

Marx on capitalist exploitation and inevitability of victory of the proletariat

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"The modern labourer ... instead of rising with the progress of industry, sinks deeper and deeper below the conditions of existence of his own class. He becomes a pauper, and pauperism develops more rapidly than population and wealth. And here it becomes evident, that the bourgeoisie is unfit any longer to be the ruling class in society, and to impose its conditions of existence upon society as an over-riding law. It is unfit to rule because it is incompetent to assure an existence of its slave within his slavery, because it cannot keep letting him sink into such a state, that it has to feed him, instead of being fed by him. Society can no longer live under this bourgeoisie, in other words, its existence is no longer compatible with society."
— Communist Manifesto

[On the occasion of the 111th death anniversary of Karl Marx, the creator of scientific socialism and great leader and teacher of the world proletariat, we pay revolutionary homage to him. It is an occasion for studying and restudying his revolutionary teachings in order to equip ourselves anew to strengthen our revolutionary resolve, especially in view of the present setback in the international communist movement.

Some excerpts from Marx's teachings are given below which lay bare the inherent exploitative character of capitalism and its inherent irreconcilable contradiction that must pave the way for its downfall and onward march of humanity towards the cherished goal of Communism, despite the current confusions, bourgeois propaganda and clap-trap about technological advances under capitalism.]

Now, ... the time has come to deal more closely with the economic relations themselves on which the existence of the bourgeoisie and its class rule, as well as the slavery of the workers, are founded ...

The capitalist, it seems, therefore, buys their (the workers' - Ed.P.Era.) labour with money. They sell him their labour for money. But this is merely the appearance. In reality what they sell to the capitalist for money is their labour power. The capitalist buys this labour power for a day, a week, a month, etc. And after he has bought it, he uses it by having the workers work for the stipulated time...

The workers exchange their commodity, labour power, for the commodity of the capitalist, for money, and this exchange takes place in a definite ratio. So much money for so long a use of labour power...

Let us take any worker, say, a weaver. The capitalist supplies him with the loom and yarn. The weaver sets to work and the yarn is converted into linen. The capitalist takes possession of the linen and sells it, say, for twenty marks. Now are the wages of the weaver a share in the linen, in the twenty marks, in the product of his labour? By no means. Long before the linen is sold, perhaps long before its weaving is finished, the weaver has received his wages...

The capitalist buys the labour power of the weaver with a part of his available wealth, of his capital, just as he has bought the raw material — the yarn — and the instrument of labour — the loom — with another part of his wealth. After he has made these purchases, and these purchases include the labour power necessary for the production of linen, he produces only with the raw materials and instruments of labour belonging to him. For the latter include now, true enough, our good weaver as well, who has a little share in the product or the price of the product as the loom has.

Wages are, therefore, not the worker's share in the commodity produced by him. Wages are the part of already existing commodities with which the capitalist buys for himself a definite amount of productive labour power.

Labour power is, therefore, a commodity which its possessor, the wage-worker, sells to capital. Why does he sell it? In order to live...

The worker leaves the capitalist to whom he hires himself whenever he likes, and the capitalist discharges him whenever he thinks fit, as soon as he no longer gets any profit out of him, or not the anticipated profit. But the worker, whose sole source of livelihood is the sale of his labour power, cannot leave the whole class of purchasers, that is, the capitalist class, without renouncing his existence. He belongs not to this or that capitalist but to the capitalist class, and, moreover, it is his business to dispose of himself, that is, to find a purchaser within this capitalist class...

The determination of price by the cost of production is equivalent to the determination of price by the labour time necessary for the manufacture of a commodity, for the cost of production consists of 1) raw materials and depreciation of instruments, that is, of industrial products the production of which has cost a

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The real barrier of capitalist production is capital itself

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certain amount of labour days and which, therefore, represent a certain amount of labour time, and 2) of direct labour, the measure of which is, precisely, time...

How, then, does any amount of commodities, of exchange value, become capital ?

By maintaining and multiplying itself as an independent social power, that is, as the power of a portion of society, by means of its exchange for direct, living labour power. The existence of a class which possesses nothing but its capacity to labour is a necessary prerequisite of capital...

It is only the domination of accumulated, past, materialized labour over direct, living labour that earns accumulated labour into capital.

Capital does not consist in accumulated labour serving living labour as a means for new production. It consists in living labour serving accumulated labour as a means for maintaining and multiplying the exchange value of the latter.

What takes place in the exchange between capitalist and wage-worker ?

The worker receives means of subsistence in exchange for his labour power, but the capitalist receives in exchange for his means of subsistence labour, the productive activity of the worker, the creative power whereby the worker not only replaces what he consumes but gives to the accumulated labour a greater value than it previously possessed. The worker receives a part of the available means of subsistence from the capitalist. For what purpose do these means of subsistence serve him? For immediate consumption. As soon, however, as I consume the means of subsistence, they are irretrievably lost to me unless I use the time during which I am kept alive by them in order to produce new means of subsistence, in order during consumption to create by my labour new values in place of the values which perish in being consumed. But it is just this noble reproductive power that the worker surrenders to the capitalist in exchange for means of subsistence received. He has, therefore, lost it for himself. ...

We said above, "Wages are not the worker's share in the commodity produced by him. Wages are the part of already existing commodities with which the capitalist buys for himself a definite amount of productive labour power." But the capitalist must replace these wages out of the price at which he sells the product produced by the worker; he must replace it in such a way that there remains to him, as a rule, a surplus over the cost of production expended by him, a profit. For the capitalist, the selling price of the commodities produced by the worker is divided into three parts: *first*, replacement of the price of the raw materials advanced by him together with replacement of the depreciation of the tools, machinery and other means of labour also advanced by him; *secondly*, the replacement of the wages advanced by him, and *thirdly*, the surplus left over, the capitalist's profit. While the first part only replaces *previously existing values*, it is clear that both the replacement of the wages and also the surplus profit of the capitalist are, on the whole, taken from the *new*

value created by the worker's labour and added to the raw materials. And *in this sense*, in order to compare them with one another, we can regard both wages and profit as shares in the product of the worker. ...

