

David Harvey: What kind of Marxism for the 21st century?

Karl Marx developed his critique of capitalism by studying the “dark satanic mills”[1] of England. But as David Harvey shows here, Marx understood capitalism as a global system, generating polarization and inequality on a planetary scale. The Eurocentrism for which he is often accused today is simply a reflection of this global expansion of capital from its original European home. If he were alive today, he would encourage socialists to take as much interest in Silicon Valley as in Shenzhen.

by

[David Harvey](#)

This text – translated by Thierry Labica – is taken from his book, The Story of Capital: What Everyone Should Know About How Capital Works , published by Verso on February 24, 2026.

Karl Marx situated his theoretical research on the mode of production of capital and the laws of its movement within the context of British industrial capitalism, between the 1840s and the 1860s. His initial conviction was that "the most industrially developed country merely shows the less developed countries the image of their own future" ^[2] . Whether this conviction was justified, of course, remains open.

Towards the end of his life, after intensive research in anthropology and meticulous observation of the Russian case in particular, Marx began to doubt his proposition, opening the door to criticism that many attributed to his Eurocentrism. What is not in doubt, however, is the depth and breadth of Marx's knowledge of the situation of industrial capital in 19th-century Britain .

Made in Manchester

In this instance, Marx was fortunate enough to have access to a vast archive of research materials compiled by British state-appointed factory inspectors, public health officials, and parliamentary inquiries ranging from child labor to banking practices. He fully recognized the importance of these resources for his own interpretations and complained about the "lamentable state" of information coming from elsewhere.

“We would be appalled by the situation in our own countries if our governments and parliaments, as is the practice in England, periodically instituted commissions of inquiry into economic reports and realities, if these commissions were endowed with the same full powers as those they have across the Channel to investigate the truth, if men as competent, impartial, and inflexible as the English factory inspectors, the medical rapporteurs on Public Health, or the commissioners appointed specifically to investigate the exploitation of women and children, housing and food conditions, etc., could be found for this purpose.” [\[3\]](#)

English factory inspectors and health officials such as Leonard Horner, Mr. Scriven, and Dr. Greenshaw (to name but a few) were key figures. One can only imagine how unsatisfying and uninteresting the first volume of *Capital* would be without the descriptions provided by these representatives of the state.

Marx also amassed a vast collection of newspaper articles, pamphlets, and books covering all aspects of political economy (such as those by Andrew Ure and Charles Babbage on machine technology). Finally, his friend and patron, Friedrich Engels, not only inspired him with *The Condition of the Working Class in England in 1844*, a remarkable early work, but also shared with him his ongoing observation of life and work in Manchester, of which he had firsthand experience due to his involvement in managing the family business in that city.

In addition to everything else, Engels had the opportunity to see Manchester through the eyes of his partner, Mary Burns, an Irish factory worker. It was she who revealed to him the fetid squalor of the Irish migrant workers' housing estates in the city. The materialist-historical foundations relentlessly pursued by Marx in his theoretical work came from Horner, Burns, and Engels. Hence the extraordinary aura of accuracy and authenticity that emanates from Marx's writings. Hence, too, the enduring power of Marx's theorizations from this period, which remain intact to this day, so different from his own. But this also tends to lend credence to the idea that Marx's theoretical formulations might be inherited from these particularities specific to the case of Manchester, and more generally, from a certain Anglocentrism, or Eurocentrism.

Capital is becoming globalized

However, as an economic system, capital itself was Eurocentric in origin and has never ceased to be so. It began by taking an industrial form in Great Britain and spread throughout the world, but in doing so, it had to adapt to different contexts and assume different forms. It sometimes had to confront proto-capitalist social formations here, and hybrid forms there. Marx also had to consider the problem posed by regions of arrested development, by regional economies where seemingly insurmountable obstacles prevented full-fledged capitalist development (for example, the southern United States until recently, or the backward region of southern Italy with which Antonio Gramsci had to contend).

