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Introduction

During the past decade, what now appears as a new species in social theory has been forming: analytically sophisticated Marxism. Its practitioners are largely inspired by Marxian questions, which they pursue with contemporary tools of logic, mathematics, and model building. Their methodological posture is conventional. These writers are, self-consciously, products of both the Marxian and non-Marxian traditions.

What are the aspects of method by which 'analytical Marxism' differentiates itself from conventional Marxism? First, an unabashed commitment to the necessity for abstraction. Conventional Marxism is, for the most part, hesitant to distance itself too far from actual history. Marxism's deep anchor is a certain view of history – as the progression of class societies in which a small class of non-workers appropriates or expropriates the economic surplus from a large class of workers. If one cuts loose from that anchor, what is there to keep one from being beached on the shoals of bourgeois scholasticism? But abstraction is necessary if one is ever properly to focus on, and reveal, the moving parts of any theory and analytical Marxists are not loath to practise it.

Perhaps the commitment to abstraction follows from another characterizing feature of analytical Marxism, the search for foundations. Thus, many of the essays in this book ask questions that conventional Marxism sees no need to raise. For example: Why do classes emerge as important collective actors (or do they) (Essay 7)? Why is exploitation, the systematic transfer of surplus labour, wrong (or is it) (Essay 13)? Is socialism in the interest of workers in modern capitalism (Essay 8)? Is socialist revolution or transformation possible (Essay 3)? Is the proletariat unfree (Essay 12)? Is equality a goal of Marxian ethics (Essay 14)? The effort to answer these questions, and others like them, follows from the need to understand what more primitive or basic principles underlie Marxian judgments. And the search for basic principles leads naturally to schematizing, simplifying, and modelling.

What produced this search for foundations, which led to asking these perhaps heretical questions, and using state-of-the-art methods of analytical

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philosophy and 'positivist' social science to study them? I think two phenomena of our era are responsible: the chequered success of socialism and the dubious failure of capitalism. These two events are unquestionably *the* serious challenges to Marxism, as it was inherited from the nineteenth century. One response is to retreat to a Talmudic defence of the Word, and to find an interpretation which conforms with history as it has come to pass. Another is to deny what appear to be the historical facts. A third response is to reject Marxism as fundamentally wrong. The fourth response is to recognize that Marxism is nineteenth-century social science. As such, it is bound to be primitive by modern standards, wrong in detail, and perhaps even in some basic claims. Yet its power in explaining certain historical periods and events seems so strong that one feels there must be a valid core, which needs to be clarified and elucidated. One does not throw away a good tool because it fails in certain applications, especially if one lacks a better one. Instead, one asks: Why does this tool work well sometimes and not other times? Why does this edge cut sometimes and not others? This is the intellectual foundation of the trend I am calling analytical Marxism.

It follows, and hardly needs mentioning, that a third characteristic of the writers represented here is a non-dogmatic approach to Marxism. This is reflected, often, in lack of Marxian exegesis. For the most part, workers in the new tradition are not particularly concerned with what Marx wrote or said. What matters is the coherence of the idea.

But why should this kind of work be called Marxist? I am not sure that it should; but the label does convey at least that certain fundamental insights are viewed as coming from Marx. Historical materialism, class, and exploitation are treated as central organizing categories. There is a belief that some kind of socialism is superior to existing capitalism, and that the alienation and injustice of actually existing capitalism can be overcome. Indeed, perhaps the greatest task for Marxism today is to construct a modern theory of socialism. Such a theory must include an explanation of the inefficiencies and injustices of modern capitalism, and a theoretical blueprint for an alleviation of these flaws in a feasible socialist society. I think the methods and tools of analytical Marxism are what is needed for such a theory.

Each of the four parts in this book presents a significant re-working of classical Marxian concepts. In the first essay, G. A. Cohen presents a summary of his interpretation of the theory of historical materialism, in which the nature of the economic structure (including property relations) depends upon the development of the productive forces. A natural question which arises, given Cohen's 'determinist' conception of historical materialism, concerns the role

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of class struggle in history. How can the economic structure be determined by the productive forces and yet, at the same time, all history be the history of class struggle? Cohen addresses this apparent contradiction in historical materialism in his essay. Robert Brenner, in the second essay, takes a position almost diametrically opposed to Cohen, as he maintains that changes in property relations must precede economic development (or development of the productive forces), not follow from that development, as Cohen would have it. For Brenner, the behaviour of historical actors is conditioned by their material circumstances, but the outcome of class struggle is very much a consequence of the historically particular balance of class forces. Unlike Cohen, Brenner asserts no general materialist determination of economic transformation. In Cohen's historical materialism, the development of the productive forces is an exogenous datum, while in Brenner's exogeneity is assigned to the relative power of the collective combatants, which determines property relations.

