Did Marx "Turn" the Original Class Struggle?

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Cameron M. Weber

New School for Social Research,
FIT/SUNY and St. John’s University
cameron_weber@hotmail.com
cameroneconomics.com

Abstract

In this paper I compare Marx and Engels’ theory of the class struggle as being between Capital and Labor with that developed by the French Classical Liberals during the Restoration (1815 - 1830) as being between Free Man and the State. We trace Marx's awareness of, and respect for, some of this earlier work (especially that of Augustin Thierry) as found in Marx and Engels’ personal correspondence. We also critique examples in Marx and Engels’ published writings which show that these later writers might have ‘turned’ the original classical Liberal social theory due to Marx’s philosophical pre-disposition towards the Hegelian "Other". I propose that it is these Hegelian roots which require that the classical economists’ notion of an economic surplus becomes a 'social' surplus in order to give cohesion to a reunification of man with his alienated self. We find many parallels in the two social theories, including historical movement, productive and unproductive labor, exploitation and a march of history towards human freedom.

Note: Some of the ideas in this paper were originally presented at the Summer Institute for the Preservation of the History of Economic Thought at University of Richmond, VA, in June 2010. This current version tries to address suggestions made by Duncan Foley, Gary Mongiovi and Mishan Hing at the New School and researches more deeply into the historical context of Le Censeur Européen writers.
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Exchange is a transaction in which the two contracting parties always gain.

- Destutt de Tracy 1817

With reference, therefore, to *use-value*, there is good ground for saying that “exchange is a transaction by which both sides gain.” It is otherwise with *exchange-value*.

- Karl Marx (emphasis added) 1867

I. INTRODUCTION AND METHODOLOGY

In this paper I compare the works of Marx and Engels with those of the French Classical Liberal writers of the Restoration (1815-1830), specifically those authors who founded, edited and wrote for *Le Censeur Européen*. We will find that Charles Dunoyer and Charles Comte, who co-founded and wrote for *Le Censeur Européen* from 1814 to 1819, and Augustin Thierry who also wrote for the journal and who took over its editorship in 1817 until its demise in 1819, had developed a political economy which in many respects was similar to that of the historical materialism of Marx and Engels.

I begin the paper by beginning where Marx began, and perhaps where all social thinkers begin, with his pre-analytical vision for the type of society that he would like to see realized. In Marx’s case, as is well known, it is the social system of communism where man is not oppressed by man through political power. I briefly present an overview of Marx and Engel’s system of scientific socialism which is

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1 Destutt de Tracy 1817 [1826], 68

2 Marx 1867[1990], 259. Marx is paraphrasing Destutt de Tracy.

3 We can mark the Bourbon Restoration from Napoleon Bonaparte’s defeat at Waterloo in 1815 to the July Revolution of 1830.
used to predict the beginning of history, i.e., of communism, and how Marx and Engel’s used political economy and the classical economists’ category of an economic surplus to further their system to its conclusion.

I then compare the French Liberal social theory with that of scientific socialism and evaluate how the necessary ‘turn’ was made in the Marx and Engels writings. In doing so we evaluate the various components of the social theory, including historical movement and a march towards freedom, productive and unproductive labor based on inter-class exploitation, and the ideal of an improvement in, or development of, man’s nature.¹

II. HEGEL’S “OTHER”

I propose, following Skousen 2009 and Rothbard 1995, that the important pre-analytical vision in Marx’s writings is based upon Hegel and Feuerbach’s radical Christianity. Orthodox Christianity describes where a person’s individual behavior on earth determines whether or not he or she is reunited with God in heaven, mankind was created out of God’s love and acceptance of Christ as savior means a reunification with God in heaven.

For Hegel and Marx this was not the case. Mankind was created because God was lonely, therefore man was alienated from himself upon his birth. It was only by being reunited with his alienated “Other” could man reunite with himself, with his species-being. This is Hegel’s “social theory of the mind”, where only a collective, social, man can reunite with God. Under the capitalist stage of this pre-history prior to man’s unification with himself in communism, it was a division of labor, property rights, and class exploitation which prevented this reunification and therefore which prevented mankind’s freedom.

¹ Further to method, I use only primary literature in analysis for Marx-Engels in order to avoid Marxist as opposed to Marxian debates. I do use secondary literature for analysis of the French Liberals as the historical interpretations appear to be less dogmatic and the primary source literature more difficult to find.
Man was under the illusion, the appearance, that God was love and the acceptance of Christ was the path to heaven, whereas the truth lay elsewhere, with a raising of consciousness and reunification with the “Other”. The following is from the *Paris Notebooks* (1844) where we find man’s essential alienation represented materially.

Christ *represents* originally: 1) men before God; 2) God for men; 3) men to man.

Similarly, *money* represents originally, in accordance with the idea of money: 1) private property for private property; 2) society for private property; 3) private property for society.

But Christ is *alienated* God and alienated *man*. God has value only insofar as he represents Christ, and man has value only insofar as he represents Christ. It is the same with money (Marx 1844).

Under historical materialism the stage of history is defined by the mode of production and who then controls the economic surplus. Social relations in capitalism, with private property and the economic surplus as belonging to the private capitalist who sells commodities at a profit, are an illusion. The social theory of mind means that the surplus in essence is pre-analytically social, not private.