Marx universalized the qualities and character of the capitalist mode of production based on the specificities of mid-nineteenth-century Britain in general and Manchester industrialism in particular. Theorizing its nature was the challenge that, before Marx, had troubled both Adam Smith and David Ricardo. How to extract a few universal concepts from an enormous and teeming archive of social practices, between market exchange and

ubiquitous capitalist production, and how to ensure that the resulting conceptual framework, whatever it may be, proves adequate (in Marx's terms) for valid interpretations of the "laws of movement" of capital in general? To this day, it remains to be seen whether the laws of movement of capital identified by Marx apply as convincingly to China, Bangladesh, the European Union, and the United States.

In attempting to find an answer to this kind of question (which any theorization of capital must confront), Marx first had to confront intense hostility directed against anything Marxist, particularly in the case of the Anglo-American tradition. As Walter Rodney observed, not without humor, "one knows that [Marxism] is an absurdity without reading it, and there is no obligation to read it because one knows it is an absurdity." [\[4\]](#)

Even if Marx's developments were accurate and relevant to the place and time in which they emerged, their validity for Lenin and Mao Zedong, as well as for movements as diverse as Amílcar Cabral's revolutionary movement in Guinea-Bissau, Thomas Sankara's revolutionary government in Burkina Faso, or Walter Rodney's revolutionary works in Guyana, is not self-evident, and it is in the latter's work that we find perhaps the most concise clarification. The important point lies not so much in Marx's discoveries themselves, which always bear the marks of the circumstances of their time and place, but rather in the method of inquiry and research that led him to them.

Marxism "posits the perspective of man's relationship to the material world [...] and of his moment of historical development, where he consciously dissociates himself from, and turns against, all other modes of perception that began with ideas, concepts, and words." Marxism "is rooted in the material conditions and social relations within society." This is the starting point, Rodney explains: "a methodology that begins with an analysis of any

society, any situation, seeking the relationships that are formed in productive activity between people.” A whole host of things follow from this:

“Human consciousness is formed through intervention in nature; nature itself is humanized through this interaction with human labor; and human labor produces an uninterrupted flow of technology which in turn generates other social relations.” [5]

This is the spirit of Marx's historical materialism and the *Communist Manifesto* at work.

Insofar as our entire being is now immersed in a material world dominated by capital and the geopolitics of capitalist imperialism, the research method must be oriented towards understanding the "engine at the heart of the system" in order to expose and overturn "the types of exploitation found within the capitalist mode of production." Hence the revolutionary character of the resulting theory. As Cabral says: some revolutions may have had flawed revolutionary theories, but "no one has yet achieved a victorious revolution without a revolutionary theory." [6] While the material conditions of production and social relations in Guinea-Bissau were the starting point, for Cabral, the ultimate goal lies in a generalized mobilization of the power of revolutionary theory.

By focusing all his attention on Manchester industrialism, Marx presumes that merchants, bankers, and landed interests have come to occupy a secondary role in the service of an all-powerful industrial capital. In the first two volumes of *Capital*, Marx generally disregards these other components of capital. In the first volume, for example, he explicitly presupposes that all commodities are exchanged at their value (the market functions perfectly), that "capital normally runs its course of circulation" [7], and that the fragmentation of surplus value into rent, interest, and profit on merchant capital does not affect accumulation in any way. In the *Grundrisse*, Marx does not hesitate to assert that "the

laws of capital are fully realized only within the framework of *unlimited competition and industrial production* ." ^[8] This eliminates any problems that might arise from state restrictions on competition, monopolization, or excessive concentration of capital.

Nothing prohibits this kind of abstraction, but major modifications to the theory may be necessary in the case of restrictions on competition and variations in the balance of power between different fractions of capital. It is highly unlikely, for example, that the laws governing the movement of industrial capital are the same as those governing merchant, banking, or land capital.

