other operating methods:
>
> "The North Italian Federation held a congress in Milan on February 17 and 18. In its resolutions the congress refrains from all unnecessary and misplaced hostility towards the Bakuninist groups of the Italian members of the International. They even expressed willingness to send delegates to the congress called for in Brussels which will attempt to unite the various components of the European workers' movement. But at the same time they express three points with the utmost firmness which are of decisive importance for the Italian movement, namely:

1. that all available means—hence also political means—must be used to promote the movement;
2. that the socialist workers must set up a socialist party, which is to be independent of any other political or religious party;
3. that the North Italian Federation, without prejudice to its own autonomy, and on the basis of the original Rules of the 2 International, considers itself a member of this great association and moreover independent of all other Italian associations which, however, will as before continue to receive proof of its solidarity.

> By adopting these resolutions, the North Italian Federation has definitively broken with the Bakuninist sect and taken its stand on the common ground of the great European workers' movement" (Engels 2010, 177–178).

Engels will also write, again at the request of Bignami, an article entitled On Authority, which will be published in December 1873 in the *Almanacco repubblicano per l'anno 1874*, published by *La Plebe*. The text refutes the anarchist theses, highlighting the need to exercise the principle of authority both in political activity and in the organization of productive activities.

The development of the Italian labour movement, combined with the authoritative directive action carried out by Engels through *La Plebe* and through the interaction with some Italian leaders, favours a correspondence also from Italy, as, for instance, the "original correspondences" addressed to the Berlin organ of German social democracy, the *Berliner Freie Presse*, in particular by the former Mazzinian

Osvaldo Gnocchi-Viani, founder, with Bignami in Milan in 1876, of the *Social and Economic Studies Circle* and organizer of the F.A.I.A.I. L. starting from 1878.

However, a certain eclecticism still prevails as various topics are addressed: this is one of the reasons why Engels and *La Plebe* will both distance themselves from each other. Despite advances in awareness, this generation failed to assimilate Engels' strategic direction, remaining anchored to a traditional, pre-Marxist view.

4 Third Period: Birth and Development of Workers' Organizations

Roberto Michels argues that before 1894:

> A certain kind of Socialism existed in Italy previous to any knowledge of Marx (Michels 1909, 73, 76).

With the end of the 1880s, political dissemination centers of the Marxist school, not only on a personal level, began to appear. Various magazines were committed to this task: the *Italian magazine of socialism* of Imola-Lugo, *L'Eco del popolo* of Cremona, the *Critica e Cuore* of the Lombard-Milanese area, which in 1891 will be taken over by Turati, who will change its name to *Social criticism*. It is at this stage that the magazine publishes Engels' writing *Free trade and protectionism* (Gianni 2004, XXXVII–XXXVIII).

Engels' role intensifies, as he carries on an intense correspondence with numerous interlocutors: Labriola in the first place, whose correspondence is the largest ever exchanged between an Italian and Engels (152 letters, but, unfortunately, only one from Engels to Labriola).

Labriola wrote to Victor Adler on August 16, 1895:

> I corresponded with him [Engels] for seven years. I wrote him very long letters: scientific and bibliographic questions; reports on the political situation; information on intricacies, and other delicate things; anecdotes etc. And then I sent him a large number of newspapers and brochures etc. marked, annotated etc. A month or two passed, and then came the answer in which everything was taken into account. Who will replace that man now? The International supposes international brains, and such was Engels to an eminent degree (Labriola 1983, 610–611).

Moreover, others appear to be influenced by his thought: Pasquale Martignetti (112 letters, 80 from Martignetti to Engels and 32 from Engels to Martignetti) and Filippo Turati (43 letters, 23 from Turati to Engels and 20 from Engels to Turati).

Martignetti's praiseworthy translation work faces a hurdle:

> In the no longer disguised indifference that Turati displayed for questions of doctrine and for the spread and penetration of Marxism in Italy (Ragionieri 1961, 449).

The eclectic character of the socialists' education in Italy is shown in the indications provided by a book by Oddino Morgari *The Art of Socialist Propaganda* (1896)

which recommends readings by Labriola or Marx and Engels but also by Bissolati, Schäffle, Reclus and anarchists.

A scholar who studied Turati's political biography concludes his considerations with this assessment:

> [...] In no way has 'German Marxism' influenced him [Turati] at any time in a decisive and exclusive way as to have completely precluded the influences of French or Italian currents of thought. Not possessing a solid theoretical point of view, he oscillated between the most diverse, even contradictory, positions and ideas. The insecurity that thus arose characterized his whole being, while his interest turned more and more towards political action and less towards the development of a coherent theory (Kuck 1989a, b, 71).

Theoretical-wise, Engels had provided potential future leaders of the Italian labour movement, at least a decade ahead, with the theoretical tools to understand change and direct the *new*. As Franz Mehring pointed out, the new manifested itself in the 1880s with a European character as the awakening of the workers' movement that was announced with the strikes of the London dockers and the miners in the Rhineland, the Saar and Saxony.

An important contribution by Engels, of which the first part was previously mentioned, analyses, for those able to assimilate it and take it as a strategic directive, the political direction to be followed by socialist party both in the social crisis of the Sicilian Fasci and, more generally, in the political contingency in which the socialist party led by Turati found itself:

> What part should be played by the socialist party with regard to these eventualities? Since 1848 the tactics which have most often ensured success for the socialists have been those of the Communist Manifesto: in the various stages of development which the struggle of the working class against the bourgeoisie has to pass through, the socialists always represent the interests of the movement as a whole [...], they fight for the attainment of the immediate aims in the interest of the working class, but in the movement of the present, they also represent and take care of the future of that movement.—Thus they take an active part in each of the evolutionary phases through which the struggle of the two classes passes, without ever losing sight of the fact that these phases are only so many stages leading to the great goal: the conquest of political power by the proletariat as a means of social reorganisation. They have their place among the combatants for any immediate advantage which can be obtained in the interest of the working class; they accept all these political and social advantages, but only as advance payments. Therefore they consider every revolutionary or progressive movement to be heading in the same direction as their own; their special mission is to drive the other revolutionary parties forwards and, should one of these parties be victorious, to safeguard the interests of the proletariat [...].
>
> Let us apply this to Italy.
>
> The victory of the disintegrating petty bourgeoisie and the peasants may thus lead to a government of "converted" republicans. That would give us universal suffrage and much greater freedom of action (freedom of the press, assembly, association, abolition of the ammonizione? etc.)—new weapons which are not to be despised.
>
> Or a bourgeois republic with the same people and a few Mazzini supporters. That would widen our freedom of action and field of action even more, at least for the moment. And the bourgeois republic, said Marx, is the sole political form in which the struggle between proletariat and bourgeoisie can be decided. Not to mention the repercussions this would have in Europe.
>
> The victory of the present revolutionary movement cannot, therefore, be achieved without strengthening us and placing us in a more favourable environment. Thus we would be

> committing the greatest of errors should we wish to abstain, if in our attitude to "akin" parties we sought to limit ourselves to purely negative criticism. The time may come when we shall have to co-operate with them in a positive fashion. When will this time come?
>
> Obviously, it is not up to us to prepare directly a movement which is not exactly that of the class which we represent... If we are obliged to support every real popular movement, we are also obliged not to sacrifice in vain the scarcely formed core of our proletarian party or to allow the proletariat to be decimated in sterile local riots. (Engels 2020a, 456–457)

It is plain to Engels that the political struggle in Italy is peculiar and shows a tendency for dramatization:

> Your law on suspects[1] goes further than ours of 1878, and the one passed in France in 1894. It entails administrative exile as in Russia. I hope, however, that this is one of those instances which will illustrate the German proverb 'es wird nichts so heiss gegessen wie es gekocht wird.'[2] What is certain is that, of all the countries of Europe, Italy is the one where all political ailments suffer acute inflammation: rebellion with the outright use of force on the one hand, and excessively violent reaction on the other. However, where Bismarck failed, Crispi will certainly not succeed: in the end persecution will strengthen socialism in Italy (Engels 1977a, 316–317).