Capital can only increase by exchanging itself for labour power, by calling wage labour to life. The labour power of the wage worker can only be exchanged for capital by increasing capital, by strengthening the power whose slave it is...

But what is the growth of productive capital ? Growth of the power of accumulated labour over living labour. Growth of the domination of the bourgeoisie over the working class. If wage labour produces the wealth of others that rules over it, the power that is hostile to it, capital, then the means of employment, that is, the means of subsistence, flow back to it from this hostile power, on condition that it makes itself afresh into a part of capital, into the lever which hurls capital anew into an accelerated movement of growth.

To say that the interests of capital and those of the workers are one and the same is only to say that capital and wage labour are two sides of one and the same relation. The one conditions the other, just as usurer and squanderer condition each other.

As long as the wage-worker is a wage-worker his lot depends upon capital. That is the much-vaunted community of interests between worker and capitalist. ...

We have seen how money is changed into capital; how through capital surplus-value is made, and from surplus-value more capital. But the accumulation of capital pre-supposes surplus-value; surplus-values pre-supposes capitalistic production; capitalistic production pre-supposes the pre-existence of considerable masses of capital and of labour-power in the hands of producers of commodities. The whole movement, therefore, seems to turn in a vicious circle, out of which we can only get by supposing a primitive accumulation ... preceding capitalistic accumulation; an accumulation not the result of the capitalist mode of production, but its starting-point...

This primitive accumulation plays in Political Economy about the same part as original sin in theology. Adam bit the apple, and thereupon sin fell on the human race. Its origin is supposed to be explained when it is told as an anecdote of the past. In times long gone by there were two sorts of people; one, the diligent, intelligent, and, above all, frugal elite; the other, lazy rascals, spending their substance, and more, in riotous living. The legend of theological original sin tells us certainly how man came to be condemned to eat his bread in the sweat of his brow; but the history of economic original sin reveals to us that there are people to whom this is by no means essential. Never mind! Thus it came to pass that the former sort accumulated wealth, and the latter sort had at last nothing to sell except their own skins. And from this original sin dates the poverty of the great majority that, despite all its labour, has up to now nothing to sell but itself, and the wealth of

the few that increases constantly although they have long ceased to work. Such insipid childishness is everyday preached to us in the defence of property...

...as soon as the question of property crops up, it becomes a sacred duty to proclaim the intellectual food of the infant as the one thing fit for all ages and for all stages of development. In actual history it is notorious that conquest, enslavement, robbery, murder, briefly force, play the great part. ...

The capitalist system pre-supposes the complete separation of the labourers from all property in the means by which they can realize their labour. As soon as capitalist production is once on its own legs, it not only maintains this separation, but reproduces it on a continually extending scale. The process, therefore, that clears the way for the capitalist system, can be none other than the process which takes away from the labourer the possession of his means of production; a process that transforms, on the one hand, the social means of subsistence and of production into capital, on the other, the immediate producers into wage-labourers. The so-called primitive accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production. It appears as primitive, because it forms the pre-historic stage of capital and of the mode of production corresponding with it...

...the historical movement which changes the producers into wage-workers, appears, on the one hand, as their emancipation from serfdom and from the fetters of the guilds, and this side alone exists for our bourgeois historians. But, on the other hand, these new freedmen became sellers of themselves only after they had been robbed of all their own means of production, and of all the guarantees of existence afforded by the old feudal arrangements. And the history of this, their expropriation, is written in the annals of mankind in letters of blood and fire.

The industrial capitalists, these new potentates, had on their part not only to displace the guild masters of handicrafts, but also the feudal lords, the possessors of the sources of wealth. In this respect their conquest of social power appears as the fruit of a victorious struggle both against feudal lordship and its revolting prerogatives, and against the guilds and the fetters they laid on the free development of production and the free exploitation of man by man...

The starting-point of the development that gave rise to the wage-labourer as well as to the capitalist was the servitude of the labourer. The advance consisted in a change of form of this servitude, in the transformation of feudal exploitation into capitalist exploitation...

In the history of primitive accumulation, all revolutions are epoch-making that act as levers for the capitalist class in course of formation; but, above all, those moments when great masses of men are suddenly and forcibly torn from their means of subsistence, and hurled as free and "unattached" proletarians on the labour-market. The expropriation of the agricultural producer, of the peasant, from the

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Comrade Chanda exposes the design behind showing the banks as losing concerns

Finance Minister Dr. Manmohan Singh held a meeting in Delhi on 29th January last with leaders of the central trade unions and representatives of unions in the banking industry to discuss problems of this industry in the context of the government's policy of Reform and Restructure of Banking Sector. The deliberations centred round the "Discussion Paper" circulated by the Finance Ministry. Besides the Finance Minister, Finance Secretary, Special Secretary (Banking), RBI Governor, IBA Chairman and other high government officials were present. Representatives of the central trade unions — UTUC (LS), INTUC, AITUC, CITU, BMS and others and also of the banking union bodies AIBEA, AIBOC, NCBE, BEFI and others attended.

Dr. Manmohan Singh initiated the discussions highlighting the main points laid down in the "Discussion Paper" and sought cooperation of the trade unions in the government effort to "Reform and Restructure" the banking sector in justification of which he said that the banks had been incurring heavy losses for quite a long time and in this way many of them might not survive for long.

Taking part in the deliberations, Comrade Pritish Chanda, President, UTUC (LS), pointed out at the outset that had the government been really serious about consulting the trade unions, it should have done so much earlier, with an open mind, before framing the policy. But it had already initiated and proceeded with the structural reforms in the banking sector. If the purpose of the present deliberations was a mere ritual to ensure endorsement by the trade unions of the already laid down government policy, a *fait accompli*, then the UTUC (LS) could not but dissociate itself from it in unambiguous terms as it considered the policy to be anti-bank employees and believed that the bank employees, by and large, would oppose the scheme of reform and restructuring.