More recently, for example, industrial capital has increasingly come under the control of the monopsony power ^[9] of merchant capitalists such as Walmart, Ikea, and major clothing and electronics companies (like Apple). There are entire sectors of the economy (such as agricultural subcontracting) in which direct producers are at the beck and call of merchants or other intermediaries. Similarly, the power of the banking and financial sector, of debt and credit, and of land and real estate capital, depending on the time and place, has played a decisive role in shaping the contours of capital accumulation and its crises. We will return later to the revisions that such transformations necessitate in Marx's theory of capital.

Marx's focus on Manchester industrialism necessitates an examination of the specific characteristics of labor processes in cotton mills and the resulting nature of the labor market. Weavers working on power looms were primarily machine operators. The transfer of skills from the worker to the machine (a transfer Marx discusses at length in *Capital* and the *Grundrisse*) led to the deskilling of a large portion of the workforce. Irish laborers and women could readily replace what had traditionally been semi-skilled male craftsmanship on handlooms, albeit within the

framework of cottage industry where merchants supplied the raw materials and collected the finished product.

The pressure exerted on wages and living conditions by the hiring of Irish workers presented Marx with a dilemma. After launching a scathing critique of the Irish for their role in devaluing labor power, he came to recognize that the solution lay in raising the consciousness of this Irish workforce as a necessary first step in organizing the class struggle. For mill owners, division within the working class (based on gender, ethnicity, national identity, and religion) was more than welcome. It allowed them to rule unopposed by pitting one part of the working class against another. Capital presumed the domination of labor by capital. The power of capital would be strengthened in proportion to its capacity to mobilize other structures of domination (such as race and gender) in service of its domination over labor.

It could be argued that Marx's approach was influenced by these particularities of Manchester's industrial capitalism, and that his attention to the doctrines of free trade, competition, and free commerce championed by the industrialists of the so-called Manchester School, led by Richard Cobden and John Bright, somewhat distorted his perspective. But factory inspectors, public health officials, and parliamentary reports did not limit their observations to Manchester. They crisscrossed the entire country. And Marx was fully aware of the ideological and political influence of Manchester's industrial milieu, and of its enormous (for that time) centralization of economic wealth and power.

The results were in a sense predictable: "One fine morning in the year of grace 1836, a man named Nassau W. Senior... a man equally destined for these high offices by virtue of his economic knowledge and fine style... was summoned to Manchester to study political economy." ^[10] In this instance, Senior learned that the profit of capitalists was entirely contained in the last hour of work

in a twelve-hour day and that any reduction of this day to, say, ten hours, would spell the ruin of the capitalist system since the hours of profit-making would disappear.

This so-called 'analysis' provoked a fierce response, directed against both Parliament and Senior, by none other than Horner himself, who had worked alongside the factory inspectors from 1833 to 1857 and, as Marx observed, 'who has earned immortal rights to the recognition of the English working class' ^[11]. And of course, the Ten-Hour Day Act was eventually passed. The reduction of the working day was, in Marx's view, a modest yet decisive step towards a socialist future. It opened a path to the realm of freedom—understood as leisure time—for the working classes.

For Manchester industrialists of that era, another kind of freedom—"His Holiness Free Trade," as Marx put it—was the only one that mattered. The free-trade economy was lauded by the Manchester School and incorporated into reforms across the country, aligning itself with the industries that dominated global capitalism at the time. It turns out that free trade is the eternal mantra of major capitalist industries and powers. The development and implementation of this doctrine in the form of the WTO agreements reached in the late 1990s on behalf of large transnational corporations and the United States, as the hegemonic power of the moment, is the best evidence of this.

