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Speaking of Basic Income:

Four Notions of Labour in Marx

My talk is not primarily about whether the demand for an unconditional basic income should be raised or not which is a political question to be decided by political bodies.

My main topic concerns the theoretical questions involved here which are emanating of Frederick Engels famous essay *The Part Played by Labour in the Transition from Ape to Man*, in which he basically demonstrates how labour became the basic condition of human existence. In a simplistic misinterpretation of Engels' argument sometime is said that socialists should be concerned with work and the "working class" rather than the unemployed and an unemployable income. It will be shown in the following that this debate is based on a fundamental misunderstanding. What is at stake in the debate of a basic income is not work as such, but the labour market and the commodity character of work.

I. Alienated labour

The first time Marx expressed himself extensively about labour, or precisely about what he called "alienated labour", was in 1844 in the Economical-Philosophical Manuscripts.

The worker becomes a cheaper and cheaper commodity the more commodities he creates. The devaluation of the world of men is in direct proportion to the increase in the value of the world of things. Labour not only produces commodities, it produces itself and the worker as commodities – and to the same extent that it produces commodities in general. (Economic-Philosophical Manuscripts, XXII)

This sounds very "philosophical" in a Hegelian sense; however, Marx view of the worker's life was quite realistic.:

First, it is that labour is external to the worker, i.e., does not belong to his very nature; that in his labour, therefore, he does not affirm himself but denies himself, does not feel satisfied but unhappy, does not freely develop his physical and mental strength, but castrates his body and ruins his mind. So, the worker feels himself only outside his work, and in his work, he feels himself outside himself. He feels at home when he is not working, and when he is working, he does not feel at home. So, his work is not

voluntary, it is forced; it is forced labour. It is therefore not the satisfaction of a need, but merely a means of satisfying needs which are alien to him. Its alien character is clearly shown by the fact that, as soon as there is no compulsion, physical or otherwise, labour is shunned like the plague. (Economic-Philosophical Manuscripts XXIII)

It is impossible to read this text as anything other than a critique of labour, mind you, not of the alienated form of labor, but of labor as a form of alienation.

In my opinion, in none of his 'mature' works and in no later text of socialist literature is this criticism surpassed.

II. Productive labour

In the first volume of "Capital" the thesis of alienated labour appeared in the famous "fetish section" at the end of the first chapter.

However, in the 16th chapter the issue was resumed in in his critical notion of "productive labour".

Capitalist production is not merely the production of commodities, it is essentially the production of surplus-value. The labourer produces, not for himself, but for capital. It no longer suffices, therefore, that he should simply produce. He must produce surplus-value. That labourer alone is productive, who produces surplus-value for the capitalist, and thus works for the self-expansion of capital.

(Capital Vol. I, Chapter 16)

Thus, it becomes understandable why there is work whose "productivity", insofar as it produces capitalist profit, is beyond any debate, even if it is overtly destructive like in the weapon industry or it damages the environment; and that, on the other hand, work which, if left undone, would cut off any life, is not considered 'productive' in case it could not be profitably undertaken.

So, again it turns out pointless to talk on labour in general terms, ignoring the social conditions under which it is performed.

III. The relative Surplus population or industrial reserve army

Of great importance to the condition of the working class on a world scale are the periodic expansions and contractions of the labour market. In periods of economic prosperity, it absorbs new strata of the populations, which are again repelled in periods of economic decline and thus literally remain over.

However, behind this regular convulsion a general law operates.

Marx wrote:

Since the demand for labour is determined not by the amount of capital, but by its variable constituent alone, that demand falls progressively with the increase of the total capital, instead of ... rising in proportion to it. It falls relatively to the magnitude of the total capital, and at an accelerated rate, as this magnitude increases. (Capital Vol. 1, Capital Vol. I, Chapter 25) For time reasons I cannot explain this argument in length, just let us note Marx observation, that the more capital is accumulated the more it tends to substitute technique for human labour.

Marx called it the relative surplus population or industrial reserve army.

In this context, one must consider the rampantly growing precarious labour relations not only in terms of their individual social consequences for those directly affected, but also as methods of flexible use of a manoeuvring mass and, to that extent, in terms of their repercussions on normal labour relations.

The working class underwent substantial transformations in the recent decades. Thus, it becomes clear that a narrow understanding of the “working class”, if it were restricted to the part stably and profitably employed workers in the shop floors misses the complexity of Marx's structural analysis of capitalist economy.