**III. SCIENTIFIC SOCIALISM AND THE SOCIAL SURPLUS**

*A classless society without political control*

In a well-known passage from the *Communist Manifesto* (1848) we find that the end-result of the revolution lowering the curtain on the capitalist stage of (pre-)history brings upon man a classless society without a political State enforcing class antagonism and exploitation. After the dictatorship of the proles, the consciousness of the dictators is raised and the state disappears along with the state-enforced class struggle.

When, in the course of development, class distinctions have disappeared, and all production has been concentrated [sic] in the hands of a vast association of the whole nation, the public power will lose its political character. Political power, properly so
called, is merely the organized power of one class for oppressing another. If the proletariat during its contest with the bourgeoisie is compelled, by the force of circumstances, to organize itself as a class; if, by means of a revolution, it makes itself the ruling class, and, as such sweeps away by force the old conditions of production, then it will, along with these conditions, have swept away the conditions for the existence of class antagonisms, and of classes generally, and will thereby have abolished its own supremacy as a class.

In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association, in which the free development of each is the condition for the free development of all (Marx and Engels 1848, 32).

The alienation of man against his species-being is symbolized in the capitalist stage of history through the economic division of labor and through private property. However this condition is temporary and falls apart due to its own internal contradictions resulting in the “free development of all”, or, freedom. The socialization of labor (socialized man) against the centralization of capital, e.g., the class struggle, creates the movement toward the revolution. Again using a well-known passage, this time from Capital (1867).

The centralization of the means of production and the socialization of labor reach a point at which they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated (Marx 1867, 292).

It is man realizing his social nature, reuniting with himself after the bursting “asunder” of capitalism’s fetters preventing man’s development, that the Hegelian or existential alienation is dissolved and freedom is realized. Marx uses the tools of political economy to describe, explain and predict the material conditions leading to this revolution.
Everything is social

The communal, or social, philosophical pre-disposition defining freedom is carried-over into Marx’s economic writings and his (and Engel’s) system of scientific socialism. If we view society or the economy, as Marx and the other classical economists did, as first a system which reproduces itself, then anything beyond this material reproduction represents a surplus.

Reproduction + Surplus = Economy (Society)  \hspace{1cm} (1)

Then, under Marx-Engels, because man’s essence is only realized in its social, communal, self, and because man’s social consciousness is held sway by the fetters of materialism this surplus then pre-analytically becomes a “social” surplus.

Reproduction + Social Surplus = Economy  \hspace{1cm} (2)

Man reproduces itself through the necessary product and then creates a surplus product when experiencing a technologically progressive mode of production. Under the social theory of mind, then, a society’s surplus is collective not private.

We also find Marx’s preference for social analysis in his concept of utility. In correcting the manuscript of *Poverty of Philosophy* (1847) prior to publication, Marx inserted the word “social” in this sentence,

In a future society, in which class antagonisms will have ceased, in which there will no longer be any classes, use will no longer be determined by the minimum time of production; but the time of production devoted to an article will be determined by the degree of its social utility (Hollander 2008, 91).\(^5\)

\(^5\) J-B Say (1804) also believed that utility was only realized in *social* exchange, which gave utility a scientifically meaningful value as opposed to a purely arbitrary personal, subjective, meaning (Weinburg 1978, 52). Say also believed that utility was conserved, like Marx’s exchange value, not increased, through exchange, differing from Destutt de Tracy 1817 (see quotes at the beginning of this paper) and *Le Censeur Européen* writers.
The necessary class struggle

For Marx and his partner Engels then the challenge is to create a system which,

1) identifies a revolutionary agent who can overtake actually existing relations of productions and bring about the new, State-less, stage of history, through a raising of class-consciousnesses, and,

2) identifies the source of the ‘social’ surplus with this revolutionary agent who eventually throws-off the fetters of exploitation.

Logical and philosophical necessity creates the exploitation of labor (the change agent) by capital (against which the change agent reacts) with the source of profit (surplus value) being said-same labor. Social man necessitates a social surplus, capitalism necessarily makes this surplus “private”. Therefore only a revolution based on uniting a private man with his social self can bring freedom to alienated (private) beings. The class struggle creates the historical movement towards revolution and freedom.

IV. THE FRENCH CLASSICAL LIBERAL THEORY OF “INDUSTRIALISME”

The French Liberals Augustin Thierry, Charles Comte and Charles Dunoyer developed a social theory of exploitation as found in their journal *Le Censeur Européen* from 1814 to 1819⁶; thirty years before Marx and Engel’s *Communist Manifesto* (1848). Antoine Destutt de Tracy (1754-1836) is also included in the French Liberal category for the purpose of this paper as de Tracy’s work was highly influential and contemporary with the *Le Censeur Européen* writers, especially upon Thierry, whom, we shall see, influenced Marx and Engels over an extended period of time⁷.

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⁶ The journal was originally called *Le Censeur* and published ten volumes between June 1814 and September 1815. *Le Censeur Européen* published 12 issues between September 1817 and April 1819. It was in the second life of the journal that the classical Liberal exploitation-theory was most developed (Hart 1994). Most of the journal volumes available: http://homepage.mac.com/dmhart/FrenchClassicalLiberals/Comte/Comte-BioBibliography.html

⁷ I could also include Jean-Baptiste Say (1767-1832) and Anne-Robert-Jacques Turgot (1727-1766) in the list of French Liberals who (it is proposed) influenced Marx in social theory.
Le Censeur Européen was founded in 1814 by Charles Comte (1782-1837) and Charles Dunoyer (1786-1862), who enjoyed a 25-year working relationship. I am referring to these authors as “French Liberals” but in fact they were radicals at the time whose writings on limited government were seen to be both anti-empire and anti-monarchy as they argued for rule of law, trial by jury and freedom of speech.