In June 1849, Marx moved to London, where he spent the rest of his life. While he was not involved in British politics, he took a keen interest in it, following the press and parliamentary debates. For a time, he secured a much-needed income as the London correspondent for the *New York Daily Tribune*. During the 1850s, he endeavored to explain British imperial policy to New York readers by reporting on the brutal suppression of the Sepoy Rebellion of 1857–58, the equally brutal Second Opium War of

1858 in China, and the dissolution of the East India Company in favor of direct imperial administration of India. These were also the years during which Marx was immersed in writing the *Grundrisse*. The renewed connection with Manchester's free-trade policies was evident.

As he observed in 1853:

“It was only accidentally, exceptionally, and transiently that the ruling classes of Great Britain showed any interest in the progress of India. The aristocracy desired its conquest, finance its plunder, and industrialists its sale at a discount. The industrialists discovered that the transformation of India into a producing country had become of vital importance to them (...).” [\[12\]](#)

The Indian market had for some time been a major outlet for the enormous increase in production of the Lancashire cotton industry. The imperial power had undertaken the destruction of a local cotton industry based on the handloom in order to "flood [India] with English yarns and cotton goods." [\[13\]](#) "The need to open new markets or to expand old ones" was as pressing in India as in China, and the failure to do so in both cases signaled "an impending industrial crisis" linked to the fact that "demand for the products of Manchester and Glasgow will be declining." [\[14\]](#)

The mill owners' response was to rationalize India's economic space by developing the railway network. Until then, Indians had been unable to use machinery "to process their cotton, which was shipped by oxcart, sometimes over distances of 1,200 kilometers across wetlands, to be transported by boat on the Ganges and from there sent beyond the Cape of Good Hope to England to be processed and then sent back to the natives at any rate above 90 percent of what such an operation costs." The mill owners wanted, demanded, and finally obtained a railway system providing access to cheap raw materials and spatially integrated markets across the entire Indian subcontinent. Marx notes the impressive increase in

British trade of cotton products to India, from 2.5 million pounds sterling to 6.1 million pounds sterling between 1856 and 1859.

It is important to consider the already global nature of the system at that time. The Manchester system was based on slave labor in the cotton fields of the United States, and the markets for the goods produced were located primarily in India, which was still under the hierarchical caste system. The entire system was under the control of the British imperial administration, within which the Colonial Office in London was prepared to resort to violence and the direct repression of entire populations to ensure that most of the world was open to trade.

While the British bourgeoisie in general, and the mill owners in particular, were motivated by the basest interests, which they were prepared to defend armed with the grossest hypocrisy, Marx, for his part, hoped that the construction of railways would lead to the building of an industrial system in India, "the dissolution of the hereditary division of labor, upon which the Indian castes are based, those decisive obstacles to Indian progress and Indian power." ^[15] The description of globalization found in *The Communist Manifesto* remains relevant today:

By exploiting the world market, the bourgeoisie has given a cosmopolitan character to production and consumption in all countries. To the great regret of the reactionaries, it has deprived industry of its national base. The old national industries have been destroyed and continue to be destroyed every day. They are being displaced by new industries, whose establishment is becoming a matter of life or death for all civilized nations—industries that no longer process indigenous raw materials, but raw materials from the most distant regions, and whose products are consumed not only in the country itself, but in all parts of the world simultaneously.

In place of the old needs that national production satisfied, new needs arise, demanding for their satisfaction the products of the most distant lands and climates. In place of the former isolation of self-sufficient regions and nations, universal relations develop, a universal interdependence of nations. And the same is true of intellectual production as of material production. The intellectual works of one nation become the common property of all. National narrow-mindedness and exclusivism become more and more impossible, and from the multiplicity of national and local literatures emerges a universal literature. [\[16\]](#)

Marx's hypothesis was that the revolutionary sentiments stirred up by these processes created the possibilities for a socialist revolution whose fate would depend on how the ruling classes of the moment were "supplanted by the industrial proletariat." [\[17\]](#) The connections between Manchester industrialism, imperialism, and the class struggle were evident, though partly obscured by the doctrines of free trade which, in Marx's time, were promoted by the economic thought of the Manchester School and in the writings of the Ricardian socialist John Stuart Mill.