Thus, practically as well as theoretically, the unemployed, migrants, women dependent on the male sole wage earner, pensioners and youth belong to the working class just as much as the so-called “core strata” employed in the large enterprises and even more pointless it would be to insist on an a priori fixed historical leadership mission of the latter part of the class; something which would mean nothing else than to declare their specific culture, modes of organization and forms of practice to be those of emancipation par excellence. Moreover, it seems to me that a critical assessment of the 20th century provides more reasons to doubt the emancipatory power of a political movement oriented exclusively to the Fordist working class

than those that confirm it. And this applies even more today, with the transition to post-Fordist modes of production.

In fact, however, the law of structural overpopulation operates only by tendency, and the capitalist labour market is co-determined by many factors, such as wage levels, consumption, income distribution, level of investment, working time regulations, taxes, or public spending, which in turn have always been matters of contention between the antagonistic classes. Thus, the labour movement has made the level of unemployment a political issue since its onset, and there is no argument for resigning oneself to it today. This is also the source of the dispute with neoliberals, who claim that a labour market left to its own devices tends toward a social optimum. The question here is, for whom.

For this reason, the struggle for an employment policy that ensures the right to decent gainful employment that secures one's livelihood will continue to be a focal point of left-wing social policy. However, this struggle must also embrace new forms.

IV. General Intellect

In the “Grundrisse Foundations of the Critique of Political Economy” a lengthy manuscript written ten years before ‘Capital’, we find a further variation of Marx's concept of labour, namely from the perspective of an automatized and scientized capitalist production process, in which science itself has become a productive force; and moreover, the conditions of social life have become controlled by the General intellect (Grundrisse, *Contradiction between the foundation of bourgeois production (value as measure) and its development. Machines etc.*)

But to the degree that large industry develops, the creation of real wealth comes to depend less on labour time and on the amount of labour employed than on the power of the agencies set in motion during labour time, whose ‘powerful effectiveness’ is itself in turn out of all proportion to the direct labour time spent on their production, but depends rather on the general state of science and on the progress of technology, or the application of this science to production.

(Grundrisse, *Contradiction between the foundation of bourgeois production (value as measure) and its development. Machines etc.*)

This shift finds its economic expression in the above cited tendential decline of the wage share (“variable capital”) in total capital, which not only leads to the “surplus population”, but must also express itself in a tendential fall of the rate of profit, i.e., an inherent crisis tendency.

But at this point the Marxian argument aimed in a different direction:

Real wealth manifests itself, rather – and large industry reveals this – in the monstrous disproportion between the labour time applied, and its product. Labour no longer appears so much to be included within the production process; rather, the human being comes to relate more as watchman and regulator to the production process itself. ... In this transformation, it is neither the direct human labour he himself performs, nor the time during which he works, but rather the appropriation of his own general productive power, his understanding of nature and his mastery over it by virtue of his presence as a social body – it is, in a word, the development of the social individual which appears as the great foundation-stone of production and of wealth.

(ibd.)

The following question arises: Doesn't the high level of the productive forces objectified in technology, which allows to create the real wealth independent of the quantum of labour and the working time, also create the historical possibility to decouple the income from the expenditure of labour?

The question entails a radical conclusion:

*The theft of alien labour time, on which the present wealth is based, appears a miserable foundation in face of this new one, created by large-scale industry itself. As soon as labour in the direct form has ceased to be the great well-spring of wealth, labour time ceases and must cease to be its measure, and hence exchange value [must cease to be the measure] of use value. The *surplus labour of the mass* has ceased to be the condition for the development of general wealth, just as the *non-labour of the few*, for the development of the general powers of the human head.* (ibd.)

Marx's argumentation thus opened up a broad perspective of emancipation.

The free development of individualities, and hence not the reduction of necessary labour time so as to posit surplus labour, but rather the general reduction of the

necessary labour of society to a minimum, which then corresponds to the artistic, scientific etc. development of the individuals in the time set free, and with the means created, for all of them.

[...]

Real economy – saving – consists of the saving of labour time (minimum (and minimization) of production costs); but this saving identical with development of the productive force ... The saving of labour time [is] equal to an increase of free time, i.e., time for the full development of the individual, which in turn reacts back upon the productive power of labour as itself the greatest productive power. **(Real saving – economy – = saving of labour time = development of productive force. Suspension of the contradiction between free time and labour time. – True conception of the process of social production) (Ibd.)**

For Marxists, this perspective of human emancipation always required a socialisation of the productive forces, economic democracy, and another form of state.