After the reinstallation of the French Bourbon monarchy in 1815 Dunoyer was jailed and Comte went into hiding. The journal stopped publication for two years but was restarted in 1817 by Augustin Thierry (1795-1856) who had recently left his position as secretary to Saint-Simon due to differing views on the primacy of liberty versus authority. Le Censeur Européen was finally shut-down by the monarchy in 1820 using, ironically enough, censorship laws. It was the second period of the journal’s life under Thierry which brought forward the most advanced writings on social theory.

However, the focus of this paper is on the Restoration-era Liberals, not Revolution-era Liberals (Say) nor Pre-Revolution Liberals (Turgot). I covered Marx’s “turn” on Turgot in a previous paper related to this topic, specifically Marx reading “exploitation” into Turgot which I claimed was not in the original. Point being is that the French classical Liberals had incorporated already Turgot, Say and Benjamin Constant in their thought by the time of the Restoration.

8 Bibliographical information on Dunoyer, Comte and Thierry from Hart 1994.

9 Preface to Thierry 1818b by Leonard P. Liggio 1978. The Le Censeur Européen writers were oriented more toward evolutionary theory than the “metaphysical speculations” of natural law or contract theories of society. J-B Say’s utility theory, where free-exchange in the market determines how social utility is realized, allowed the social sciences of the 19th century to advance onward from the 18th century natural law concepts (Weinburg 1978).

10 After the July Revolution of 1830 installed a popular as opposed to an absolute monarchy in France, all three of the Le Censeur Européen editors and Destutt de Tracy became members of the Institut de France under the new constitutional monarchy. Dunoyer (a political economist), Comte (lawyer, journalist, political philosopher) and Destutt de Tracy (philosopher, political economist) were members of the Academy of Moral and Political Sciences while Thierry (historian) became a member of the Academy of Humanities.
The “Theory of Industrielisme”

The most comprehensive and systematic writings on the original social theory of the class struggle were found in the journal *Le Censeur Européen* from 1817 to 1819 in articles by Charles Comte, Charles Dunoyer and Augustin Thierry. These articles outline a social theory called *industrielisme*, in context reflecting the nascent period of industrialization in continental Europe, and, as well perhaps, that those who act with “industry” are being productive as opposed to those who take from others through coercion granted by political power as being unproductive.  

“Industrielisme” is a two-class social theory where the productive members of society are exploited by the unproductive members of society. Under capitalism (industrialization in context) those that trade freely with each other absent coercion or special State privileges are the productive class, and, the unproductive class in society (the State under capitalism) live off the productive forces through coercion (mostly taxes, but other distortions to free exchange as well).

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11 Raicco 1977, Weinburg 1978 and Hart 1994 propose that Comte and Dunoyer received from Turgot the concept that producing for consumption is productive labor, and, Turgot had a theory of stages of history relating to man’s development, prior than, but similar to, those of Adam Smith. From J-B Say, our writers Dunoyer and Comte gleaned the concept of the entrepreneur as productive labor as well as the idea that a growth in the market would reduce the power of the state. From Benjamin Constant, our writers gained an evolutionary as opposed to revolutionary concept being that the state is not able to enforce institutions and laws upon society from “above” without the necessary evolutionary acceptance. Relatedly, Destutt de Tracy added skepticism of constitutional forms of government and believed that it was the acts of government and not the form of government which was important for human evolution. Say, Constant and Destutt de Tracy lived through the French Revolution (1789-1799) and the first Empire under Napoleon (1799-1815), witnessing the suppression of individual rights that these epochs entailed, which no doubt helped form their pre-analytical visions of a minimal state. Comte, Dunoyer and Thierry made theoretical advancements from the 18th century historian’s Conquest Theory which has already questioned the legitimacy of crown and church rule and used the notion of conquest to describe the development of feudalism from antiquity.

12 “Industrielisme” is a theory and not a closed system in the sense of classical physics (or in a Marxian labor definition of value) because ‘energy’ is not conserved in exchange, there is an increase in subjective utility through social exchange. Marx writes that his system of objective economic value is based on the laws of physics, “In considering such transformations it is always necessary to distinguish between the transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, artistic or philosophic, in short ideological, forms in which men become conscious of this conflict and fight it out” (Marx 1859, 4). Newtonian physics proscribes a conservation of value.
The stages of history are analyzed through the two-class lens; the power elite or warrior class, through plunder, become the dominant class in society through to the capitalist (or commercial or industrial) stage where the State has emerged after the dissolution of feudalism into the unproductive exploiter class. In *industrielisme* the State maintains its power through the coercive taking (mostly taxes, the granting of monopoly rights, trade barriers and subsidies) of the productive forces of society.

A free society, whose productive people are able to gain increasing utility through trade, is a just society. Only individuals themselves know what brings them value (utility) so therefore any forces (the State) which intervene in this value-creating exchange represents unjust exploitation.

Exchange itself is socially-determined. The market, *laissez-faire*, is what brings human freedom because as the market, and therefore competition, increases, the ability of the State to exploit man becomes in turn minimized. Therefore human freedom is realized not through a violent revolution as under Marx-Engel’s scientific socialism where the State withers away after the dictatorship of the proletariat but a peaceful evolution of productive cooperation in exchange in which the State becomes increasingly irrelevant. This social theory is exemplified through the writings of Augustin Thierry, especially in his review of Destutt de Tracy’s “A Commentary and Review of Montesquieu's *Spirit of Laws*” (1811) which was published in *Le Censeur Européen* in 1818.