Turati to Engels reports some sentences from the *Reformation*, Crispi's newspaper, in which the socialists get a bashing. Turati asks Engels to write a letter that, under the authority of his name, would place the socialist party in the strand of international socialism. In a subsequent letter, Engels responds to the slander of Crispi's newspaper, inserting Italian socialism in the wake of the international labour movement, of the German one in particular:

> At a time when the young Italian Socialist Party is suffering the blows of the most violent government reaction, it is our duty, as socialists from across the Alps, to try to come to its aid. We can do nothing against the dissolution of sections and societies. But perhaps our testimony will not be entirely useless in the face of the odious and brazen slanders of an unofficial and corrupt press. This press reproaches the Italian socialists with having deliberately simulated Marxist propaganda, in order to hide a quite different politics behind this mask, a politics which proclaims the "class struggle" (something that "would take us back to the Middle Ages") and whose aim is to form a political party aspiring to the "conquest of power in the state"; whereas the socialist parties of other countries, and the Germans in particular, "do not concern themselves with politics, do not attack the form of the government in power", indeed they are simply harmless good chaps and one can make jokes about them!
>
> If anyone is being made a joke of here it is the Italian public. One would never dare peddle them such stupidities if one did not take them to be wholly ignorant of what goes on in the world outside. If the Italian socialists proclaim the "class struggle" as the dominant fact of the society we live in, if they form themselves into a "political party aspiring to the conquest of public power and the management of the nation's affairs", they are making Marxist propaganda in the most literal sense of the word; they are following exactly the line

[1] On July 4, the Italian Parliament adopted a law on exceptional measures regarding the protection of public safety. The dissolution of the Socialist Party and all its affiliated associations was proclaimed. The labouring press was targeted, and mass arrests were carried out. This did not prevent Socialists from pursuing their fight and from secretly holding their Third Party Congress, in January 1895 in Parma.

[2] "The devil is not so black as he is painted".

> indicated in the Manifesto of the Communist Party published by Marx and myself in 1848; they are doing precisely what the socialist parties of France, Belgium, Switzerland, Spain and above all Germany are doing. There is not a single one of all these parties that does not aspire to the conquest of public power, just as the other parties, the conservatives, liberals, republicans, etc. etc. […]. For the rest, Italy at this moment is undergoing the same test that Germany underwent during the twelve years of the Anti-Socialist Law. Germany defeated Bismarck; socialist Italy will get the better of Crispi (Engels 2020b, 490–491).

Responding to a letter from Turati informing about Arturo Labriola's intention to write a compendium of the third book of the Capital and complaining about Antonio Labriola's "bad language", Engels distances himself from Arturo Labriola's attempt, highlighting the difficulties of this operation and once again, with regard to Antonio Labriola, he underlines the sensationalist character and the coterie spirit of the press, even the socialist, in Italy. He also regrets that excerpts from his personal letters were published in the social criticism. The positive evaluation of the party's political work in the recent elections remains:

> Dear citizen Turati,
>
> To write a summary of the three volumes of Capital is one of the most difficult tasks a writer could set himself. In the whole of Europe there are, in my opinion, no more than half a dozen men capable of undertaking it. Among other prerequisites one must have a profound knowledge of bourgeois political economy, and also complete mastery of the German language. Now you say that your Labriolino[3] is not very strong in the second, while his articles in Critica Sociale prove to me that he would do better to begin by understanding the 1st volume before wishing to produce his own work on all three volumes. I do not have the legal right to prevent him from doing this, but I must wash my hands of the affair completely.
>
> As for the other Labriola,[4] the malicious tongue which you attribute to him may have a certain justification in a country such as Italy, where the socialist party, like all the other parties, has been invaded, like a plague of locusts, by that 'declassed bourgeois youth', of which Bakunin was so proud.
>
> Result: rampant literary dilettantism which only too often lapses into sensationalism and is inevitably followed by a spirit of camaraderie dominating the press. It is not our fault that this is the state of affairs, but you are subjected to this environment, as is everyone else. I would speak at greater length about Labriola but when I find that bits and pieces from my private letters have been reproduced in the Critica Sociale without my knowledge, you must agree that it is better if I remain silent. For the rest, after all the quarrels and controversies, the party would seem to have behaved in general at the last elections as the situation required: independent confirmation at the 1st round when that did not help the Crispinis, support for the radicals and republicans at elections where our candidates had no chance of winning (Engels 1977b, 529–530).

But the men and militants who took part in the birth of the POI in Milan and then of the Italian Socialist Party in Genoa in 1892 are biased by the doctrinaire experience of the Mazzinians and anarchists. In their vision, the birth of the Italian Socialist Party marks a clear separation between anarchist militants and sympathizers, who had remained tied to the old abstract and metaphysical sentimentality of theory and those who were willing to take the field on a practical, positive and fact-based class struggle.

[3] Arturo Labriola.

[4] Antonio Labriola.

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Friedrich Engels and Electricity

Eberhard Illner

On 17 March 1883, at Karl Marx's grave in Highgate Cemetery in London, Friedrich Engels paid tribute to the life's work of "the greatest living thinker" and "this mighty spirit" leaving little doubt about the magnitude of loss.

> Just as Darwin discovered the law of the development of organic nature, so Marx discovered the law of the development of human history […] Marx also discovered the special law of motion governing the present-day capitalist mode of production and the bourgeois society it produces […] Science was for Marx a historically dynamic, a revolutionary force. […] However great the joy with which he welcomed a new discovery in some theoretical science, whose practical application perhaps it was yet quite impossible to envisage, he experienced quite another kind of joy when the discovery involved immediate revolutionary changes in industry and in historical development in general. For example, he followed closely the development of the discoveries made in the field of electricity, and most recently those of Marcel Deprez (MEW, vol. 19, 335–336; MECW, vol. 24, 467–468.).

Even when accounting for the customary hyperbole of funeral sermons, Engel's remark that Marx closely followed the development of electricity is irritatingly wrong. In vain we look for the keyword "electricity" in the first volume of *Capital* (MEGA^2 II/5), published in 1867, in which Marx minutely analyzed the capitalist foundations of industrial production. Instead, in "Machinery and Great Industry," the volume's extensive fourth chapter, Karl Marx resorted to poetic eloquence to describe steam engines; and in later editions of *Capital*, he continued to characterize these powerful machines as cyclops and monster-like giants, which made workers dance to the beat of the piston strokes and degraded them to machine appendages (MEGA^2 II/15, 344ff.). It is difficult to reconcile this language with an alleged appraisal by Marx from 1850, that is, before he set out to trace the history and

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function of steam engines in the British Museum Library. In 1896, the 70-year-old Wilhelm Liebknecht recalled his first meeting with Marx and Engels in the summer of 1850:

> Marx sneered at the victorious reaction in Europe, which imagined that it had stifled the revolution [of 1848/49; E.I.] and did not suspect that natural science was preparing a new revolution. Steam power, which revolutionized the world in the last century, had receded and would be replaced by an even greater revolutionary: the electric spark. And now Marx, all fire and flame, told me that for some days now a model of an electric machine pulling a railway train had been on display in Regent Street. Now the problem is solved – the consequences are incalculable. The economic revolution must necessarily be followed by the political revolution, for it is its only expression (Liebknecht 1896, 30).