Continuing, Comrade Chanda said that there was strong suspicion that the hand of the World Bank was active behind the scene in drafting the "paper" circulated by the Finance Ministry. A study of the financial structure reforms could not but lead one to the conclusion that its real motive was to make way for unbridled capitalistic exploitation in the name of attaining competitiveness in the global economy.

Regarding the causes set forth in the "paper" as being responsible for the crisis in the banking industry, Comrade Chanda said that these causes were neither new nor hitherto unknown to the government. Various non-doings, mis-doings, deliberate deficiencies and gross defaults had given rise to what was now euphemistically called "non-performing assets" of around Rs. 37,000 crore in the banks. This was the direct outcome of various manipulative practices, malpractices for decades indulged in by the authorities in conjunction with the bank managements with the sole purpose of benefiting and pampering different sections of the ruling capitalist class and

politicians of ruling parties and bureaucrats serving the interest of the ruling capitalist class — an unholy nexus that developed long before and was directly responsible for serious erosion of morality and ethical standard in the country's economy and politics. The Finance Ministry now sought to merely put the blame on previous authorities and the banks. But, could it be denied that all the malpractices responsible for the present crisis in the banks were present, years back, during the tenure of the present Finance Minister as the RBI Governor? What had he done about these then? Blame for the present crisis in commercial banking should be squarely laid at the doors of the authorities who had allowed unconcealed political use of the banks and their resources. It was well known that huge amounts of bank credits were locked up in sick industries in the private sector and about 3/4th of the total bad debts that the banks were now plagued with were directly attributable to the corporate sector — industry, trade and commerce. Successive governments took no corrective and remedial measures which had been long overdue. And now, the present government policy amounted to handing over

RBI or investment in government securities. The reason, not spelt out in the "paper", had been to provide artificial backing to the government enmeshed in unmanageable problem created by its financial profligacy.

Thus, the whole banking policy had been directed with the twin objective of buying the political support of the monopolists, the big landowners, the traders, businessmen and other vested interests on the one hand and of lending a semblance of balance to the yawning gaps in successive central budgets. All this went directly against established banking norms and principles as also the vital interest of the people. Even the "paper" had to admit that funds were, so to say, doled out even without caring for realisation of interest at the dictates of "outside influence" and that the default on interest realisation was due to various government approved "waiver schemes" and predominant external influences. As a result, instead of earning Rs. 804 crore in 1991, the banks showed a net deficit of Rs. 3369 crore. And now the government was blaming the banks for all this in justification of the proposed "reforms". Was this not sheer hypocrisy?

Deliberations of Comrade Pritish Chanda at the meeting held by Manmohan Singh

the banks to the same private sector that was responsible for wilful default of credit taken fraudulently from the banking system. It was well known that practice of this capitalist class was to invest only 10% of required resources in any venture on its own and to pool the balance 90% as loans from banks to amass profit. All these had been allowed by the governments in full knowledge of the fraudulent practices. Resources of banks came mainly from deposits of the common people and the "Paper" clearly revealed that the cream of those deposits were being squandered away for the gains of capitalists. When a poor man became a defaulter he was put into prison and his possessions confiscated. But when the capitalist sharks swallowed up crores of rupees of bank depositors, they were allowed to go scot free. It was a matter of record that whenever banks made efforts to realise the huge amounts of loan taken by the big industrial houses, they were restrained by the government from doing so. Sometimes, when the banks sought legal proceedings, they were advised by the government to settle the matter out of courts. While the capitalists had remained defaulters, the RBI had even allowed the banks for long to show the bad debts as assets in their accounts and the interest amounts as profits year after year. And now the government wanted to implement the so-called structural reforms on the plea that the banks were in crisis!

Continuing, Comrade Chanda said that for decades, because of government policy, the banks were not allowed to deploy their financial resources on the basis of definite banking norms and principles inasmuch as about 63% of their deposits had to be set apart for reserves with the

Regarding the security scam, Comrade Chanda said that although the government was trying to pass it off as a "system failure", the scam involving the loss of over Rs. 5000 crore of public money was not just a simple lapse but an organised, massive crime with direct help and support of the politicians, even ministers of the central cabinet and bureaucrats including high bank officials and capitalists reflecting a spurt in the speculative trend due to ever accentuating acute crisis in the capitalist economy.

Continuing Comrade Pritish Chanda said that through the New Accounting and Provisioning Norms now clamped down by the government in the name of better transparency, cleaning up and globalisation, the public sector banks were being made to incur loss running into crores of rupees. Under these norms, these banks had been asked to provide for even zero risk government guaranteed fully secured assets, advances to the tune of Rs. 15,000 crore resulting in these banks booking loss. This was being done to make the public believe that the protectionism by the government had made the bank employees lazy and callous to public interest and so the solution lay in throwing open these banks to the private sector, that is, in privatisation of the nationalised banks. This was being done at the dictates of monopoly capital, both domestic and foreign, and also World Bank and IMF who had covetous eyes on the service sector comprising bank, insurance, telecommunication, electricity, transport, health services, etc., in order to ensure risk-free, guaranteed profits on investment for which the service sector was the safest area. Lie was given

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The proletarian movement is the self-conscious, independent movement of the immense majority, in the interests of the immense majority

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soil, is the basis of the whole process. The history of this expropriation, in different countries, assumes different aspects, and runs through its various phases in different orders of succession, and at different periods...

...The conversion of a sum of money into means of production and labour-power, is the first step taken by the quantum of value that is going to function as capital. This conversion takes place in the market, within the sphere of circulation. The second step, the process of production, is complete so soon as the means of production have been converted into commodities whose value exceeds that of their component parts, and, therefore, contains the capital originally advanced, plus a surplus-value. These commodities must then be thrown into circulation. They must be sold, their value realised in money, this money afresh converted into capital, and so over and over again. This circular movement, in which the same phases are continually gone through in succession, forms the circulation of capital.

The first condition of accumulation is that the capitalist must have contrived to sell his commodities, and to reconvert into capital the greater part of the money so received...