We live under powers founded upon conquest, and, however decayed they may be, they retain the vestiges of their origin. As they diminish even more, true administration will be born. To hasten this moment, we must reform ourselves. Each citizen, if he wishes to merit the title, must not contribute to power, but shun it. Each must develop a delicacy of conscience which rejects living off the public and a healthy common sense which tells him that to hold an office is not always to be useful but to labor (Thierry 1818b, 10).

Like the Marx-Engels scientific socialism where the internal tensions of the class struggle is what brings historical movement, under the French theory it is an evolution of institutions towards human freedom based on a struggle between power (warrior-priest, monarch or state depending on the stage of development) and industry. Only instead of a predicted destruction of the dominant class through revolution like Marxian ideas, the tension is towards minimizing the size of the usurper class through evolution, reform and education. Thierry writes that the march of freedom (literally Napoleon’s march) ending feudalism in European
history was accomplished by the State, but, “it was only in losing their powers that the actions of government ameliorate” (Thierry 1818a, 230). It is productive labor which increases freedom through diminution of the power of the unproductive usurper class. A “delicacy of conscience” is necessary for liberty in industrielisme, just as it is in scientific socialism - for the state to wither away after the proles take charge, recover their consciousness, and voluntarily give-up power.\(^\text{13}\)

V. HISTORIOGRAPHY OF THE SOCIAL THEORY OF CLASS STRUGGLE

Weinburg 1978 claims that Thierry 1818 in *Le Censeur Européen* is the high-point in the development of the anti-statist theory of industrielisme\(^\text{14}\), a social theory which contains the important elements of Marx – Engels scientific socialism (except the violent revolution). From our historiographic research, see Illustration I, we know that,

1) Marx did not in his life-time publish any acknowledgement of Thierry’s influence on the discovery of historical materialism, and,

2) Marx and Engels had discussed the work of Thierry for almost 30 years as evidenced from their private correspondence.

We also find that Engels publically acknowledges Thierry’s thought as a precursor to their own, in *Ludwig Feuerbach and the End of Classical German Philosophy* (1886) published after Marx’s death. We now explore some theoretical conceptions shared between scientific socialism and the French Liberals as found in the personal correspondence of Marx and Engels and in Engels 1886.

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\(^{13}\) One might observe here the parallel between Thierry’s observation that Napoleon’s dictatorship was the change agent from feudalism to industrielisme and Marx-Engels’ change agent a proletarian dictatorship from capitalism to communism, through socialism.

\(^{14}\) Thierry 1818b is Weinburg’s translation of Thierry 1818a.
We know that Marx and Engels had been discussing the work of Augustin Thierry for almost 30 years, from Marx/Weydemeyer 1852 to Engels/Marx 1882, the year before Marx died. Marx however did not mention (give credit to?) Thierry in any of his published works, despite acknowledging his debt to Thierry among others in his 1952 letter to Max Weydemeyer.

Finally if I were you, I should tell the democratic gents en general that they would do better to acquaint themselves with bourgeois literature before they venture to yap at its opponents. For instance they should study the historical works of Thierry, Guizot, John Wade and so forth, in order to enlighten themselves as to the past 'history of the
classes’…..Now as for myself, I do not claim to have discovered either the existence of classes in modern society or the struggle between them. Long before me, bourgeois historians had described the historical development of this struggle between the classes, as had bourgeois economists in their economic anatomy” (Marx/Weydemeyer 1852, 2-3).

From this 1852 letter we learn that Marx recognizes that the French Liberals had already developed a theory of history based on the class-struggle, albeit one that differs from exploitation of labor by capitals. And in Engels’ 1882 letter to Marx we find a direct reference to Thierry and a criticism of Conquest Theory, which was the basis for much of *industrielisme*.

I am glad that on the history of serfdom we ‘proceed in agreement’, as they say in business. It is certain that serfdom and bondage are not a peculiarly medieval-feudal form, we find them everywhere or nearly everywhere where conquerors have the land cultivated for them by the old inhabitants – e.g., very early in Thessaly. This fact has even misled me and many other people about servitude in the Middle Ages; one was much too much inclined to base it simply on conquest, this made everything so neat and easy. See Thierry among others (Engels-Marx 1882).  

Engels states in his 1894 letter to Borgius that Marx discovered the “materialist conception of history”.

While Marx discovered the materialist conception of history, Thierry, Mignet, Guizot, and all the English historians up to 1850 are the proof that it was being striven for, and the discovery of the same conception by Morgan proves that the time was ripe for it and that indeed it had to be discovered (Engels/Borgius 1894).  

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15 Perhaps Engels criticism of Thierry’s historical analysis is justified. Thierry marks the reaction against conquest and plunder with the historical starting point of the self-selected communes under the Lombard League in 1167. Turgot 1750 marks the history of plunder as beginning prior to antiquity. Nonetheless, it is hard to avoid the influence that the original class theorists, especially Thierry, had on the development Marx and Engel’s system.
Yet, we can find direct reference to materialism, and then the need for the analytical tools of political economy, in Thierry 1818.

If, instead of judging so precipitously and allowing themselves to be led along by a thoughtless presumption, they had gone back to the source of events and examined history, they would have learned that European servitude was a phenomenon independent of the civilization, the wealth and the industry of the peoples. They would have seen that it had as its cause not in changing customs or in practices which had become degraded, but in a completely material circumstance, one outside of all will or moral rule: Conquest (Thierry 1818b, 2).