If one contrasts this animated statement, which is still uncritically attributed to Marx today, with his clumsy, almost alchemical, description of a British charlatan's attempt a few months later to use electromagnetic voltage fields (generated with buried charcoal and zinc) to increase agricultural yields (Marx to Engels, 5th May 1851, MEGA[2] III/4, 106; MECW, vol. 38, 344–345, and Engels to Marx 9th May 1851, MEGA[2] III/4, 113; MECW, vol. 38, 350–351), Liebknecht's account of Marx's vision for electricity is therefore utterly implausible. Would it have been enough for Marx if such revolutionary violence had found its proof in an electric toy train? Far more probable, it was the demonstration of an "Electric Railway" at the end of August 1881 at the Royal Polytechnic Institution, located at 309 Regent Street (https://westminster-atom.arkivum.net/index.php/rpi-6-26). The locale, material circumstances, and the developmental state of electrical machinery simply rule out an earlier date. In terms of content and style, Friedrich Engels was the likely originator of this hypothesis, and a corresponding formulation used for the first time in a letter to Eduard Bernstein in the spring of 1883 – discussed below – corroborates the supposition.

It was not until 1882, while Marx tried in vain to cure his chronic ailments at various locales in Britain, Europe, and Algeria, that he read the book by the 30-year-old engineer Édouard Hospitalier on possible applications of electricity (*Les principales applications de l'électricité*), which had been published just prior to the International Electricity Exhibition at the Palais de l'industrie in Paris in 1881. As the translator of the 1882 English edition critically noted, Hospitalier could not yet take into account the new developments presented at the exhibition. Nevertheless, this publication, intended for the wider public, obviously contained so much new information for Marx that he extensively annotated it and excerpted four pages by hand. In November 1882, the French physicist Marcel Deprez successfully conducted electrical energy from Miesbach to Munich during the International Electricity Exhibition in Munich, reported extensively in European newspapers, and the technological breakthrough was followed by the general public. Marx did, too, judging from textual clues from Charles Longuet (1839–1903), his son-in-law, and from Friedrich Engels, who had studied the subject of electricity in the first half of 1882. For different reasons, Marx and Engels were both astonished that two thin telegraph wires could transport energy: Marx, because he did not believe his son-in-law's description of Deprez's transformer theory, and Engels, because he was

unaware of Deprez's invention and his patent of 1881 and erroneously supposed that the previously valid laws on line resistance had to be reformulated (Marx to Engels 8th November 1882, MEW, vol. 35, 104; MECW, vol. 46, 364–365; Engels to Marx 11th November 1882 MEW, vol. 35, 108; MECW, vol. 46, 372–373). Engels nevertheless recognized the groundbreaking consequences of the presentation: "For this means that the vast and hithero untapped sources of hydraulic power have suddenly become exploitable" (MECW, vol. 46, 374).

Against this background, we return to the plausibility of Friedrich Engels' graveside depiction of Marx's electrotechnical metamorphosis. Had Engels here attributed to Marx something that he had actually worked out himself? And if one takes into account Engels' not insignificant influence on the publication of Marx's writings, especially the third volume of *Capital*, could this attribution not have been a (further) attempt to stylize the seriously ill and barely able-bodied Marx as an intellectual universal genius until his last breath, a giant upon whose shoulders the sciences now stood?

We have to look to Engels for answers. Marx's amusement of an electric toy train in London should be shelved as an arabesque under the rubric of "the lives of socialist saints." This clears the deck to survey the scientific history of electromagnetism and electrodynamics and their applied innovations. This historical context provides chronological order about which scientific findings and applied techniques were discovered, developed, and disseminated to the public. Against this background, this essay then explores Engels' writings and statements on electricity, which have survived primarily in connection with his preparatory work for his planned book on natural dialectics. With these texts, we can measure Engels' familiarity with the development of electricity, both as a science and a technology. Above all, they show how he recognized – albeit late – the eminent importance of this new energy source and, in particular, its generator and distribution systems. Even if electricity did not lead to a political revolution along the lines of the French Revolution, as he predicted, Engels nevertheless saw important sociological consequences that resulted from the decentralization of industrial production in Europe and the USA, which began within a short period of time due to the widespread availability of electrical energy.

1 Electrodynamics in the Nineteenth Century

Although the basic physical laws of electricity were already known before the middle of the century and numerous possible applications had been outlined, telegraphy (a low-voltage technology) remained the only field into the 1860s that the wider public knew about (for the following Dettmar 1940/1989, 9–129; Kloss 1987, 77–198). This changed in the 1870s when electric arc lamps illuminated the metropolises of Europe and the USA in spectacular fashion. A mixture of curiosity and technological euphoria spurred speculative investment that capitalized both

established gas companies and start-up electrical companies. At this point, however, a science-oriented public could not be assumed.

In contrast to research in the fields of chemistry or biology, which, like Charles Darwin's research on the evolution of species, attracted lively public interest beyond the specialist community, there was only a weak response to the simultaneous and no less significant discoveries and inventions in the fields of electrical physics and electrochemistry. The exchange of information over experimental results remained limited to an international scientific community, which hardly comprised more than 100 people.

The "triumphal march of electricity" – as contemporaries understood it – began with the construction of a battery that provided a continuously flowing current, the result of an electrolytic reaction by Allessandro Volta (1745–1827) in 1800. This was also the first prerequisite for the development of an electric motor. The second was the discovery of electricity's magnetic effect. The Danish researcher Hans Christian Oersted (1777–1851) published a study on electromagnetism in 1820 that demonstrated how a current-conducting wire deflected a magnetic compass needle. The French astronomer and physicist Francois Arago (1786–1853) converted the magnetization of iron by a current-carrying conductor into a rotational movement in 1824. The French mathematician and physicist André-Marie Ampère (1775–1836) also undertook electrical experiments as early as 1820. He used a spirally wound wire instead of a straight one. In discovering the magnetization of metal, he thereby invented the electromagnet. At the same time, Ampère determined that electricity occurs in two forms: as voltage and as current. When the British physicist William Sturgeon (1783–1850) constructed the electromagnet in 1825–1826, a wire coil with an iron core, the third and final prerequisite for constructing an electric motor became available.

Now the task was set: to conjoin the components to generate electricity. In the following three decades, a research race unfolded in which some 50 international researchers took part, some of them in lively exchange with one another, but also some working on their own. Among them were such famous names as the chemist Humphry Davy (1778–1829) with his research on electrolysis, and his assistant Michael Faraday (1791–1867), whose research on electromagnetic induction (a reversal of Oersted's discovery) laid the foundation for the development of a generator. Although contemporaries still distinguished between electricity generators and electric motors, in 1833 Heinrich Friedrich Emil Lenz (1804–1865) formulated the "law of reciprocity of magnetoelectrical and electromagnetical phenomena," which recognized the reversible directions of current flow between an electric generator and an electric motor. This clarified the theoretical basis of the motor's electrical components. But the question remained open as to whether the best kinetic effect could be achieved by means of an oscillating or a rotating movement of the motor. Ultimately, practical application determined the value of competing theoretical solutions.

Based on the first device driven by electromagnetism, which the British physicist Peter Barlow (1776–1862) had built in 1822, the Königsberg master builder Moritz Jacobi (1801–1864) developed the first rotating electric motor in 1834 that actually

emitted usable power. The Russian Tsar appointed him to the St. Petersburg Academy of Sciences in 1838 and generously supported him. In September 1838, Jacobi set in motion an electrically driven boat with paddle wheels, approximately 8 meters long, for the first time on the Neva River. The drive motor achieved 1/5–1/4 horse power (about 300 W) and traveled a 7.5 km distance with 12 passengers at about 2.5 km/h. In August 1839, the boat reached a speed of 4 km/h with an improved engine and battery (about 1 kW). Despite this spectacular success, the electric motor was not yet competitive with the steam engine; the galvanic elements (zinc batteries) that generated electricity incurred high maintenance costs. Only later did the construction of water-powered electricity generators improve the cost-benefit ratio. In 1864, the Italian designer Antonio Pacinotti (1841–1912) demonstrated that an electric motor could be turned into a generator by reversing it. For this reason, the development of generators and motors followed similar paths.