The capitalist who produces surplus-value — i.e., who extracts unpaid labour directly from the labourers, and fixes it in commodities, is, indeed, the first appropriator, but by no means the ultimate owner, of this surplus-value. He has to share it with capitalists, with landowners, &c., who fulfil other functions in the complex of social production. Surplus-value, therefore, splits up into various parts. Its fragments fall to various categories of persons, and take various forms, independent the one of the other, such as profit, interest, merchants' profit, rent, &c...

...the original conversion of money into capital is achieved in the most exact accordance with the economic laws of commodity production and with the right of property derived from them. Nevertheless, its result is:

(1) that the product belongs to the capitalist and not to the worker;

(2) that the value of this product includes, besides the value of the capital advanced, a surplus-value which costs the worker labour but the capitalist nothing, and which none the less becomes the legitimate property of the capitalist;

(3) that the worker has retained his labour-power and can sell it anew if he can find a buyer.

Simple reproduction is only the periodical repetition of this first operation; each time money is converted afresh into capital...

...Moreover, the development of capitalist production makes it constantly necessary to keep increasing the amount of the capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist, as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he

cannot, except by means of progressive accumulation.

So far, therefore, as his actions are a mere function of capital — endowed as capital is, in his person, with consciousness and a will — his own private consumption is a robbery perpetrated on accumulation, just as in book-keeping by double entry, the private expenditure of the capitalist is placed on the debtor side of his account against his capital. To accumulate, is to conquer the world of social wealth, to increase the mass of human beings exploited by him, and thus to extend both the direct and the indirect sway of the capitalist...

The contradiction, to put it in a very general way, consists in that the capitalist mode of production involves a tendency towards absolute development of the productive forces, regardless of the value and surplus-value it contains, and regardless of the social conditions under which capitalist production takes place; while, on the other hand, its aim is to preserve the value of the existing capital and promote its self-expansion to the highest limit (i.e., to promote an ever more rapid growth of this value). The specific feature about it is that it uses the existing value of capital as a means of increasing this value to the utmost. The methods by which it accomplishes this include the fall of the rate of profit, depreciation of existing capital, and development of the productive forces of labour at the expense of already created productive forces.

The periodical depreciation of existing capital — one of the means immanent in capitalist production to check the fall of the rate of profit and hasten accumulation of capital-value through formation of new capital — disturbs the given conditions, within which the process of circulation and reproduction of capital takes place, and is therefore accompanied by sudden stoppages and crises in the production process...

The *real barrier* of capitalist production is *capital itself*. It is that capital and its self-expansion appear as the starting and the closing point, the motive and the purpose of production; that production is only production for *capital* and not vice versa, the means of production are not mere means for a constant expansion of the living process of the *society* of producers. The limits within which the preservation and self-expansion of the value of capital resting on the expropriation and pauperisation of the great mass of producers can alone move — these limits come continually into conflict with the methods of production employed by capital for its purposes, which drive towards unlimited extension of production, towards production as an end in itself, towards unconditional development of the social productivity of labour. The means — unconditional development of the productive forces of society — comes continually into conflict with the limited purpose, the self-expansion of the existing capital. The capitalist mode of production is, for this reason, a historical means of developing the material forces of production and creating an appropriate

world-market and is, at the same time, a continual conflict between this its historical task and its own corresponding relations of social production...

We have seen that the growing accumulation of capital implies its growing concentration. Thus grows the power of capital, the alienation of the conditions of social production personified in the capitalist from the real producers. Capital comes more and more to the fore as a social power, whose agent is the capitalist. This social power no longer stands in any possible relation to that which the labour of a single individual can create. It becomes an alienated, independent, social power, which stands opposed to society as an object, and as an object that is the capitalist's source of power. The contradiction between the general social power into which capital develops, on the one hand, and the private power of the individual capitalists over these social conditions of production, on the other, becomes ever more irreconcilable, and yet contains the solution of the problem, because it implies at the same time the transformation of the conditions of production into general, common, social, conditions. This transformation stems from the development of the productive forces under capitalist production, and from the ways and means by which this development takes place...

Three cardinal facts of capitalist production:

1) Concentration of means of production in few hands, whereby they cease to appear as the property of the immediate labourers and turn into social production capacities. Even if initially they are the private property of capitalists. These are the trustees of bourgeois society, but they pocket all the proceeds of this trusteeship.

2) Organisation of labour itself into social labour: through co-operation, division of labour, and the uniting of labour with the natural sciences.

In these two senses, the capitalist mode of production abolishes private property and private labour, even though in contradictory forms.

3) Creation of the world-market.

The stupendous productivity developing under the capitalist mode of production relative to population, and the increase, if not in the same proportion, of capital-values (not just of their material substance), which grow much more rapidly than the population, contradict the basis, which constantly narrows in relation to the expanding wealth, and for which all this immense productiveness works. They also contradict the conditions under which this swelling capital augments its value. Hence the crises...

...Formation of stock companies. Thereby:

1) An enormous expansion of the scale of production and of enterprises, that was impossible for individual capitals. At the same time, enterprises that were formerly government enterprises, become public.

2) The capital, which in itself rests on a

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The bourgeoisie has reduced the family relation to a mere money relation

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social mode of production and pre-supposes a social concentration of means of production and labour-power, is here directly endowed with the form of social capital (capital of directly associated individuals) as distinct from private capital, and its undertakings assume the form of social undertakings as distinct from private undertakings. It is the abolition of capital as private property within the framework of capitalist production itself.

3) Transformation of the actually functioning capitalist into a mere manager, administrator of other people's capital, and of the owner of capital into a mere owner, a mere money-capitalist. Even if the dividends which they receive include the interest and the profit of enterprise, i.e., the total profit (for the salary of the manager is, or should be, simply the wage of a specific type of skilled labour, whose price is regulated in the labour-market like that of any other labour), this total profit is henceforth received only in the form of interest, i.e., as mere compensation for owning capital that now is entirely divorced from the function in the actual process of reproduction, just as this function in the person of the manager is divorced from ownership of capital. Profit thus appears (no longer only that portion of it, the interest, which derives its justification from the profit of the borrower) as a mere appropriation of the surplus-labour of others, arising from the conversion of means of production into capital, i.e., from their alienation vis-a-vis the actual producer, from their antithesis as another's property to every individual actually at work in production, from manager down to the last day-labourer. In stock companies the function is divorced from capital ownership, hence also labour is entirely divorced from ownership of means of production and surplus-labour. This result of the ultimate development of capitalist production is a necessary transitional phase towards the reconversion of capital into the property of producers, although no longer as the private property of the individual producers, but rather as the property of associated producers, as outright social property. On the other hand, the stock company is a transition toward the conversion of all functions in the reproduction process which still remain linked with capitalist property, into mere functions of associated producers, into social functions...