This passage from Thierry is not too dissimilar from Marx’s own in “Preface to a Contribution to the Critique of Political Economy” (1859) where he acknowledges the need for a materialist conception of history and the use of political economy. Where for Marx, as we know, it is the materialist consciousness fetters which are overthrown used to complete the system of scientific socialism.

My inquiry led to the conclusion that neither legal relations nor forms of state could be grasped whether by themselves or on the basis of a so-called general development of the human mind, but on the contrary they have their origin in the material conditions of existence, the totality of which Hegel, following the example of the Englishmen and Frenchmen of the eighteenth century, embraces the term “civil society”; that the anatomy of this civil society, however, has to be sought in political economy (Marx 1859, 2-3).

Civil society, the Third Estate, was a common theme in French Liberalism\(^\text{16}\), especially the precursors to *Le Censeur Européen* writers who discovered in this

\(^{16}\) See for example Abbe Sieyes, *What is the Third Estate?* (1789); Sieyes also helped draft the Declaration of the Rights of Man and the constitution in 1791 after the French Revolution. This is Marx in his letter to Engels 1854 referring to Thierry’s use of the third estate in *industrielisme*.

A book that has interested me greatly is Thierry’s *Histoire de la formation et du progrès du Tiers État*, 1893 [1843, sic]. It is strange how this gentleman, le père of the ‘class struggle’ in French historiography, inveighs in his Preface against the ‘moderns’ who, while also perceiving the antagonism between bourgeoisie and proletariat, purport to discover traces of such opposition as far back as the history of the *tiers-état* [third estate] prior to 1789. He is at great pains to show that the *tiers-état* comprises all social ranks and estates save the *noblesse* and *clergé* and that the bourgeoisie plays the role of representative of all these other elements.
work the idea of the rule of law, the development of classes in society and the unfairness of special privileges for the landed class and the clergy. Where Dunoyer, Comte and Thierry separated from most of these earlier French writers was on the need for revolution, which did in fact occur.

In this section I have attempted to show that Marx and Engels were aware of and perhaps used as a basis for their own system of scientific socialism the precursor social theory of the class struggle, the theory of *industrielisme* as developed 30 years prior to *Communist Manifesto* (1848). We have found that Marx and Engels had discovered in the *Le Censeur Européen* writers, especially Augustin Thierry, a theory of history based on class analysis and class struggle and the need for political economy and material analysis to understand then the development of man and society.

In the next section I will present further analysis from the historiography which give examples of the “turn” Marx and Engels made of the earlier social theory in order to complete their system through to the revolution ending ‘capitalism’.

VI. THE “TURN”

From Engels’ *Ludwig Feuerbach and the End of Classical German Philosophy* (1886) we can see direct evidence of the “turn” of the French Liberals. Engels is

Here is Karl Marx in *The Eighteenth Brumaire of Louis Bonaparte* (1852) where it appears that Marx is seeing that the usurper, exploiter, plundering class is the State itself, much as it for the French Liberals. Marx even goes so far as to call the State a “machine”.

The first French Revolution, with its task of breaking all separate local, territorial, urban, and provincial powers in order to create the civil unity of the nation, was bound to develop what the monarchy had begun, centralization, but at the same time the limits, the attributes, and the agents of the governmental power. Napoleon completed this state machinery. The Legitimate Monarchy and the July Monarchy added nothing to it but a greater division of labor, increasing at the same rate as the division of labor inside the bourgeois society created new groups of interests, and therefore new material for the state administration. Every common interest was immediately severed from the society, countered by a higher, general interest, snatched from the activities of society’s members themselves and made an object of government activity – from a bridge, a schoolhouse, and the communal property of a village community, to the railroads, the national wealth, and the national University of France. Finally the parliamentary republic, in its struggle against the revolution, found itself compelled to strengthen the means and the centralization of governmental power with repressive measures. *All revolutions perfected this machine instead of breaking it.* The parties, which alternately contended for domination, regarded the possession of this huge state structure as the chief spoils of the victor (Marx 1852, Ch. 7, emphasis in the original).
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describing Conquest Theory and the development of class analysis, however, we find that Conquest Theory is cast aside under modernity, for Engels it is no longer the usurper class as being evolved from the plunderers, but both the exploited and exploiter classes are to be found under civil society itself, a, obviously, misreading of the French Liberals.

But while in all earlier periods the investigation of these driving causes of history was almost impossible -- on account of the complicated and concealed interconnections between them and their effects -- our present period has so far simplified these interconnections that the riddle could be solved. Since the establishment of large-scale industry -- that is, at least since the European peace of 1815 -- it has been no longer a secret to any man in England that the whole political struggle there pivoted on the claims to supremacy of two classes: the landed aristocracy and the bourgeoisie (middle class). In France, with the return of the Bourbons, the same fact was perceived, the historians of the Restoration period, from Thierry to Guisot, Mignet, and Thiers, speak of it everywhere as the key to the understanding of all French history since the Middle Ages. And since 1830, the working class, the proletariat, has been recognized in both countries as a third competitor for power. Conditions had become so simplified that one would have had to close one’s eyes deliberately not to see in the light of these three great classes and in the conflict of their interests the driving force of modern history -- at least in the two most advanced countries (Engels 1886).