The foundations for the DC motor, which still dominates in the low-voltage range up to 60 volts and in the power range up to 1 kW, were laid by three scientists: William Ritchie (1790–1837) in 1832 with the current inverter; Antonio Pacinotti in 1860 with the construction of an electric motor with a ring armature; and Werner Siemens (1816–1892) in 1856 with the double-T armature, which improved the electric end and had a low moment of inertia due to its small diameter. To increase power, he used electromagnets that additionally supplied the machine with their own current (so-called self-exciting-generator), comparable to a turbocharger in combustion engines.

Important for our story is the fact that Werner Siemens had already recognized the great economic importance of the dynamoelectric principle at an early stage. On 4th December 1866, he wrote to his brother William in London: "The matter is very capable of development and can herald a new era of electromagnetism! In a few days a device will be ready. Magnetic electricity will thereby become cheap and can now become possible and useful for light, galvanometallurgy, etc. – even small electrical machines that receive their power from large ones!" On 4th March 1867, he further noted to his brother Karl in St. Petersburg: "I will finish the new generator on Thursday, when a great performance takes place at the Academy. This device forms the cornerstone of a great technical revolution that will raise electricity to a higher level among the elementary forces!" (Dettmar 1940/1989, cit. 35).

Although it took more than two decades before powerful electric machines were built for industrial use, in 1867 Werner Siemens demonstrated the practical application of electric motor energy. In the following years, as an entrepreneur (Telegraphen Bau-Anstalt Siemens & Halske, Berlin) and scholar (1874 member of the Prussian Academy of Sciences and the Association of German Engineers), he zealously devoted his time and professional competence to building electrotechnical machinery. Indeed, Werner Siemens introduced the term electrical engineering in 1879, although academia harbored considerable prejudices against this application-oriented field. "'Electrical engineering is pure humbug!' said a well-known physicist to his students a few years ago. But the Saul soon became a Paul, for he died a professor of electrical engineering," reported the first issue of the *Centralblatt für Elektrotechnik* in 1887 (Dettmar 1940/1989, cit. 298).

Numerous manufacturers in England and Germany also tried their hand in this field, but they lacked theoretical knowledge. Only a few mastered the law of energy conservation and the methods of measuring quantities. While Faraday had observed and explained the phenomenon of eddy currents early on, his findings remained largely unnoticed.

But progress could not be stopped. For the technology of heavy electrical current, practice outstripped theory for a long time. With the increased effectiveness of the drum armature, which was further developed from the ring armature in 1872 by Friedrich v. Hefner-Alteneck (1845–1904), chief designer of the Siemens & Halske company, and the modification of the windings to dampen the excessive heating caused by eddy currents, important technical improvements were achieved. But higher voltages demanded new materials for insulation, which had yet to be developed. Hence, until the 1890s, the functionalities of the individual components of generators, which proved to be reliable and durable in industrial applications, remained challenges for the leading manufacturers such as Siemens & Halske in Berlin, W. E. Fein in Karlsruhe/Stuttgart, S. Schuckert in Nuremberg, Ganz & Co in Budapest, and AEG in Berlin. With a mixture of cooperation and competition, such problems were resolved.

Electrification with heavy current technology, which began in the 1880s, progressed rapidly despite the conflict between direct and alternating current systems (DC/AC-Systems) (Schott 1999, 31–50). The 1870s triggered the desire to "share the light." In addition to arc lighting, which was only considered for public squares or large open spaces, there was also a strong public demand to supply flats and individual rooms with electric light. On the one hand, there was the "electric candle" made of graphite, developed in 1876 by the Russian engineer Pavel Nikolayevich Jablochkov (1847–1894), with a burning time of up to 6 h. To operate them, alternating current was needed. As a licensed company, Siemens & Halske produced that current in 1878 with generators powered by slow-running steam engines. The candles came close to the light color of gas lighting and enjoyed great popularity despite the high costs.

On the other hand, the American entrepreneur Thomas Edison (1847–1931), who in 1880 had developed the first "electric lamp" together with his team of inventors in Menlo Park (New Jersey), had been building large DC dynamo machines in competition since 1878. Fast-running steam engines drove them. Edison presented a prototype at the 1881 Electrotechnical Exhibition in Paris to great effect. To convince investors in 1882, he operated the first DC power station in the USA with six machines at 257 Pearl Street in Manhattan's financial district, supplying 59 customers with 300 lamps of 50 watts each. The world press celebrated the power supply of an entire city district as a sensation. But with the voltages available at the time, initially 65 and later 110 volts, only short distances could be bridged. Edison therefore did not succeed in solving the fundamental problem of distance.

The development of high-performance transformers was largely advanced by the Ganz & Co. company in Budapest, which delivered its thousandth transformer as early as 1889 for the power station in Rome and the lighting of Vienna's Westbahnhof. Within a short time, numerous power stations were built in the major cities of

Europe. In 1891, more than 20 power stations in Germany, mostly built by AEG in Berlin, produced a total output of 11.6 megawatts. With the invention of three-phase alternating current in the years 1885–1889, which is associated with the names of Michael Dolivo-Dobrowolski (1862–1919), Friedrich August Haselwander (1859–1932), and Nikola Tesla (1856–1943), among others, the foundation of modern electrical power transmission, for both generators and motors, was finally laid.

To summarize this history of technology: The essential theoretical foundations of electromagnetism had already been laid at the beginning of the nineteenth century. Admittedly, there were still uncertainties with regard to terminology and the convention of measured quantities, and empirical research gave the impression of being rather random at first glance, because a subject-specific system had yet to be established. But such shortcomings were overcome by 1867 at the latest with Werner Siemens's formulation of the electrodynamic principle. Systematic scientific exchange also established serious and competent forums early on. Leading examples include Dingler's *Polytechnisches Journal* (after 1820), the *Centralblatt für Elektrotechnik* appeared in 1878 as the first journal for applied electrical engineering, and the *Elektrotechnische Zeitschrift* (1880ff.) soon followed with its up-to-date reports on developments abroad and on world fairs and electrical engineering exhibitions. As early as 1866, Carl Kuhn published his *Handbuch der angewandten Elektrizitätslehre*, a Leipzig publication that included detailed descriptions of telegraphy with low-voltage apparatus as well as an overview of research on electromagnetism. In 1877, Hippolyte Fontaine's *Éclairage à l'Électricité* was published in Paris. Several comprehensive compendia followed in the 1880s. Of note is Gustav Heinrich Wiedemann's *Lehre von der Elektrizität* (Braunschweig, vols. 1 & 2, 1882; vol. 3, 1883), because Friedrich Engels used it. But Alfred Ritter von Urbanitzky's *Die Elektrizität im Dienste der Menschheit* (Hartleben, 1885), Gustav Albrecht's *Geschichte der Elektrizität* (Wien, Pest, Leipzig 1885), and Erasmus Kittler's *Handbuch der Elektrotechnik* (Stuttgart, 1886) round out this watershed moment of knowledge dissemination.

In other words, despite strong reservations of established physics professors, who conducted empirical basic research "without purpose," electrical engineering took root as an applied science in the 1870s. Beyond the narrow circle of experts, interested students of mechanical engineering could also learn electrical engineering at technical universities. The numerous compendia of the 1880s quickly made electrical engineering a fashionable science, and even ambitious laymen could inform themselves about the theoretical as well as practical issues and follow the current developments. The numerous updated editions of the comprehensive compendium *Die Elektrizität im Dienste der Menschheit* confirmed, for example, that both private industry and higher learning had embraced electricity as a new energy source. It was in this general trend from the 1870s onward that Engels developed his interest in this topic and its palpable effects on technology, work, and society.