It (stock company) — Ed. *P.Era* establishes a monopoly in certain spheres and thereby requires state interference. It reproduces a new financial aristocracy, a new variety of parasites in the shape of promoters, speculators and simply nominal directors; a whole system of swindling and cheating by means of corporation promotion, stock issuance, and stock speculation.*

...In all countries of Europe it has now become a truth demonstrable to every unprejudiced mind, and only denied by those, whose interest it is to hedge other people in a fool's paradise, that no improvement of machinery, no appliance of science to production, no contrivances of communication, no new colonies, no emigration, no opening of

markets, no free trade, nor all these things put together, will do away with the miseries of the industrious masses; but that, on the present false base, every fresh development of the productive powers of labour must tend to deepen social contrasts and point social antagonisms...

...In the social production of their life, men enter into definite relations that are indispensable and independent of their will, relations of production which correspond to a definite stage of development of their material productive forces. The sum total of these relations of production constitutes the economic structure of society, the real foundation, on which rises a legal and political superstructure and to which correspond definite forms of social consciousness. The mode of production of material life conditions the social, political and intellectual life process in general. It is not the consciousness of men that determines their being, but, on the contrary, their social being that determines their consciousness. At a certain stage of their development, the material productive forces of society come in conflict with the existing relations of production, or — what is but a legal expression for the same thing — with the property relations within which they have been at work hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an epoch of social revolution. With the change of the economic foundation the entire immense superstructure is more or less rapidly transformed. In considering such transformations a distinction should always be made between the material transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, esthetic or philosophic — in short, ideological forms in which men become conscious of this conflict and fight it out. Just as our opinion of an individual is not based on what he thinks of himself, so can we not judge of such a period of transformation by its own consciousness; on the contrary, this consciousness must be explained rather from the contradictions of material life, from the existing conflict between the social productive forces and the relations of production...

...What does the primitive accumulation of capital, i.e., its historical genesis, resolve itself into? In so far as it is not immediate transformation of slaves and serfs into wage-labourers, and therefore a mere change of form, it only means the expropriation of the immediate producers, i.e., the dissolution of private property based on the labour of its owner. Private property, as the antithesis to social, collective property, exists only where the means of labour and the external conditions of labour belong to private individuals...

...Self-earned private property, that is based, so to say, on the fusing together of the isolated, independent labouring-individual with the conditions of his labour, is supplanted by capitalistic private property, which rests on exploitation of the nominally free labour of others, i.e., on wages-labour.

As soon as this process of transformation has sufficiently decomposed the old society from top to bottom, as soon as the labourers are turned into proletarians, their means of labour into capital, as soon as the capitalist mode of production stands on its own feet, then the further socialisation of labour and further transformation of the land and other means of production into socially exploited and, therefore, common means of production, as well as the further expropriation of private proprietors, takes a new form. That which is now to be expropriated is no longer the labourer working for himself, but the capitalist exploiting many labourers. This expropriation is accomplished by the action of the immanent laws of capitalistic production itself, by the centralisation of capital. One capitalist always kills many. Hand in hand with this centralisation, or this expropriation of many capitalists by few, develop, on an ever-extending scale, the co-operative form of the labour-process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labour into instruments of labour only usable in common, the economising of all means of production by their use as the means of production of combined, socialised labour, the entanglement of all peoples in the net of the world-market, and with this, the international character of the capitalistic regime. Along with the constantly diminishing number of the magnates of capital, who usurp and monopolise all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and disciplined, united, organised by the very mechanism of the process of capitalist production itself. The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

* Later on, studying and analysing further growth and development of joint-stock companies, trusts and cartels, Engels showed that these did not lessen but in fact accentuated capitalist exploitation and the inherent basic contradiction of capitalism. Subsequently, in 1917, Lenin showed by exhaustive analysis that monopoly and imperialism that had been given birth to by capitalism, had intensified the crisis of capitalism, its inherent basic contradiction and its exploitation of the world people and the world was getting divided into a handful of rich usurer states and the vast majority of poor debtor states. Despite the passage of years and the much-vaunted technological advances under capitalism since Lenin's time, Lenin's analysis is still essentially valid, the only major difference being that imperialism now generally rules and exploits not through physical possession of colonies but through neo-colonialist onslaughts by imperialist capital — the Dunkel Proposal thrust upon the rest of the world by the advanced imperialist countries being the most glaring recent example. — Editor, *P.Era*

(Contd. on page 6)

The bourgeoisie has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage-labourers

(Contd. from page 5)

The capitalist mode of appropriation, the result of the capitalist mode of production, produces capitalist private property. This is the first negation of individual private property, as founded on the labour of the proprietor. But capitalist production begets, with the inexorability of a law of Nature, its own negation. It is the negation of negation. This does not re-establish private property for the producer, but gives him individual property based on the acquisitions of the capitalist era : i.e., on co-operation and the possession in common of the land and of the means of production...

The bourgeoisie, wherever it has got the upper hand, has put an end to all feudal, patriarchal, idyllic relations. It has pitilessly torn asunder the motley feudal ties that bound man to his "natural superiors," and has left remaining no other nexus between man and man than naked self-interest, than callous "cash payment." It has drowned the most heavenly ecstasies of religious fervour, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation. It has resolved personal worth into exchange value, and in place of the numberless indefeasible chartered freedoms, has set up that single, unconscionable freedom — Free Trade. In one word, for exploitation, veiled by religious and political illusions, it has substituted naked, shameless, direct, brutal exploitation.

The bourgeoisie has stripped of its halo every occupation hitherto honoured and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage-labourers.