The Manchester materialist foundation of Marx's thought gave rise to a critical theory of the role of imperialism, as it came from and was understood from the center rather than the periphery. But this imperialism was not merely a matter of colonizing markets. It also depended on access to raw materials everywhere else in the world, and, with regard to raw cotton, Marx was acutely aware that before the American Civil War, Manchester industrialism was based on the slave economies of the Southern states of the United States.

The intersection between a slave mode of production and a rapidly expanding capitalist mode of production gave rise to unfathomable brutality at the very moment when "white labor

cannot be emancipated where black labor remains marked with infamy.” ^[18] Manchester’s position within the emerging global economy of nineteenth-century capitalism, mediating between slavery in the cotton fields of the American South and the vast populations of Southeast Asia as its primary market, was of great interest. This was the initial form of the global production-consumption networks that dominate global capital today.

From Manchester to Birmingham

If, on the other hand, forty years after Nassau Senior had to go to Manchester, he had been summoned to Birmingham, he would have found himself facing a very different industrial structure, in a very different overall situation, with a completely different mode of labor exploitation (based on a rapid increase in labor productivity), producing for very different markets. Much of the production was carried out on a relatively small scale (compared to the gargantuan proportions of the cotton mills), by often highly skilled labor, even incorporating a certain degree of primitive mechanization. The steam engine of Matthew Bolton and James Watt, for example, was manufactured in Smethwick on the outskirts of Birmingham. The entire West Midlands region was dominated by a machine tool and metalworking sector very different from the cotton mills of Lancashire.

Moreover, Birmingham was the center of firearms production and specialized in the manufacture of military equipment, ammunition, and artillery. The market for such products is closely tied to government spending and government contracts. But the status of the defense industries, and the role of what is commonly known in the United States as the military-industrial complex, extends far beyond what Marx could have conceived.

In the midst of the 1982 "Reagan recession," for example, when unemployment soared above ten percent following Federal Reserve Chairman Paul Volcker’s decision to raise interest rates by

fourteen percent to address inflation nearing seventeen percent, Reagan ruthlessly cut all social spending, reduced the top tax bracket from about seventy percent to thirty-five percent, and went to war with PATCO, the air traffic controllers' union, and broke it.

He then opted for a massive increase in defense budgets to draw the Soviet Union into a gigantic arms race that ended disastrously for the Soviets. While the rest of the United States sank into economic crisis, the defense industries, distributed along a large arc stretching from Virginia to Los Angeles through the Carolinas and Texas, up to the Boeing site in Seattle, experienced a phase of expansion that some considered a form of "military Keynesianism" (given its deficit funding), leading some Republican leaders, such as Dick Cheney, to declare, not without opportunism, that "Reagan taught us that deficits don't matter."

Precision mechanics, the manufacture of firearms and steam engines, required very different types of work than supervising looms. Nearly a century later, the West Midlands became the region where the automobile industry took root, in Coventry, Aston, and even Oxford, with Birmingham as its commercial center, while completely bypassing Manchester and the cotton-growing towns of Lancashire. In the United States, the industrial model of Massachusetts textile towns like Lowell was similarly radically different from that of steel towns like Pittsburgh or, much later, Detroit and the automobile industry.

Marx might have arrived at significantly different theoretical considerations in *Capital* had he focused on Birmingham industrialism, where, quite early on, technological change had become, as he predicted, a fully-fledged economic activity. There, a form of organization relied heavily on economies of scale of a kind that Marx had recognized and discussed in *Capital* .

In the case of Birmingham's industrialism, this was linked to the emergence of a workforce with specific machine tool skills and modest, yet livable, wages within a cultural environment where the working class was fundamentally divided along lines of mental or manual ability. A worker skilled in metal forging for steam engine manufacturing was a valuable asset, and employers had to ensure that such workers did not slip away to competing firms in Belgium, France, or anywhere else on the continent. Conversely, Birmingham manufacturers were content with skilled workers regardless of their origins (Polish, Prussian, and so on). Ethnic or religious diversity was irrelevant (whereas it was of great importance in Manchester) as long as these skills were guaranteed.