2 Friedrich Engels as a Journalist of Science

At the end of 1869, Friedrich Engels retired as a partner in the textile company Ermen & Engels in Manchester and moved to London to embark on a new phase in his life as a pensioner, journalist, and private scholar. In addition to his ambitions as a military scientist and as a commentator in specialist journals, Engels became intensively engaged in the 1870s with the question of whether and to what extent the rules of dialectics applied to the natural sciences beyond the social sciences and philosophy. His motive for pursuing this question lay in his rejection of applying social Darwinism or empiricism to a theory of society. His excerpts, laid out in several work phases over 12 years, were to form the basis of a comprehensive work on natural dialectics (MEGA^2 I/26, Apparat, 594ff.). He aimed to outline a unified worldview on a scientific basis that would encompass nature and society as a whole based on the same principles. For Engels, the guiding theory of science rested upon materialism: "Nature exists independently of philosophy; it is the basis on which we humans, even products of nature, have grown up; apart from nature and humans, nothing exists" (Engels 1888, 12). But nature also validated objective dialectics, "the movement in opposites which asserts itself everywhere in nature and which, through their continual conflict and their eventual merging into one another or into higher forms, determine the very life of nature. In magnetism, polarity begins, it manifests itself in one and the same body; in electricity, it distributes itself over two or more bodies that come into mutual tension" (MEGA^2 I/26, p. 48). In his *Plan 1878*, Friedrich Engels noted: "Dialectics as the science of universal interconnection. Main laws: transformation of quantity and quality – mutual penetration of polar opposites and transformation into each other when carried to extremes – development through contradiction or negation of the negation – spiral form of development" (MEGA^2 I/26, 173; MECW, vol. 25, 313).

But Marx's death on 14 March 1883 and the subsequent publication of volumes 2 and 3 of *Capital*, which was by no means a straightforward task for Engels, prevented the completion and publication of the manuscripts on natural dialectics. In 1897, the Berlin physicist Leo Arons first consulted Engels' manuscript, and Eduard Bernstein made a renewed but aborted attempt at a posthumous publication of the manuscripts in 1923. In the same year, David Borisovich Ryazanov, the first editor of the Marx-Engels Institute founded by Lenin in 1921, made a copy of Engels' manuscripts.

He succeeded in deciphering the multiple abbreviations used by Engels and published a selection of the most developed parts in chronological order of their origin as early as 1925 under the title *Naturdialektik* (Natural Dialectics) as the second volume of the *Marx Engels Werke*. Revisions and additions followed in 1927 (now under the title *Dialectic of Nature*) and as a special volume in 1935 by Ladislaus Rudas in systematic order of the texts, as well as the 1941edition by Vladimir Bruschlinski, who structured the texts according to Engels' two "plan sketches." In particular, the organization of the 1935 and 1941 editions formed an apparently closed "work" from the individual texts, which subsequently became an important

component of the Leninist reading of Marxism and formed the scientific-theoretical basis for the natural sciences in the USSR (MEGA² I/26, 597). With its dissemination as a fundamental work of Marxism, the texts' transformed status from a posthumous publication of manuscripts of excerpts and fragments, created at different stages, to an unfinished book project was increasingly forgotten.

Although Engels' texts on natural dialectics partially advance strong claims to place the natural sciences on a new theoretical footing – he never lacked self-confidence –, Albert Einstein's sober judgment from 1924 still applies. He evaluated the texts in terms of their scientific value for both the 1920s and the 1870s:

> If this manuscript came from an author who was not of interest as a historical personality, I would not advise its printing, for the contents are of no particular interest either from the point of view of present-day physics or even for the history of physics. On the other hand, I can imagine that this writing would be considered for publication in so far as it forms an interesting contribution to the illumination of Engels' intellectual personality (Einstein 1924, 414).

The text, *Electricity*, which Engels worked on between the beginning of 1882 and August 1882 but never completed, was one of the most extensive, detailed manuscripts on natural dialectics (MEGA² I/26, XXX; MECW, vol. 25, 402–451). It includes a commentary on the development of research in the field of electrochemistry. In doing so, he worked for long stretches on the widely prevalent doctrine of Gustav Heinrich Wiedemann (1826–1899), who held the first chair of physical chemistry at the University of Leipzig since 1871. His textbook *Lehre vom Galvanismus und Elektromagnetismus* (1861, 2nd edition 1874), which was available to Engels, focused on traditional chemical systems, experimental setups in the laboratory, and the results of empirical research with detailed calculations and comparative measurements.

In the introduction and conclusion, Engels skillfully used modes of argumentation that can still be found in science journalism today. He praised the systematic clarity in the field of chemistry, for whose theoretical foundations Dimitri Mandeleev (1834–1907) had developed an unambiguous and referenceable structure in 1869 with the periodic system of the elements based on the atomic theory of John Dalton (1766–1844). The epistemological organization in electrophysics, on the other hand, was completely different, where such a reference system first had to be built up step by step. As Engels noted:

> It is essentially this confused state of the theory of electricity, which makes establishing a comprehensive theory impossible for the time being, that causes one-sided empiricism to prevail in this field, that empiricism which, as far as possible, prohibits itself from thinking, and which for this very reason not only thinks wrongly, but is also unable to follow the facts faithfully or only to report them faithfully; which therefore turns into the opposite of real empiricism (MEGA² I/26, 239).

Five years earlier, Engels had already embarked on a critical discussion of the ways and errors of the "electricians" on the basis of Thomas Thomson's 40-year old book, *An Outline of Science of Heat and Electricity*, 2nd ed. London 1840, which he easily deployed for his purposes:

> The contempt of the empiricists for the Greeks is peculiarly illustrated by Thomson, On Electr. wherein people like Davy and even Faraday blunder around in the dark (electric spark, etc.) and carry out experiments that are entirely reminiscent of Aristotle's and Pliny's stories about physical-chemical relationships. It is precisely in this new science that the empiricists entirely reproduce the blind groupings of the ancients. And where the ingenious Faraday has a correct tract, the philistine Thomson must protest against it (MEGA^2 I/26, 116).

Engels extended this criticism in 1882:

> And yet his book contains at least as great things as the relevant section of the much older Hegel's Natural Philosophy. The description of the electric spark, for example, could have been translated directly from the corresponding passage in Hegel. Both enumerate all the marvels which, before the realities and manifold diversities of the spark were known, were to be discovered in them, and which are now mostly proved to be special cases or errors. Even better. Thomson, p. 416, quite seriously relates the robber tales of Dessaignes, according to which, when the barometer rises and the thermometer falls, glass, resin, silk, etc., become negatively electric by being immersed in mercury, but become positively so when the barometer falls and the thermometer rises (MEGA^2 I/26, 239; MECW, vol. 25, 567).

In 1877, deploying his familiar strategy of "scrimmage criticism," Engels aggressively confronted Wiedemann. He now applied the strategy of scientific critique to examine the most important traditional assumptions, experimental results, and conclusions that the academic world upheld for their significance, logic, and viability. The starting point was the question of establishing a scientific explanation for "electrical energy," which was a hotly disputed conflict between – as he distinguished it – proponents of the "contact theory" and the "chemical theory." He first showed the inner contradictions of the older theory, which held that electricity was imponderable matter: two "fluids" of a negative and a positive current, flowing side by side in channels. Whether it was the double-current hypothesis or the single-pole current flow, assumptions and hypotheses were logically contradictory, and, in the end, nothing could be proven. If nothing else, noted Engels, more recent research, analogous to the molecular movement of heat, established not only the so-called electromotive force of the galvanic current but also its complete equivalence with the energy released by chemical processes in the excitation cell or consumed in the decomposition cell. But the idea that anything material moved between the molecular bodies was untenable due to the high speed of movement of electricity, which exceeded the speed of light. In Engels' estimation, after James Clerk Maxwell's (1831–1879) polarization experiments, the theory was in a state of transition, hindered by the lack of applicable new terminology. Engels undertook a lengthy excursion to expose and discuss galvanic chemistry's existing theoretical ambiguities and logical contradictions, focusing on the undisputed basic law of quantitative equivalence of the movement. In doing so, he sharply criticized Wiedemann, who, as a "one-sided empiricist," tried to salvage from contact theory what could be rescued, and in doing so became entangled in glaring contradictions. Step by step, Engels refuted Wiedemann's argumentation. Even the experiment's established facts, Engels argued, had been falsified by traditional interpretations. In a second excursus, Engels commented on Wiedemann's presentation of the electrolytic process of the chain: zinc – diluted sulfuric acid – copper, a field of physical chemistry in

which Wiedemann was widely regarded as an expert. Here, too, Engels noted contradictions, such as with the lack of differentiation between active and passive electrolysis, which led to Wiedemann's contradictory explanations of electricity's formation. In lengthy discussions, he noted other logical errors and terminological inconsistencies, especially the confusion of force and energy, which "ultimately underlie all his errors and confusions about the so-called 'electromotive force'." Engels concluded with the demand for a general revision of the galvanism doctrine and, in particular, to review all previous uncontrolled experiments that were conducted with superannuated procedures and standpoints, paying close attention to the conversions of energy.