We know that for the French Liberals it was not “conflict of interests” for those trading voluntarily in the market. The conflict was between coercive takings by those in power and free man cooperating voluntarily17. The State is missing altogether from Engel’s passage above where it concerns France; we find the classes to be the aristocracy, the bourgeoisie and the proletariat. This can be juxtaposed with Engels’ *The Civil War in France* (1891), where, when writing about the United States he sounds exactly like a French Liberal.

17 We find in *Capital* (1967), Chapter 13 “Cooperation”, the influence of the concept of voluntary cooperation as inherited from Destutt de Tracy on Marx’s concept of labor-power.

When numerous labourers work together side by side, whether in one and the same process, or in different but connected processes, they are said to co-operate, or to work in co-operation. [3]

3. “Concours de forces.” (Destutt de Tracy, l.c., p. 80.)

Marx is referencing de Tracy 1826.
Society had created its own organs to look after its common interests, originally through simple division of labor. But these organs, at whose head was the state power, had in the course of time, in pursuance of their own special interests, transformed themselves from the servants of society into the masters of society, as can be seen, for example, not only in the hereditary monarchy, but equally also in the democratic republic. Nowhere do "politicians" form a more separate, powerful section of the nation than in North America. There, each of the two great parties which alternately succeed each other in power is itself in turn controlled by people who make a business of politics, who speculate on seats in the legislative assemblies of the Union as well as of the separate states, or who make a living by carrying on agitation for their party and on its victory are rewarded with positions….It is precisely in America that we see best how there takes place this process of the state power making itself independent in relation to society, whose mere instrument it was originally intended to be. Here there exists no dynasty, no nobility, no standing army, beyond the few men keeping watch on the Indians, no bureaucracy with permanent posts or the right to pensions. and nevertheless we find here two great gangs of political speculators, who alternately take possession of the state power and exploit it by the most corrupt means and for the most corrupt ends -- and the nation is powerless against these two great cartels of politicians, who are ostensibly its servants, but in reality exploit and plunder it (Engel 1891, Introduction).

Charles Comte, whose history of slavery in *Traité de la Législation* (1827) is praised by Marx in *Capital* (1867), shows that under the French Liberal social theory of class productive and unproductive forces in society are the individuals (aggregated to a class) that produce voluntary for social exchange versus the individuals (aggregated to a class) who live by expropriating the labor of others through coercion. In Comte 1817 in *Le Censeur Européen* we find it is not the landed class and the bourgeoisie who are in conflict but a consistent analysis of productive versus unproductive labor, both under feudalism (the Noble as “idle” and “devouring”) and during the Restoration (bureaucrats for the State and Crown).

[Under feudalism] a kind of subordination that subjected the laboring men to the idle and devouring men, and which gave the latter the means of existing without producing anything, of living nobly (Comte 1817, 22).

What must never be lost sight of is that a public functionary, in his capacity as functionary, produces absolutely nothing; that, on the contrary, he exists only on the

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18 These two opposing views of the State in class analysis between Engels 1886 and Engels 1891, leads Raico 1979 to propose that there are two State theories in Marxian analysis, one where the State acts as the executive committee of the exploiting capitalist class, the other where the State itself is exploitation.
products of the industrious class; and that he can consume nothing that has not been taken from the producers. (Comte 1817, 29-30).

Exploitation and class struggle throughout history

Under Conquest Theory as built upon by the *industrielisme* writers, man becomes more free through cooperation, specialization of labor and by the wealth created by productive labor under the transition from feudalism to modern society. Just as under Marxian thought it is the control of the (social) surplus which defines the “mode of production”\(^{19}\), the power relations, in any stage of history, we find the same under the French Liberals, it is always the productive who are exploited by the unproductive. It is not a fight over the surplus, but a “taking” by the unproductive from the productive. Indeed too labor is the source of wealth, but the French Liberals write that it is free labor producing for each other, not an exploited labor. Exploitation only comes through the “taking” once that wealth is created in the market. It is creating for exchange in the market which brings value.

Society is purely and solely a continual series of exchanges. It is never anything else, in any epoch of its duration, from its commencement the most unformed, to its greatest perfection. And this is the greatest eulogy we can give to it, for exchange is an admirable transaction, in which the two contracting parties always both gain; consequently, society is an uninterrupted succession of advantages, unceasingly renewed for all its members (Destutt de Tracy 1817, 6).

This gain through exchange is mutual, “both sides gain”. We can see that for scientific socialism this concept must differ in substance, value is labor value as realized in production, value which is maintained through exchange, not a system of value which expands catallactically as in the original class theory. By contrasting his system with the theory of de Tracy, Marx is in fact perhaps giving a back-hand homage to the latter, and does indeed say that use-value is expanded through exchange. It is only because scientific socialism is objective value realized socially in production that Marx must differ from the French tradition of subjective value created socially through exchange (see the Marx quote at the beginning of the paper, repeated below, where Marx is using de Tracy to illustrate where he

\(^{19}\) I have included in the appendix two examples from Dunoyer 1825, parts of which can be translated to something very close to “mode of production”.

differs from the Restoration Liberal social theory, abiding by the laws of classical physics).