The bourgeoisie has torn away from the family its sentimental veil, and has reduced the family relation to a mere money relation...

...The bourgeois clap-trap about the family and education, about the hallowed co-relation of parent and child, becomes all the more disgusting, the more, by the action of Modern Industry, all family ties among the proletarians are torn asunder, and their children transformed into simple articles of commerce and instruments of labour...

You are horrified at our intending to do away with private property. But in your existing society, private property is already done away with for nine-tenths of the population; its existence for the few is solely due to its non-existence in the hands of those nine-tenths. You reproach us, therefore, with intending to do away with a form of property, the necessary condition for whose existence is, the non-existence of any property for the immense majority of society.

In one word, you reproach us with intending to do away with your property. Precisely so; that is just what we intend.

... In bourgeois society capital is independent and has individuality, while the living person is dependent and has no individuality.

And the abolition of this state of things is called by the bourgeois, abolition of individuality and freedom! ...

From the moment when labour can no longer be converted into capital, money, or rent, into a social power capable of being monopolised, i.e., from the moment when individual property can no longer be transformed into bourgeois property, into capital, from that moment, you say, individuality vanishes.

You must, therefore, confess that by "individual" you mean no other person than the bourgeois, that the middle-class owner of property. This person must, indeed, be swept out of the way, and made impossible. ...

Communism deprives no man of the power to appropriate the products of society; all that it does is to deprive him of the power to subjugate the labour of others by means of such appropriation.

It has been objected that upon the abolition of private property all work will cease, and universal laziness will overtake us.

According to this, bourgeois society ought long ago to have gone to the dogs through sheer idleness; for those of its members who work, acquire nothing, and those who acquire anything, do not work. The whole of this objection is but another expression of the tautology: that there can no longer be any wage-labour when there is no longer any capital.

All objections urged against the Communistic mode of producing and appropriating material products, have, in the same way, been urged against the Communistic modes of producing and appropriating intellectual products. Just as, to the bourgeois, the disappearance of class property is the disappearance of production itself, so the disappearance of class culture is to him identical with the disappearance of all culture.

That culture, the loss of which he laments, is, for the enormous majority, a mere training to act as a machine.

But don't wrangle with us so long as you apply, to our intended abolition of bourgeois property, the standard of your bourgeois notions of freedom, culture, law &c. Your very ideas are but the outgrowth of the conditions of your bourgeois production and bourgeois property, just as your jurisprudence is but the will of your class made into a law for all, a will, whose essential character and direction are determined by the economical conditions of existence of your class.

The selfish misconception that induces you to transform into eternal laws of nature and of reason, the social forms springing from your present mode of production and form of property — historical relations that rise and disappear in the progress of production — this misconception you share with every ruling class that has preceded you. What you see clearly in the case of ancient property, what you admit in the case of feudal property, you are of course

forbidden to admit in the case of your own bourgeois form of property. ... What else does the history of ideas prove, than that intellectual production changes its character in proportion as material production is changed? The ruling ideas of each age have ever been the ideas of its ruling class.

When the people speak of ideas that revolutionise society, they do but express the fact, that within the old society, the elements of a new one have been created, and that the dissolution of the old ideas keeps even pace with the dissolution of the old conditions of existence. ... The Communist revolution is the most radical rupture with traditional property relations; no wonder that its development involves the most radical rupture with traditional ideas. ...

The weapons with which the bourgeoisie felled feudalism to the ground are now turned against the bourgeoisie itself.

But not only has the bourgeoisie forged the weapons that bring death to itself; it has also called into existence the men who are to wield those weapons — the modern working class — the proletarians. ...

Of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class. The other classes decay and finally disappear in the face of modern industry; the proletariat is its special and essential product. ...

All the preceding classes that got the upper hand, sought to fortify their already acquired status by subjecting society at large to their conditions of appropriation. The proletarians cannot become masters of the productive forces of society, except by abolishing their own previous mode of appropriation, and thereby also every other previous mode of appropriation. They have nothing of their own to secure and to fortify; their mission is to destroy all previous securities for, and insurances of, individual property.

All previous historical movements were movements of minorities, or in the interest of minorities. The proletarian movement is the self-conscious, independent movement of the immense majority, in the interests of the immense majority. The proletariat, the lowest stratum of our present society, cannot stir, cannot raise itself up, without the whole superincumbent strata of official society being sprung into the air.

Though not in substance, yet in form, the struggle of the proletariat with the bourgeoisie is at first a national struggle. The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie. ...

The essential condition for the existence, and for the sway of the bourgeois class, is the formation and augmentation of capital; the condition for capital is wage-labour. Wage-labour rests exclusively on competition between the labourers. The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the labourers, due to

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Capitalist sharks who swallowed crores from banks allowed to go scot free

(Contd. from page 3)

to the government claim of inefficiency resulting in losses in these banks by the very fact that even as per the New Accounting and Provisioning Norms, the banking industry as a whole had registered profits and the dividend paid to the government for its equity by the public sector banks was far more than the budget allocation of Rs. 5,700 crore provided for capital injection into these banks.