Essays 3 and 4 concentrate on the validity or usefulness of historical materialism in understanding economic development. Jon Elster claims that two conditions must hold for a revolutionary socialist transformation to be successful: there must be a class which is objectively and subjectively capable of making the revolution, and the productive forces must already be sufficiently developed that socialism would dominate capitalism as an economic structure for further developing them. He shows that there are several ways of specifying these two conditions, and then argues that it is likely that the appropriate necessary conditions for successful socialist transformation do not typically (or ever) hold at the same time in one country. The law of combined and uneven development is the claim that successful socialist revolution is still possible if one of the conditions holds in one country and another condition in another country. Elster goes on to claim that even this is unlikely, and that the so-called law is therefore a product of wishful thinking. In Essay 4, Pranab Bardhan discusses in greater detail some of the influence, for good and bad, that historical materialism, and Marxism more generally, has had on development economics. He emphasizes that historical materialism is useful in thinking about long-run trends, but that particular countries can be stuck with institutional rigidities which would often render judgments derived from a schematic model of historical materialism too facile. For instance, the absence of competitive markets characterizes many instances of underdevelopment. In place of markets, other institutions, of perhaps a feudal character, exist (share-cropping is an example of such an institution). It would, however, be a mistake to abolish these institutions before the conditions for markets, which may be more progressive and efficient in their

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welfare consequences, exist. Bardhan calls for the recognition of 'the economics of second-best reformism'. He concludes with a discussion of the importance of the state in development, and calls for further work on the theory of the state, based on conceiving of the state not simply as a representative of client coalitions, but as an agent in a game of mixed conflict and cooperation with other coalitions.

The second part of the book discusses class, and, to some extent, exploitation. In Essay 5, I outline an economic model in which the class position and the exploitation status of agents emerge from their optimizing behaviour, given the specification of the initial property rights of a capitalist economy. The central point is that the concepts of class and exploitation are not essentially determined with reference to a labour market, but are intimately related to property rights. The labour market is just one particular way, of overwhelming historical importance, of implementing the distributional consequences of an initial unequal distribution of property in the means of production. Here, then, class and exploitation status are not taken to be defining characteristics of agents, but emerge from more basic information. Agents begin with preferences and property endowments, and under given market institutions, their class position and exploitation status emerge endogenously from their optimizing behaviour. Class position and exploitation, and the relationship between the two, are thereby, in a certain manner, 'explained'. Near the end of the essay, I allude to a generalization of the theory of Marxian exploitation which uses ideas of cooperative game theory and which allows discussion of exploitation based on inequality in regimes other than capitalist ones.

In Essay 6, Erik Olin Wright develops further the general conception of exploitation based on inequality associated with various kinds of property, which I propose in the previous essay. He applies it to the problem of the apparent anomaly of the middle class in advanced capitalist countries. Wright shows that the middle class need not be thought of as an anomaly for Marxian class analysis. It is, rather, a class in which different kinds of exploitation overlap in subtle ways. For example: members of the middle class are often exploited with respect to their less-than-average property rights in the conventional means of production, but are exploiters with respect to their more-than-average ownership of inalienable property, such as skills, and organizational assets, these last being positions in hierarchies which give them power over others. Wright presents some empirical work comparing the United States to Sweden, which shows that his conjectured explanation for the behaviour of the middle class works well. In particular, he demonstrates that 'class consciousness', in both Sweden and the United States, correlates well with the total amount of exploitation a person undergoes on the basis of his relative position in the ownership of alienable, inalienable, and

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organizational assets. One accomplishment, then, of Wright's empirical study is to relate the property-relation conception of exploitation to agents' attitudes, which might in turn help to explain collective class action.

While the first two essays in this section reinforce classical Marxian conceptions of class, the last two are critical. Elster presents various challenges to the contention that classes are the important collective actors in history, maintaining that coalitions organized around other foci such as language, nationality and religion (which are not themselves determined by class) can be equally or more important. He doubts not that classes exist, but whether they are the central collectivities for understanding history. Adam Przeworski maintains that the transition to socialism is not necessarily in the material interest of the working classes of advanced capitalist countries, due to the costs of transition from one regime to another, even if socialism would eventually make them better off than capitalism. Workers, therefore, may be rational in choosing the social democratic compromise, which allows capitalists to retain a certain portion of profits in return for an agreement that they will invest another portion for the continued improvement of working-class welfare. If workers choose the optimal degree of militancy, given their preferences, and if that degree of militancy is consistent with only the social democratic compromise, then the argument for socialism must be made on grounds of freedom, rather than material interest. Przeworski argues that socialism (definitionally) dominates capitalism on grounds of freedom, but not necessarily on grounds of properly calculated material interest. There is a similarity to be noted between Przeworski's argument and Elster's view (Essay 3) that revolution may not be possible in advanced capitalist countries.