With reference, therefore, to *use-value*, there is good ground for saying that “exchange is a transaction by which both sides gain.” It is otherwise with *exchange-value* (Karl Marx 1867 [1990], 259, emphasis added)

The following is Marx from a draft chapter of *Capital* “turning” Destutt de Tracy’s idea of productive labor as being free men selling to each other on the market, with a profit motive. Marx imposes his concept of the commodity on to de Tracy’s writing with the end result being that it is the industrial capitalist exploiting labor in commodity production which creates value. We know from Thierry’s review of Destutt de Tracy (1818) that de Tracy had Conquest Theory as a theoretical base, of wealth created in market exchange as productive with a taking through force as unproductive. Marx, in his unpublished draft notes (1864) from *Capital* turns this original concept of productive labor creating value through exchange into value creation by exploited productive labor in *production*.

The constant transposition of labour into capital is well expressed in the following naive statements by *Destutt de Tracy*:

“They who live on profits” (the industrial capitalists) “maintain all the others and alone augment the public fortune and create all our means of enjoyment. That must be so, because labour is the source of all wealth and because they alone give a useful direction to current labour, by making a useful application of accumulated labour” (Destutt de Tracy, 1.c. Elémens l'idéologie, Paris, 1826, p. 242).

Because labour is the source of all wealth, capital serves to increase all wealth.

“Our faculties are our only original wealth: our labour produces all other wealth, and all labour properly directed is productive” (lc., p. 243).

Our faculties are our only original wealth. Therefore labour capacity is not wealth. Labour produces all other wealth, that means: it produces wealth for all others except for itself, and it itself is not wealth, but only its product is wealth. All labour properly directed is productive; that means: all productive labour, all labour which yields profit to the capitalist, is properly directed (Marx 1864, Ch. 2b).
We see Marx using “naïve” writings of de Tracy for his own purposes. Marx agrees of course with de Tracy that labor is the source of wealth, but Marx ‘turns’ de Tracy. For Marx productive labor creates wealth for the capitalist not for the worker himself. This is the opposite of de Tracy’s intention where productive labor creates wealth for each other as a class, wealth which is only diminished through takings by the unproductive/exploiter class, coercive power. We also have seen how de Tracy describes cooperation as wealth creating for the ‘laboring class’ (used by Marx in Capital, see fn 17) of free men.

This “turn” is also found in Theories of Surplus Value (1860) published by Engels from notes by Marx after the latter’s death.


“All useful labour is really productive, and the whole laboring class of society equally deserves the name productive” (p. 87)

But in this productive class he distinguishes, “the labouring class which directly produces our wealth” (p. 88) – that is what Smith calls the productive labourers.

As against these, the sterile class consists of the rich, who consume their rent of land or rent on money. They are the idle class. (Part I, 269, all emphasis in original).

Marx is imposing, or in fact is correcting what he sees as the mistakes in Destutt de Tracy’s analysis of class, his version of a class-based social theory on the work of Destutt de Tracy. When Destutt de Tracy writes of ‘useful productive labor’ and of a ‘laboring class’ he means a class opposed to those who do not produce for the market and social exchange, e.g., those who live through the taking of the productive labor from others by force, e.g., the State under capitalism. He does not mean, nor does he use the term ‘capital class’, to define his (original) version of an unproductive class. Unproductive labor for the Restoration Liberals differs from labor which does not produce a surplus value as it is for Marx, it is a class of people who under pre-capitalist stages of history used plunder to expropriate value produced by the productive and under capitalism use the power of the State to expropriate from the productive. 20

20 Productive labor in ‘industrielisme’ means of course individual producing for social exchange and does not mean in the classical sense of producing things under a wage-contract which are necessary for social reproduction of the (wage-earning) labor force.
The determination of whether or not the “idlers” are productive or unproductive needs to be traced back to whether or not the source of the individual’s capital was gained through coercion or through the market. Marx, in the same section of *Theories of Surplus Value* quoting Destutt de Tracy on useful and productive labor, states, “‘To find how these revenues’ (on which the idlers live) ‘have been formed it is always necessary to go back to the industrial capitalists’ (p. 237, note)” (Marx 1860, Part I, 270).

For Marx of course this means that only industrial capital in the commodity production process creates value, whereas under *industrielisme* theory we need ask do these ‘idlers’ live off of money lent to the State or through capital accumulated by special monopoly rights in trade granted by the State, or, conversely, is the source of wealth gained through free exchange in the market. Marx is using the term industrial capitalist to mean the capitalist class when in fact for Destutt de Tracy it is the class of productive labor juxtaposed with that of coercive expropriation. Free exchange, again, is the movement towards and the foundation of a free and prosperous society.

**March towards freedom**

For both Marx and the Restoration Liberals history is a march towards human freedom, one in which class antagonisms disappear (scientific socialism) or are minimized (*industrielisme*). For the earlier writers it is the market and free-exchange, which has developed over time and continues to develop, albeit with setbacks, which decreases the power of the exploitive class. For Marx too the market (capitalist exchange) has brought a higher level of freedom than previous stages of human history, however, as is well known it is a double-freedom; the freedom to work for whom one pleases, but also the freedom to starve unless one offers their labor-power on the market.²¹

²¹ Engels writes in *Anti-Duhring* (a work Marx reviewed prior to publication) of the double-freedom unique to the capitalist period.

However, this creation of capital requires that one essential prerequisite be fulfilled: "For the conversion of his money into capital the owner of money must meet in the market with the free labourer, free in the double sense, that as a free man he can dispose of his labour-power as his own commodity, and that on the other hand he has no other commodity for sale, is short of everything necessary for the realisation of his labour-power." But this relation between the owners of money or of commodities on the one hand, and those who possess nothing beyond their own labour-power on the other, is not a natural relation, nor is it one that is common to all historical periods: "It is clearly the result of a past historical development, the product ... of the extinction of a whole series of older forms of social production." And in fact we first
Thierry shows how the exploiter class is removed by the productive class through the market and competition under (free-market) capitalism, through the breaking of the “fetters” placed on society by the expropriators.