Comrade Chanda next discussed in detail about pre-emption of bank resources through Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) to show that the government claim that maintenance of SLR and CRR by the banks at present level was responsible for their incurring losses, was false. At present, the banks, by pre-emption of their resources through maintaining SLR and CRR to the extent of 63.5%, placed the remaining 36.5% as available funds for the industrial sector. Through SLR the banks invested the reserve deposits of public money in government banks and other approved securities of central and state governments where from they earned a steady and assured return. It should be remembered that the government was more and more refusing to provide required funds to public sector undertakings (PSUs) from budget allocation. So the PSUs had to raise their required funds through government guaranteed securities and the banks invested in such securities to fulfil their SLR requirement. On the other hand, the monopoly houses wanted free access to public deposits as well as government funds through reduction of SLR. In this situation, the "discussion paper" said that industrial sector needed advances at cheaper rates of interest and suggested that the industrial houses be allowed access to 60% of bank resources! If implemented, this would mean that the industrial houses, the monopolies, would have access at cheaper rates to far greater sums of government and public money to satisfy their lust for profit. The source of steady return for the banks would be severely restricted and PSUs, suffering from fund shortage, would more and more fall sick and taking advantage of this, the monopoly houses would grab them to fulfil the government policy of privatisation! As to the income of the banks from advances given to the private sector, at the present availability of 36.5% of bank resources, the capitalists had gobbled up at least Rs. 37,000 crore. With 60% at their disposal, to what dizzy height the quantum of "non-performing assets", that is, misappropriation of government and public funds would rise to? Where would the profitability of banks stand then? With mounting losses and dilution of liquidity through lowering of reserve requirements, days of bank failures would reign. Moreover, SLR and CRR were two instruments, among others, in the hands of the RBI to control money supply to check inflation due to deficit government budgets. Reduction in SLR and CRR at the dictates of monopoly houses would push inflation rates sky high, particularly in view of the enormous funds being pumped into the secondary capital market by the foreign financial institutional investors, such investment rising in barely 6 months from well below \$ 500 million in July 1993 to \$ 1,002 million in December, 1993.

Continuing, Comrade Chanda said that hitherto it had been obligatory to set aside 40% of lendable resources of banks for loans to public sector at concessional rate of interest. The government now wanted to withdraw from this practice of lending in priority sector which, even at concessional rate of interest, was a profitable proposition, in the name of ensuring profitability and restructuring of banking sector. This could not but lead to social disorder and throw the poorest sections of the people into clutches of moneylenders, rural rich and mafias.

Comrade Chanda pointed out that while the monopoly houses obtained 90% of their capital requirement from banks and financial institutions to mint profits, whenever they faced any problem due to lack of market, they coolly closed down the venture of diverting the funds in a planned way with the help of top executives, political bosses and ministers. But the loans could not be recovered due to palpably unreasonable orders of intervention by the RBI and the government. The "discussion paper" clearly showed this. The matter would not improve by setting up tribunals to collect the dues as was now being proposed by the Finance Minister. The fact remained that all these bad debts had been written off by the banks and the money grabbers of monopoly houses had gone scot free despite their criminal acts.

Comrade Chanda demanded that the government must declare the names of all such criminals, punish them severely and recover the full loan amounts with interest.

Comrade Chanda said that the "paper" circulated by the Finance Ministry said that the Financial Sector Performance was an integral part of the New Economic Policy. What this really meant in practice was that the government had no moral, social or political obligation to ensure balanced development of the country's economy, to ensure jobs to all who could work, education, medical services, even potable water and electricity to every household. Instead, the guiding ethos of government policy was only profitability to be ensured by securing competitive strength of Indian capital in the global market. So, the sum and substance of the so-called New Economic Policy and Reform and Restructure in the banking sector was aimed at unbridled savage exploitation of the people by capital. Further, the emphasis on export of commodities and on import of foreign capital into this country meant that the land, the natural resources and labour of the country would be increasingly used for producing commodities not for consumption of the people of the country but for sale in the global market so that the Indian monopolies and businessmen, in conjunction with foreign capital, could use the Indian labour and natural resources to maximise profit, thus exposing the country to the danger of neo-colonial attack. This class motive was vividly clear from all the policies and doings of the government serving the aggregate interest of the Indian ruling capitalist class.

Continuing, Comrade Pritish Chanda said that according to the "discussion paper" the banks should "draw up a well defined, time-bound that programme of computerisation" and that "Banks must lay stress on branch level computerisation." The immediate proposal would cover around 2500 branches located in 30 identified

metropolitan/urban centres covering 51% of the total banking transactions in the country; on-line system would be put in place combining real-time transaction processing with a network of all machines and terminals; selected city branches would be connected to one another to avoid customer inconvenience.

Comrade Chanda commented that the government had no worry about the established bank employees unions on this score since all of them had already agreed to largescale computerisation in banks, the last of them having signed an agreement on computerisation on January 7 last. Thanks to the leadership of these unions, the bank employees who had been agitating for long against computerisation had now been left in the lurch! No wonder that the Finance Minister as well as the RBI Governor had congratulated and greeted leaders of those unions during the present deliberations, wishing them better prospects. But the UTUC (LS) wanted to put on record that neither it nor the workers, in general or the bank employees in particular, would accept this hi-tech computerisation scheme or privatisation in the banking industry. The employees' movement against computerisation would go on despite the agreements signed by the leadership.

Elaborating, Comrade Chanda said that as a result of the proposed computerisation, over 9300 bank branches were planned to be closed down and more than 4 lakhs out of a total of 9 lakhs bank employees were to be thrown out of job. The government had already made a clear declaration in this regard. The RBI Governor had told the meeting that banks in metropolitan/urban centres incurring loss for 5 years might be closed down. Mr. Tarakeshar Chakrabarty of the AIBEA had reciprocated by saying that "we the Bank Unions are not unreasonable. When we agree to computerisation, we can agree to many other things in individual banks." But the UTUC (LS) wanted to make it clear and put on record that it would fight tooth and nail such anti-worker measures of the government. The UTUC (LS) was not against progressive development and modernisation of industries as such. But when the country was already plagued with intense unemployment problem, largescale computerisation would take away the jobs of millions by one stroke and further squeeze employment avenues for future generations of workforce.

Comrade Pritish Chanda concluded by recalling the caution uttered by the revered Dadabhai Naoroji who, at the beginning of this century, in the early days of freedom movement had warned the people about the "drainage theory" by exposing the savagery of imperialist rule which was draining out the national resources, the agricultural products and all that was best grown and produced in India to satiate the greed of the imperialists. The cruel irony was that now in free India, a government professing to serve the "national interest" was perpetrating the same crime against the people in the name of overriding need for export earning without caring a whit whether the people remained unfed, unclad. A transparent betrayal of the nation indeed!

Comrade Stalin Remembered

Ghatsila : The 41st death anniversary of J. V. Stalin, the great leader of the world proletariat, was solemnly observed on historic 5th March in the Study Centre of Marxism-Leninism-Shibdas Ghosh Thought at Ghatsila.