In this fundamental attack, Engels trained his sights on Hermann Wiedemann, a leading exponent of traditional doctrines. Engels' detailed critical exposition occupied him for several months. He considered this detailed undertaking as necessary, but he obviously took pleasure in the criticism, which can be felt in every line of his text. When preparing the final manuscript for printing, Engels should have taken into account Wiedemann's completely revised edition of *Die Lehre von der Elektricität* (3 vols., Vieweg: Braunschweig, 1882/1883), which appeared shortly thereafter. This, however, did not happen.

Engels' criticism could not be dismissed out of hand. Until the middle of the nineteenth century, electricity theory was dominated by cautious empiricism due to vague hypotheses and the absence of standardized procedures and equipment for experimentation. The connection between theory and practice was also missing. Most academic researchers deliberately avoided the problem with a commitment to "pure science" without concrete reference to application. This orientation predominated, especially in Germany, with such protagonists as Hermann Helmholtz (1821–1894) and Heinrich Hertz (1854–1894). Of course, Werner Siemens challenged this bias over time. England and France followed similar patterns of this preference for theory, albeit in weaker form. Roughly sketched, there were two main theoretical directions in research on electrodynamics: the theory of distant action, according to André Marie Ampère, and the field concept, founded by Michael Faraday. These theories, however, were not firmly established paradigms but, rather, malleable propositions because of the open communication between the respective adherents. James Clerk Maxwell extensively engaged the theory of distant action. Hermann Helmholtz supported Maxwell's position on electrodynamics but did not adhere to its principles uncritically. Heinrich Hertz also verified essential elements of Maxwell's theory but also pointed out its affinities to the theory of distant action. Even among British researchers, there was no unanimous position. Classical electrodynamics developed, then, as a synthesis of field theory with distant-action theory, modified by the retarding potential and its idea of current elements and charged particles, which eventually led to electron theory (Kaiser 1981, 22).

That Engels eventually put aside his criticism of Wiedemann's theory of electrochemistry might also be related to breakthroughs in the field of power-current transmission, which surprised him. Application-related electrodynamics and the rapid development of electrical engineering seem to have escaped his focus in the 1870s. It was not until the spectacular presentations at the Paris Electrotechnical Exhibition

in 1881 that the design offices of Ganz & Co, Siemens & Halske, Edison Electric Light Comp., and Schuckert & Co announced their innovative findings. Now, within a few months, a scientific revolution seemed to be in the offing that would have immediate consequences for industrial production worldwide. Engels was "electrified" in both senses of the word and wrote on 1 March 1883, 6 months after the successful transmission of electricity by Marcel Deprez from Miesbach to Munich, to Eduard Bernstein (1850–1932), a trained banker who worked in Zurich as editor-in-chief for the party newspaper *Der Sozialdemokrat*:

> In fact, however, it's a tremendously revolutionary affair. The steam engine taught us to transform heat into mechanical motion, but the exploitation of electricity has opened up the way to transforming *all* forms of energy: heat, mechanical motion, electricity, magnetism, light, one into the other and back again and to exploit them industrially. The circle is complete. And Deprez's latest discovery, that electric currents of very high voltage can, with relatively small loss of energy, be conveyed by simple telegraph wire over hitherto undreamed of distances and used at the place of destination – the thing is still in embryo – this discovery frees industry for good from virtually all local limitations, makes possible the harnessing of even the most remote hydraulic power and, though it may benefit the towns at the outset, will in the end inevitably prove the most powerful of levers in eliminating the antithesis between town and country. Again, it is obvious that, the productive forces will thereby acquire a range such they will, with increasing rapidity, outstrip the control of the bourgeoisie (MEW, vol. 36, 444–445; MECW, vol. 46, 449; for the context König 1989, 9–38).

Engels' prediction of industry's exploitation of remote water forces was fundamentally correct. Two decades later, the hydroelectric power plant at Niagara Falls in New York State confirmed the vision. It supplied large amounts of energy to Buffalo, where industrial sites diversified and expanded. This example set a precedent not only on the American East Coast but also in Europe. It unleashed a broad industrial development that permitted a large number of medium-sized enterprises to realize their innovative potential. In many production sectors in Europe and the USA, these medium-sized companies – known as *mittelständische Unternehmen* in Germany – still form the backbone of industry. Electrical power had made them more cost-efficient and flexible.

Albeit cautiously, Engels predicted that, with the general availability of electrical energy freed from spatial and temporal restrictions, the productive forces would at the same time "outstrip the control of the bourgeoisie." In 1848, he noted, the developmental potential of capitalist production had been underestimated. In the meantime, he continued, "large-scale industry […] has only really become established, and has virtually made Germany an industrial country of the first rank" (MEGA² I/32, 338). New inventions increasingly triggered technological upheavals, similar to the steam engine a hundred years earlier. Social and political conflicts would take on new forms, such as the parliamentary path made possible by the increase in votes of the SPD in the Reichstag (MEGA² I/32, 340–341).

At an advanced age, Engels concluded that further innovations within a developed technological system might rein in radical political revolution. It could defuse the sharp social antagonisms that characterized the Industrial Revolution's first phase and furthermore entwine technological advances with parliamentary reform.

Rather than destroying jobs, advanced technology could establish a new structure of industrial production. Put another way: Engels came to modify his long-held view that technology's unintended negative consequences were intrinsically a positive development. At the beginning of the 1890s, he envisioned altered political strategies because of not-yet foreseeable changes in industrial production. In surreptitious fashion, technology's new role might upend Marx's law on the tendential fall of the rate of profit. The essential premise that mechanization and automation always displaced labor now stood on shaky ground. An end to capitalism as a consequence of technology (Ganßmann 1987, 290–314) seemed rather unlikely to the "inventor of Marxism" – a role Engels still occupies today.

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Two Sides of Young Friedrich Engels: Private Letters and Professional Studies

Karl-Heinz Schmidt

1 Introduction

Although Friedrich Engels is a well-known author, economist, socialist and politician, whose life and work is the subject of numerous monographs and other studies, especially as regards his relationship with Karl Marx, specific questions concerning Engels' origins, education and early political career are not yet adequately answered. This chapter focuses on three questions:

1. What are the conditions and circumstances which shaped Engels' character during his youth and schooldays?
2. Which of his individual talents and capabilities, like writing poems, drawing cartoons and recalling memories of events with his family members, relatives or close friends appear in Engels' writings?
3. Which professional activities contributed to Engels' position in historical and economic sciences?