The section on method focuses on the importance of methodological individualism as a postulate in modelling Marxian concerns. 'Rational Choice' Marxism has been viewed by many as a contradiction in terms. If Marxism emphasizes the importance of class struggle and collective action, on the one hand, and the social formation of the individual on the other, how could it conceivably use a method which postulates the individual as an agent with given preferences and objectives, determined outside the model, who maximizes individually subject to constraints? In Essay 9, I argue for the importance of methodological individualism for Marxism, and indicate how class action and the social formation of the individual can be studied by means of rational choice models. Jon Elster argues strongly for the application of game theory to Marxian questions, and maintains that the weak explanations in Marxism are its functional ones, which must be repaired by providing micro-foundations for the phenomena studied. Functional explanations are teleological, and teleology is not explanation. Game theory is rich in the interactions between strategy, behaviour, and consequence, which it is able to model, and Elster

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gives five examples of the efficacy of applying game theory to Marxian questions. In the next essay, which is taken from a chapter of his book (Cohen, 1978), Cohen argues that the only way to make sense of the theory of historical materialism is as functional explanation, and he defines the type of functional explanation he claims historical materialism is. Some further comments on Elster's attack on functional explanation are contained in Cohen's first essay in this book. The difference between Elster and Cohen regarding the validity of functional explanations is not about the importance of basing mechanisms of historical change in the rational behaviour of individuals. It is, rather, a difference of opinion about whether one must understand the micro-mechanisms before an event can be considered explained.

In the fourth section, three essays indicate the kind of work being done by analytical Marxists in political philosophy. Cohen addresses the question: How can it be that proletarians are unfree, as Marxism claims, when any proletarian can escape the working class? He admits the importance of this liberal criticism of Marxism, but argues that even in modern capitalism the proletariat is collectively unfree. I argue in the next essay that exploitation, defined as the unequal exchange of social labour, embodied in goods, for live labour expended by the worker, is not a good statistic for any of the things Marxism is interested in. It is, at best, a proxy for the unequal ownership of the means of production, and I show that it is not even a good proxy for that inequality, in general. It becomes possible for the poor to 'exploit' the rich on the conventional definition of 'exploitation' (if we admit that agents can have preferences for income and leisure which are somewhat less restricted than is assumed in the conventional Marxian model). The classical concept of exploitation should therefore be abandoned, and replaced by a definition of exploitation phrased directly in terms of an unjust distribution of property in the means of production. Finally, Allen Wood challenges the claim that Marxism calls for a thoroughgoing egalitarianism. Egalitarianism, for Marxism, is only a means to an end, the abolition of class society and oppression. He thus reverses what might be the more conventional interpretation, that the abolition of classes is simply a means to the achievement of equality.

The essays collected here are a sample of the work being done by many writers, around the world and in many disciplines. They view Marx as an important intellectual ancestor, but they also acknowledge that he died over a century ago. It is no longer clear what characterizes Marxian scholarly work, nor that it should be characterizable. A particular viewpoint in social theory becomes enduring only if it is able to borrow willingly and easily from other viewpoints, and insofar as they are similarly disposed to borrow from it. The editors of this new Cambridge University Press series hope its existence will encourage this point of view.

J. E. R.

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Part I
Historical materialism

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1 Forces and relations of production[1]

G. A. Cohen

In Section I of this essay I present, in summary form, the interpretation of historical materialism which I offered in Cohen (1978a). I define and relate the concepts of forces and relations of production and I defend the thesis that the basic explanations of historical materialism are what have been called *functional* explanations. Section II places the idea that all history is the history of class struggle in the framework of the theory expounded in section I.

I. An outline of historical materialism

My book says, and it says that Marx says, that history is, fundamentally, the growth of human productive power, and that forms of society rise and fall according as they enable and promote, or prevent and discourage, that growth.

The canonical text for this interpretation is the famous 1859 Preface to *A Contribution to the Critique of Political Economy*, some sentences of which we shall look at shortly. I argue (in section (3) of Cohen (1978a)) that the Preface makes explicit the standpoint on society and history to be found throughout Marx's mature writings, on any reasonable view of the date at which he attained theoretical maturity. In attending to the Preface, we are not looking at just one text among many, but at that text which gives the clearest statement of the theory of historical materialism.

The presentation of the theory in the Preface begins as follows:

> 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 constitutes the economic structure of society, the real *basis, on which arises* a legal and political superstructure...[2]

These sentences mention three ensembles, the productive forces, the relations of production, and the superstructure, among which certain explanatory

[1] This essay originally appeared in *Marx: A Hundred Years On*, edited by Betty Matthews (London, Lawrence and Wishart, 1983). Reprinted with permission.

[2] Marx (1859), italics added.

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