On the occasion a memorial meeting attended by the party activists was held in the evening. It was presided over by our beloved General Secretary Comrade Nihar Mukherjee. Comrade Tapas Dutta, member, Central Committee was the speaker.

Presiding over the meeting Comrade Nihar Mukherjee said that the growth and ultimate triumph of proletarian revolution and communism was the historical inevitability of the inexorable law of social development, which must be consciously recognised — as Stalin did. Stalin's masterful grasp of these laws was behind his colossal deeds of transforming the infant Soviet state into a giant socialist power, of crushing the myth of the fascist military might and of releasing a torrent of people's upsurge for peace, democracy and national independence worldwide, thereby changing the course of postwar history.

Stalin made possible these deeds as a giant Marxist leader by extraordinarily grasping the objective laws of history, which did exist irrespective of man's will. History thus did show, despite the temporary setback, that the victorious march of socialism was historically determined and all attempts of the imperialists and revisionists to undo it were futile. The glorious life and deeds of Comrade Stalin, the great Marxist thinker, would, Comrade Mukherjee said, forever inspire the revolutionary world proletariat.

Comrade Tapas Dutta, in his speech, pointed out at the outset that the ceaseless vilification and defiling of Stalin, even after he was dead for more than four decades, did only show what a mortal enemy he was to all enemies of the people. Apart from his many contributions, Comrade Dutta said, it was Stalin who gave the foundation to Lenin's profound contributions in Marxism, his elaboration and extension of the teachings of Marx and Engels in the present age. It was Stalin who gave the understanding that "Leninism is Marxism in the era of imperialism and proletarian revolution." Basing on this understanding, world communist movement made its spectacular strides after establishing the world socialist system but bereft of it, it had fallen prey to modern revisionism. The timely warning given by Comrade Shibdas Ghosh that uncrowning Stalin would objectively uncrown Lenin himself was today sadly manifest in the setback of the socialist camp.

Comrade Dutta said that we have understood Stalin in the light of the thoughts of Comrade Shibdas Ghosh who held aloft the banner of Lenin and Stalin, giving rebuff to all sorts of bourgeois and revisionist attacks on them. Only by realising and following the great teachings of Comrade Ghosh, could we learn from Stalin and advance the cause of proletarian revolution properly, today, he concluded.

The meeting ended with the *Internationale*.

Excerpts from Karl Marx

(Contd. from page 6)

competition, by their revolutionary combination, due to association. The development of Modern Industry, therefore, cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie, therefore, produces, above all, is its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable. ...

...The Communists are further reproached with desiring to abolish countries and nationality.

The working men have no country. We cannot take from them what they have not got. Since the proletariat must first of all acquire political supremacy, must rise to be the leading class of the nation, must constitute itself the nation, it is, so far, itself national, though not in the bourgeois sense of the word...

... The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to win. WORKING MEN OF ALL COUNTRIES, UNITE!

[These excerpts have been arranged with an eye to achieving thematic unity and not necessarily in chronological order or in the sequence in which the excerpts appear in a particular work of Karl Marx. — Editor, *P.Era.*]

Reference : Excerpts used here have been taken from *Wage, Labour & Capital, Capital Vol.I, Capital Vol.III, Inaugural Address to the W.M.I.A. (The First International), Preface to A Contribution to the Critique of Political Economy and The Communist Manifesto.*

Joint Movement in Haryana



Rohtak : Our party the SUCI along with the CPI, the CPI(M) and Janata Dal organised protest demonstration before the Haryana Assembly demanding the immediate

Movement against rape & murder of a teenager

Rohtak : Lachho Devi, only 16, when alone in her own home, was raped by criminals who silenced the teenager by brutally mutilating her. This happened on 27th December last in Lohar Majra village of Haryana. When her wretched poverty stricken father, 75-year old Ram Swaroop, returned home at 6-30 p.m. to discover the gruesome crime, he broke down only to find himself implicated for the same. He was arrested on 31st December and since then has been languishing in Ambala Central Jail.

The Mahila Sanskritik Sangathan (MSS) and Krishak O Khet Majdoor Sangathan (KKMS) have initiated a wave of protest movement joined by people of different strata.

What really happened centring the crime is a mockery to human rights. Modku, the younger brother of village sarpanch Krishanlal Dhul and millionaire Ajmer Singh Dhul, Mota and Hoshiara, both henchmen of the sarpanch, are the culprits. They till date move scot free as the administration, the police in particular, in connivance with the very influential Dhul family is nakedly shielding them. The name of A.K.Dhul, SP, Kurukshetra, a relation of the notorious Dhul family, surfaced for his hectic move against the father of the girl and what is more, the Speaker of the Haryana Assembly who, it was widely known, took donations to the tune of Rs. 1 lakh from the Dhul family, himself went to the village on 7th February supervising the move, thus completing the sordid game.

The AIMSS and AIKKMS built up movements. A mass deputation was organised on 7th February to the Chief Minister, in which more than 1000 men and women participated. Appeals were also made to the state police chief and the Chief Justice of the Punjab and Haryana High Court for justice. People demanded the release of the father, punishment of the culprits and guilty policemen. The students of the Kurukshetra University boycotted classes and on 11th February the lawyers of the district Bar Association boycotted the court.

An enquiry was ordered and according to the DGP Mr. Kalyan Panda himself, the result had shown that the father was probably not guilty. When enquired, he could not state why the father Ram Swaroop had not yet been released despite the findings.

cancellation of GATT agreement on the line of Dunkel proposals ; against new economic and industrial policy ; to put an immediate stop to the rise in prices ; to repeal the enhanced electricity fees ; to arrange for fair distribution of water and electricity ; to take immediate steps against corruption and to introduce minimum wages for the workers.

The movement continued for four days from 1 to 4 March. Every passing day saw an increase in response from the people as more and more people courted arrest after violating law. Among others, leading party organisers like Comrades Satyawar, Rampal, Shyam Sunder, Roshan Lal, Zile Singh, Ganpat Singh, Anup Singh, Rajinder Singh and Om Prakash courted arrest on different days along with the leaders of other parties.

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