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2 How to Approach the Personality of Friedrich Engels

2.1 The Nineteenth-Century Framework Conditions

Friedrich Engels' lifetime (1820–1895) covers a revolutionary phase of European history (Stavenhagen 1961, 223). At the time of his youth, however, his family did not adhere to any kind of revolutionary thinking. It may be called a family typical for industrial small companies. The grand-grandfather had founded a small firm in Barmen during the second half of the eighteenth century. It consisted of a company for bleaching textile material (*Bleichanstalt*), a spinning mill and a factory for lace knitting (*Spitzenwirkerei*) (Cornu 1954, 104). This company had been expanded by three grandsons, one of them Friedrich's father. After some disputes about inheritance, Friedrichs's father decided to establish his own companies, one firm together with the Ermen brothers in Manchester (1837), somewhat later (1841) additional firms in Barmen and Engelskirchen. The father had got married to a daughter of a professor, who liked to tell young Friedrich stories of Greek heroes and introduced him to ancient mythology. But the parents' home was characterized by strictly conservative and pietistic thinking. The father probably expected his son to follow him as entrepreneur and owner of the company of textile industry located in the region Wuppertal – Wupper valley.

That area was dominated by companies of the textile industry, as the regional development of the whole "Ruhr-Area" rapidly changed in the process of industrialization. Moreover, determinant factors of economic and social development in the area were given by non-economic conditions of industrialization: strict religious pietistic views of life (Cornu 1954, 105). Young Friedrich followed his parents' religious orientations, but he quitted high school 1 year prior to the final examination. Having entered into his father's business, he soon left it in order to continue his education for business administration in Bremen. After a brief professional experience in a branch company of his father's business, he changed to commerce, to a company specialized in exports (Stavenhagen 1961, 223). Since then – August 1838 – Engels more and more turned to various writing and publishing activities. This gave him the chance to leave his inherited social environment and to become a leading member of the revolutionary political movement in Germany and Europe. But the access and subsequent personal development would include several phases, during which Engels would have to change his locations and activities.

2.2 Phases of Engels' Life

Several different phases of Engels' life may be distinguished, characterized by two sides of his personality and activities, like writing leaflets and pamphlets, organizing gatherings and riots and travelling in Western Europe as a political refugee, journalist or organizer of political meetings and assemblies. "Side One" refers to

Engels' first publications, reports and private letters, some of them including small drawings, cartoons and early manuscripts of various articles. "Side Two" of his personality includes professional studies, arranged according to the phases of his life and related locations. Phase I includes the period from his youth in Barmen to his first stay in Berlin. Phase II refers to Engels in England, where he researched on economic and social effects of industrialization. Phase III dates from the private break with his father in Barmen and includes the long period of propagating radical political and social ideas – mainly together with Karl Marx – in Western Europe. Phase IV comprises his activities in Manchester and London, when he was mainly concerned with the publishing of political tracts. These phases will be referred to in order to structure the data and events of Engels' life. Finally, some conclusions will be drawn from the condensed review of Engels' personal development from the pietistic spirit in his family during his youth in Barmen to his work and life in England, finally in London.

3 "Side One" of Friedrich Engels in Private Letters, Early Publications and Cartoons

3.1 From Barmen to Bremen

The second volume of "Marx/Engels complete edition of oeuvres, written documents and letters" (MEGA[1]), edited by David B. Rjazanov in Berlin 1930, allows for a review of the early publications, private letters and other documents by Friedrich Engels (Rjazanov 1930, XXII). It shows his interest in writing poems, regional studies and reports on social events during the years 1838–1844. This early period of Engels' life as author of literary publications has been subdivided by Rjazanov into three sections: (1) activities in Bremen up to spring 1841, (2) the Berlin period up to autumn 1842 and (3) the Manchester-London period up 1844 (Rjazanov 1930, XXII). The publications of this period reflect the experience of deep changes of everyday life, social relations and ideas about the society and economy. Engels' views, which had originally been shaped by his conservative family in a religious pietistic social environment, changed to strict materialism in autumn 1842, when he left Germany for England (Rjazanow 1930, XXIII). During the same time, Engels wrote many "letters" intended for publication diverse newspapers. His reports and studies about problems of socialism were printed in many journals, for example, *Rheinische Zeitung* and *Telegraph für Deutschland*, occasionally under the pen name "Friedrich Oswald".

Engels' early writings and publications concern the most important phase of his intellectual development. In order to continue his professional education for business management in Bremen, he left his family and home town in August 1838. Beforehand, he had quitted high school and the professional education in his father's industrial company. In Bremen, he simultaneously conceived literary and

philosophical-theological studies. In 1839, he used the pen name Friedrich Oswald and published a broad study entitled *Letters from Wuppertal* (Briefe aus dem Wuppertal). In this publication, Engels described restorative ideas of Pietism. The publication brought about a severe conflict with his parents due to his turn to political radicalism (Schmidt 1986, vol. 2, 271f).

3.2 Social Criticism and Private Conflicts

The personal conflict between father Engels and his son Friedrich about the *Letters from Wuppertal* and other publications were of great importance for Engels' intellectual development. His first contribution to the journal *Telegraph für Deutschland* in March 1839 included a critical description of life and customs in the industrial area of his youth. The publications became the cause of surprise and excitation, since the valley of the river Wupper was well known in Germany as the core region of the religious sect of Pietism, whose practices and customs were subjected to scathing criticism. They unveil "a vivid picture of the bigoted philistine milieu, in which the future materialist and revolutionary grew up" (Rjazanov 1930, XXVI). This publication established the basis for Friedrich's later separation from his father and the family in Barmen. Furthermore, it strengthened his move away from Pietism towards a new view of society.

That the geographical, social and economic environment during his youth and early years had a deep impact on the formation of Engels' personality and thinking can be illustrated by the following quotations from the Letters. The first refers to the introductory text of a letter of March 1839 (*Telegraph für Deutschland,* no. 49), which begins with a description of the landscape of the Wupper valley, a slowly creeping muddy river, a "lamentable phenomenon", but passing a rather pleasant landscape made of steep and soft hills with green meadows. The following text portrays a romantic impression of the landscape:

> Coming from Düsseldorf, one enters the sacred region […]; the muddy Wupper flows slowly by and, compared with the Rhine just left behind, its miserable appearance is very disappointing. The area is rather attractive: the not very high mountains, rising sometimes gently, sometimes steeply, and heavily wooded, march boldly into green meadows […] (Engels 1839, 7).

But this pleasant superficial impression is contrasted with the arduous working and living conditions in the valley. Conditions in the industrial factories to which workers are exposed from their sixth year of life have weakened their health and deprived them of physical strength and love of life. In a second letter of March 139 (*Telegraph für Deutschland,* no. 50), he wrote:

> Work in low rooms where people breathe in more coal fumes and dust than oxygen—and in the majority of cases beginning already at the age of six—is bound to deprive them of all strength and joy in life (Engels 1839, 9).

In particular, Engels refers to the weavers, who worked in their own houses for long hours, even at night. As of very negative effect on the health of the workers, he identified consumption of alcohol. Their tendency to adhere to a kind of "mysticism" gave rise to a division of the people into two hostile parties which would be able to destroy the development of any kind of collective social spirit: "This division into two hostile groups, irrespective of their nature, is capable by itself of destroying the development of any popular spirit [...]" (Engels 1839, 10).

Mysticism and work organization are identified as main causes of increasing misery among the workers of industrial factories. The original (German) text demonstrates the author's compassion with the poor, among whom phthisis and alcohol addiction have become rampant.

> But this would not have assumed such horrifying proportions if the factories were not operated in such a reckless way by the proprietors and if mysticism did not take the form it does and did not threaten to gain an increasing hold. Terrible poverty prevails among the lower classes, particularly the factory workers in Wuppertal (Engels 1839, 10).

Engels contrasts the destitute conditions of the working poor with the economic and social status of the owners of industrial companies, especially of those, who were members of pietist communities. This situation mainly concerned the reformed community in the city of Elberfeld, part of the Wupper valley, which he called "center of all pietism and mysticism" in a third letter of April 1839 (*Telegraph für Deutschland*, no. 51; Engels 1839, 11). The doctrine of Pietism he referred to as "Pietisterei", expressing a negative interpretation of "Pietism". Engels mainly described and discussed the school system and cultural activities in that area. He finished the text by the following statement:

> This whole region is submerged in a sea of pietism and philistinism, from which rise no beautiful, flower-covered islands, but only dry, bare cliffs or long sandbanks, among which Freiligrath wanders like a seaman off course (Engels 1839, 25).