An invisible and ever-active power, labor spurred by industry, will precipitate at the same time all of the population of Europe into this general movement. The productive force of the nations will break all its fetters….Industry will disarm power, by the descention of its satellites, who will find more profit in free and honest labor than in the profession of slaves guarding slaves. Industry will deprive power of its pretexts and excuses, by recalling those the police keep in check to the enjoyments and virtues of labor. Industry will deprive power of its income, by offering at less cost the services which power makes people pay for. To the degree that power will lost its actual force and apparent utility, liberty will gain, and free men will draw closer together (Thierry 1818a, 256-257).

That capitalism is unsustainable due to its internal contradictions and as well creates the wealth necessary for the end of pre-history is the reason that Marx argued against the “reformist” (read redistributionist or protectionist) proposals of the “Democrats” and “French Socialists”. In this regard both the French Liberals and Marx argue for laissez-faire under capitalism.

If then, in theory, it sufficed to interpret, as M. Proudhon does, the formula of surplus labour in the equalitarian sense, without taking into account the actual conditions of production, it should suffice, in practice, to share out equally among the workers all the wealth at present acquired, without changing in any way the present conditions of production. Such a distribution would certainly not assure a high degree of comfort to the individual participants (Marx 1847, Chapter One).

I encounter this free labourer on a mass scale in history at the end of the fifteenth and the beginning of the sixteenth century, as a result of the dissolution of the feudal mode of production (Engels 1877, Chapter 19).

22 Here is Marx denigrating redistribution in Critique of the Gotha Programme,

I have dealt more at length with the ‘undiminished’ proceeds of labor, on the one hand, and with ‘equal right’ and ‘fair distribution’, on the other, in order to show what a crime it is to attempt, on the one hand, to force on our Party again, as dogmas, ideas which in a certain period had some meaning but have now become obsolete verbal rubbish, while again perverting, on the other, the realistic outlook, which it cost so much effort to instill into the Party but which has now taken root in it, by means of ideological nonsense about right and other trash so common among the democrats and French socialists” (Marx 1875, Chapter One, emphasis added).
For both the French Liberal theory of *industrielisme* and for the Marx-Engels system of scientific socialism it is the primacy of free exchange in the market, unfettered by coercive redistribution that brings human freedom as history progresses.

**VII. CONCLUDING REMARKS**

In this paper we have seen many parallels between the political economy of Karl Marx and Friedrich Engels and their self-acknowledged predecessors, the French Liberals of the Restoration. The social theories of both use concepts of historical development based on class, of productive and unproductive labor, of exploitation, and of the necessary primacy of the market under capitalism to bring human freedom. We have seen the regard that Marx and Engels give to Augustin Thierry, Charles Comte and Antoine Destutt de Tracy both in their personal correspondence and in their published work, specifically we also know that Marx and Engels had been studying the work of Augustin Thierry for almost a 30 year period. It would only be conjecture to say that Marx’s theory of labor exploitation and his economic theory of value, and in fact the whole theory of scientific socialism, is derived directly from the French Liberals, but we have seen enough similarities between Marx, Engels, Destutt de Tracy and the *Le Censeur Européen* writers and to propose that their influence was not negligible. It is only Marx’s Hegel-influenced philosophical pre-dispositions towards reuniting an alienated man with himself that these social theories must divide in substance.
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APPENDIX Dunoyer 1825

7. Bien donc que les peuples pasteurs, considérés dans leurs travaux industriels, et dans leur morale personnelle et sociale, soient un peu plus avancés que les peuples chasseurs, il est certain que, sous tous ces rapports, ils sont encore un usage très grossier et très violent de leurs facultés, et qu’à cet âge de la vie sociale, par conséquent, l’homme ne peut encore jouir que d’une liberté fort imparfaite.

8. Je dois ajouter que le principe des violences et de la brutalité des peuples pasteurs est dans la manière même dont ils pourvoient à leurs besoins, dans leur état de nations pastorales. Quoique la terre, dans ce nouvel état, puisse nourrir un peu plus d’habitants que sous le rétro, fait des dissensions furieuses et interminables des Arabes hédouins.
gime économique des peuples chasseurs, la quantité d’aliments qu’elle peut produire est encore excessivement bornée, et les hommes, comme au premier âge de la civilisation, sont invinciblement entraînés à lutter pour leur subsistance.

La vie pastorale a ceci de particulier qu’elle est de tous les modes d’existence celui où l’homme obtient avec plus de facilité les ressources propres à chaque manière de vivre. Le chasseur ne trouve et n’atteint ordinairement sa proie qu’avec beaucoup d’efforts; l’agriculteur ne s’éconde son champ qu’avec de grandes peines; le pasteur, au contraire, recueille presque sans fatigue ce que peuvent lui donner ses pâturages et ses troupeaux. Cette manière de vivre est donc celle où doit se produire et se renouveler le plus facilement, non pas une population très forte, mais une population supérieure aux moyens d’exister, une population *excédente*. Par conséquent, elle est celle où la population doit sentir le plus souvent le besoin de sortir du pays.

(1) Ce sont deux choses fort différentes, comme le fait très bien voir Malthus. Il peut y avoir excès de population dans les pays les moins peuplés; il suffit pour cela qu’il y ait plus d’hommes que de vivres.