However, the very problem exists nowadays, namely the quality and distribution of work or, which means the same thing, as the distribution of ‘disposable time’. Ultimately, all highly technologized societies face the problem of either living with mass unemployment or dividing ‘disposable time’ in a fair or socially acceptable way.

The totalitarianism of the capitalist market economy consists in the strict exclusionary principle that income is generated only on markets; that work should generate income which is legitimized as ‘productive’ by its marketability. Socially necessary but non-marketable work can either be compensatory financed by the state, which always remains an issue of controversy and struggle, or is appropriated for free as a ‘free good,’ so to speak, such as the care work performed in the families.

In Marx's analysis, it is not the objective dependence of at least partially individual incomes on the work performed in a society that appeared as the anachronism, but the mediation of this necessary social connection via capitalist (labour) markets. The question contained in the debate about a basic income is therefore not whether a society could decouple income and work. And it is no special feat to show that this is an impossibility for society in its entirety. Yet, the real question is: In what way can labour, that is, working people, be protected from the effects of an uncontrolled, after all unpredictable capitalist labour market, and how can the dependence of their incomes on it be removed or at least limited.

The Marxian prediction that in the wake of the technical and scientific progress, production based on exchange value would break down, and has obviously failed.

In real history, capitalist systems proved capable, or more precisely, were forced by social and political struggles to find suitable forms of regulation for the movement of their contradictions.

But paradoxically, of all things, this misprediction of Marx opened the perspective of an emancipatory reform strategy. In fact, minimum wages, working time laws, public social insurance - the extensive system of fought and negotiated compromises between capital and labour, established after the war based on Fordist modes of production, represent such constraints on the self-regulation of the market. However, with the fading out of Fordism the basis of the compromise vanished.

In the debate about an unconditional basic income, a clarification is needed.

In discussion should not be so much whether the unconditional basic income represents a socio-political universal recipe, as some of its supporters seem to assume, but whether, it corresponds to an urgent social necessity that must be enforced against the private capitalist market economy logic and thus could become part of a socialist reform strategy.

Many of the changes in the production process mentioned above speak in favour of this. On the one hand, the ever more comprehensive mobilization of science as a general productive force requires elaborate work processes, the overhead costs of which to a large extent being 'externalized' by companies and transferred to society. The 'general intellect' can neither be had for free, nor is it as little the spontaneous result of self-regulating markets. It must become a common. But this raises the question in which way the work necessary to procure it could be socially organized. Secondly, today's production processes place qualitative demands on the labour force, the satisfaction of which transcends a market logic. Flexibilization, lifelong learning, career interruptions due to great psychological stress and more frequent job changes characterize more and more employment biographies. As we have experienced, child-rearing and care for the elderly can only be socialized to a limited extent within the framework of state institutions and must be integrated into lives. Providing social security for these situations in such a way that they are freed from the risk of social decline is just as much in the interest of individuals as it is in the interest of societies in stable and qualitatively expanded reproduction of the labour force.

The position taken in this talk is decidedly not aimed at abolishing the labour market through the basic income which under the existing capitalist conditions would be an impossibility, but at limiting it through the income guaranteed to all.

The issue is about changing the power relations on the labour market between labour supplier and labour demanders. In the condition that people were freed from pending poverty or from coercion through the state to accept any job they are offered labour market could only function through positive incentives. Firms would be directed to contribute to a high propensity to work primarily by improving working conditions and raising wages. Socially embedded market economy!

Crucial as usual is here the question of financing. If a basic income were financed exclusively from tax revenues of wage earners, as demanded by its liberal proponents, it would amount to nothing more than administration of misery. Socialism within one class! As with every other social policy issue, therefore, the demand for a thoroughgoing taxation of high incomes, profits and wealth must be raised in this context. In combination with a tax reform, the basic income could with some creativity be developed into an ecological, employment and structural policy instrument.

Finally, I think we must be prepared to that a basic income of any sort will be introduced anyway.

However, the actual impact of a basic income will not depend in the first place on its own internal logic, but on its embedding in a system of social policy measures and on the gender perspective from which it is conceived.

Politically, however, the issue raised in the debate on an unconditional basic income touch on one of the historical themes of the labour movement: To abolish the market subordination of labour and to limit it as much as possible under capitalist conditions through political and trade union struggle. Today we must face this task anew and with new means. This requires a willingness to look at regulated gainful employment not only from the “insider perspective” but also from the margins and from the outside, that is, to learn to see through the eyes of people who are denied access to it. Without a dialogue with these people, it will be impossible for the trade unions and the political parties of the socialist Left to successfully pursue in the long term.

what they regard as their ‘core business’.

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