3.3 Poems and Cartoons

Engels also published poems and short stories, some of them under the pen name Friedrich Oswald. Of special interest from the viewpoint of his later career are some of Engels' letters which he wrote to his sister Marie in Barmen during the years 1838–1842, most of which he was living in Bremen. These letters shed light on his origin and relations to family members after he had left Barmen. The way of reporting about everyday events like keeping young hens in the courtyard or shopping on the market in town demonstrates a totally different personality than the *Letters from Wuppertal* cited above. In contrast, the letters to his sister are full of lovely descriptions of daily life and cultural events in Bremen. He reports on his attempts to write the notes of Christian chorals, and he included little drawings and cartoons of well-known persons in order to illustrate his letters and reports to his friends and relatives and to his sister (Engels 1838/42, 385–550). Friedrich obviously kept close

relations to her, especially during his stay far from his home town Barmen. Moreover, he had great interest for literature, music, history and society.

For example, a picture sent to his friend in Berlin, Wilhelm Graeber, about April 28–30, 1839, shows a scene with three men and one woman; one of the men lifts his left hand, the other two men obviously wait for a sign to do the same; the woman seems to watch and wait what will happen. The underlined text just explains: “The scene is in Barmen and you can imagine what it is” (Engels 1838/42, 446). But the present reader nowadays will not be able to make sense of the picture. Another cartoon shows five men of different age and size. The text refers to them as “Candidates of Musenalmanach” (Engels 1838/42, 451). But to interpret the picture correctly, additional information about the persons shown in the cartoon would be necessary. A third example of Engels’ talent to draw cartoons can also be seen in another letter to Wilhelm Gräber of June 15, 1839. It shows four men, one woman and a steaming engine. A descriptive text should explain the type of person, which is exposed by the drawing: the first shown person, a man looking with sadness, is designated as “world weariness” (Weltschmerz), the second, a man with repaired clothes, as “modern stress and strain” (Moderne Zerrissenheit)”, the third, a cigar smoking woman showing bare buttocks as “emancipation of women” (Frauenemancipation), the fourth a man demonstrating “the noble, modern materialism” (Der noble, moderne Materialismus), the fifth a man with a flag and a big fork, entitled “emancipation of the flesh” (Emancipation des Fleisches), and finally a wheel-driven machine with a chimney delivering dark vapour, entitled “spirit of the times” (Zeitgeist), presumably to be interpreted as modern characters and situations (Engels 1838/42, 453).

A fourth example is taken from another letter to Wilhelm Graeber, written in Bremen at July 30, 1839 (Engels 1838/42, 469): the cartoon includes the faces of five men and one empty circle named “nothing” (Nichts). The first man is smoking a pipe, and the picture is underlined by the word “common trash” (Gemeinheit)”. Then the face of a man with curly hair, seen from the front, is exposed, entitled: “A caricature of Goethe” (Eine Karrikatur von Goethe). The third person, a man with a big helmet-like hat and a slightly borrowed nose, entitled: “L’homme” (Der Mensch). Furthermore, a man’s face with a small beard, named “K. Gutzkow”, familiar with “F. E.”, and a puppet soldier or scarecrow with a rifle, named “Soldier of the King of Prussia” (Kön. Preuss. Soldat).

These and all other cartoons express Engels’ criticism of persons and of political and social events at the time of his stay in Bremen. He studied his environment and the social and economic development in the German states carefully. Also, the discussion on “Mysticism” and religion is continued in the related letters.

4 "Side Two" of Friedrich Engels: Professional Studies – Aims, Conditions and Effects

In 1837, Engels moved from Barmen to Bremen, in 1841 from Bremen to Berlin, where he fulfilled his military service and intended to study at the University of Berlin. But he also entered into close relations with religious and philosophical groups ("Junghegelianer"). Towards the end of 1842, he moved to Manchester in order to accomplish his professional education in his father's factory and – after the separation from his father – in a factory owned by "Gebrüder Ermen" (Stavenhagen 1961, 223). Moving not only from Barmen to Bremen and Berlin, but to more distant cities, regions and countries, Engels became increasingly influenced by more extreme political and social ideas. His future career was imminent!

Two events of the following months should become decisive for Engels' further life: a first short meeting with Karl Marx in Cologne in November 1842 and a second more confidential meeting with him in Paris, August 1844. In this second meeting, both became aware of the complete agreement of their ideas. Engels had researched about social conflicts and about English history and economics in England. There were two important fruits of these studies: the essay *Outlines of a Critique of Political Economy* (Umrisse zu einer Kritik der Nationalökonomie; Engels 1844),[1] intended as a fundamental critique of economics published in the *Deutsch-Französische Jahrbücher* in 1844, and, in 1845, the famous *The Condition of the Working-Class in England* (Die Lage der arbeitenden Klasse in England; Engels 1845), mostly elaborated and written in his home town Barmen, where he stayed for a while after his return from England. Both studies laid down the basis of Engels' future work, political orientation and activities. From now, Engels pursued his revolutionary agenda as author and journalist in collaboration with Karl Marx (Stavenhagen 1961, 223f; Cornu 1954, 396ff). What followed was another meeting with Marx in Brussels in April 1845, the joint publication of the *Communist Manifesto* in January 1848, and his engagement at the *Neue Rheinische Zeitung* 1848 until its ban 1849.

After the crackdown of the revolutionary movement of 1848, Engels returned to Manchester in 1850, to become partner in his father's company, from which he retired in 1869. After his return to London in 1870 to live in the vicinity of Marx with whom he communicated almost daily. Until Marx's death in 1883, Engels was his indispensable, faithful companion in political and private matters. Nonetheless, as a sharp analytical mind, Engels remained an independent thinker with the ability to expose and present the results of his thinking in clear ways. But he never tried to compete with Marx, contenting himself with the role of Marx's "docile student". In his own studies, Engels developed basic philosophical concepts of "scientific socialism", especially the concept of "dialectics". He tried to apply this concept to nature, as the general principle which connects nature, history and human thinking,

[1] On this essay, see the contribution of Kurz in the present volume.

understood by to be “a real law” (ein reales Gesetz), which can be recognized in nature as well as in history.

5 From Pietistic Spirit to Socialism

Poverty and the situation of the working class were the central concerns of Friedrich Engels’ early empirical and theoretical studies, and of the political consequences which he derived from their findings. In the private correspondence of this period, Engels also appears as good friend of younger members of the family, especially his little sister, as author of many poems, as painter of cartoons, as composer and writer of music notes and as poet and author of large numbers of private letters and reports referring to family life.

Looked at from the early beginning of his career, Engels’ social thinking originates from the religious background of his family which lies at the bottom of his feelings of compassion with the deplorable lot of the poverty-stricken living conditions of the industrial workers in his region of birth, the Wupper valley. At this early stage, it was an important insight for Engels that widespread adherence of the poor to the teachings of a religious sect – Pietism – had become an obstacle to the development of a collective consciousness which alone could have helped to bring about better living conditions for the society, especially for the working population.

Later, his contacts with Hegelian philosophical circles in Berlin, his stay in Manchester, the heart of British textile industry, and eventually the encounter with Karl Marx lead him to the conviction that a change of the economic and social system had to be brought about in order to improve the living conditions of the lower class of society. His future work as author and social scholar was devoted to this aim, with his contribution Friedrich Engels will keep an important place in history and economics (Stavenhagen 1961, 225; Hofmann 1971, 160ff; Droz 1974, 246ff; Rosner 2019, 186).

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