The vision of the future presented by this experience was considerably different from that suggested by the Manchester experiment of the 1840s. When the International Workingmen's Association was founded in London in 1864, largely thanks to Marx, it included the kind of skilled and educated workers found in France, Italy, Switzerland, Spain, and elsewhere. The political sophistication of the watchmakers in the Jura Mountains, along the Swiss border in the 1860s, was legendary at a time when the split between Marxist and anarchist currents had not yet occurred.

These activists were the very same people who organized fundraising and the dispatch of money in support of strikes and other struggles across Europe in the late 1860s, culminating in the Paris Commune of 1871, in which international involvement was significant and welcomed. On the other hand, these relatively prosperous workers formed a "labor aristocracy" that Lenin feared would not only support imperialist and colonial expeditions, but would also readily compromise with the strategies of entrepreneurial capital.

Around 1860, industrialist Joseph Chamberlain (more familiarly known by his nickname "Radical Joe") began exploring various municipal reforms related to access to gas and drinking water, public education, and housing to improve the living standards of the "respectable" and skilled working classes. He eventually succeeded in implementing some of his reformist vision as Mayor of Birmingham. "Gas and Water Socialism" was then seen as a practical solution to a range of problems that had caused widespread discontent among the local working population, who themselves supported the program.

Chamberlain took steps to realize these possibilities. With a degree of working-class support, "Radical Joe" subsequently became a promoter of colonial expansion (the Boer War in South Africa being his most notable contribution), driven in part by the Conservative Party's rejection of his reformism. He understood that if local reforms and domestic market growth were blocked by bourgeois class power, the only option for expanding the market was to seek a "spatial remedy" in the form of colonial ventures and the development of foreign markets. The infamous partition of Africa by the colonial powers at the Berlin Conference of 1885 was the culmination of a period of interstate rivalries for access to raw materials and emerging markets across the African continent.

The image of the future associated with the industrialism of Manchester in the 1840s and 1850s bore no resemblance to Birmingham in the 1870s. Had Engels' father owned a factory in jewelry, firearms, or machine tools in Birmingham rather than in textiles in Manchester, *Capital* would likely not have been written in the same way, as has already been observed. That said, to counter this apparent bias, Marx had at his disposal the reports of factory inspectors and the writings of an increasingly militant working class, opposed to capital in general rather than to cotton mills in particular.

Where is the future of capital now being forged?

The casual observer could be forgiven for thinking that the image of Manchester is still the right one to describe the living and working conditions at the Rana Plaza factory, a textile and ready-to-wear factory located 30 kilometers from Dhaka in Bangladesh, whose collapse on April 24, 2013, claimed the lives of 1,129 workers, mostly women, and injured many more. Producing branded textiles and clothing for Western markets, these factories were constantly under pressure to reduce costs for the benefit of Western consumers. Wages were starvation wages and work discipline was brutal.

The same could be said of Foxconn's production complex in Shenzhen, China, where most Apple products are made and where some 250,000 employees (400,000 according to some) have worked since 2011 in a single vast industrial complex. A series of worker suicides that year prompted the company to cover the housing it provided itself, where these migrant workers were crammed together, with miles of netting to prevent people from jumping out of windows. It is easy to take descriptions of the working and living conditions of what are euphemistically termed "emerging markets" and append them to the chapter on "the working day" in *Capital* without noticing any particular difference. For people living in such conditions, a dose of "gas and water socialism" plus a bit of "Radical Joe"-style reformism would seem like a gift from heaven.

Capital produces much uneven geographical development, the qualities of which are often reflected in the specific theories to which economists subscribe. Marx observes, for example, that the protectionist theories advocated in his time by the economist Henry Charles Carey expressed the need of embryonic industries to defend themselves against the dominance of British industrialism. The same logic gave rise to the import substitution

industrial policies widely practiced throughout Latin America in the 1960s under the auspices of the Economic Commission for Latin America (ECLA).

The French economist Frédéric Bastiat, a fervent advocate of free trade and laissez-faire in the early 19th century, contrasted this with the struggles of French industrialists to free themselves from the constraints of a costly and confusing maze of local and national regulations, taxes, and interference. This situation was later replicated in Latin America following the neoliberal revocation of ECLA and the advent of free-trade policies favored by Augusto Pinochet and the Argentine generals from the mid-1970s onward. Even in Marx's time, the vision of the future projected by the most advanced regions was perpetually shifting and geographically diverse.

The question then arises: what, and where, is the contemporary form of capitalism that projects the image of our own socialist future? Is it the Rana Plaza textile factory, the industrialism of Shenzhen, the workers in Amazon warehouses, Google's San Francisco plant, Microsoft's Seattle plant, or the workforce employed en masse in the world's largest airports? However, Marx's descriptions not only conveyed an image of everyone's future, but also an image of what another utopian socialist or communist reflection might look like (comparable to the one the utopian socialists of the 1840s delighted in creating and which Marx and Engels had so firmly rejected in the *Manifesto*). This image, on the contrary, stemmed from a historical materialist denial of all the truly existing horror of that time and place.

In Marx's case, the immediate point of reference was resolutely in the mass production and social reproduction of the Manchester industrial region. The cruel condition of factory workers, workshop laborers, and those deep in the mines, combined with the equally lamentable conditions of social reproduction in the

industrial urbanization created by capital and so patiently described by Engels, demanded their negation. The material circumstances and the socialist project they indicated spoke for themselves.

This means that the socialism that must be built in negation of everything that is a source of degradation and threats in today's world must be constantly adapted and geographically diversified. These questions demand the utmost attention because, in the history of anti-capitalist opposition movements, there has been a tendency to fetishize a certain vision of the socialist future, then conceived as an ideal, ahistorical construct.

Just as John Maynard Keynes feared that we would run the permanent risk of remaining beholden to the thinking of some economist who had long since passed away, we see the looming political threat of adhering to ideals and ideas of socialist or communist projects that are long dead. The rigidity of our mental frameworks acts as a brake not only on our capacity to think, but even more so on our capacity to serve the political projects now necessary for the creation of a more just, more ecologically sound, and more emancipatory socialist world.

To put it this way is not to invite yet another bout of utopian dreaming (even if a few concessions in that direction wouldn't hurt). On the contrary, it is about building an accurate and properly theorized understanding of what capital is as it exists today, just as factory inspections made it possible to do in Marx's time, and on this basis, undertaking a pragmatic approach to creating a new socialist path, adapted to our current situation.

What this means, however, depends on geographical conditions. The problems posed by capital in Latin America are quite different from those observed in Sweden, where the entire country mourned the death of IKEA founder Ingvar Kamprad, who was elevated to the status of a national hero. Despite this, a certain

disheartening tendency persists to conceive of socialism as detached from any historical or geographical context, even though the fundamental laws of the movement of capital are sufficiently invariant and universal within capitalism to demand and impose order everywhere.

It is revealing, from this point of view, that when Lenin came to power in Russia in 1917, he implemented an industrial policy inspired by the principles conceived by Henry Ford, a path considered the safest and fastest way to increase labor productivity and build an economy capable of resisting the counter-revolutionary forces that aimed to thwart the fledgling communist revolution.

Lenin's strategy succeeded in building industrial capacity, but at the cost of perpetuating social relations inherent to capital. When China entered the global economy after 1978, and especially when it signed the WTO agreements in 2001, it had no choice but to submit to the laws of capital's movement. The operation of these laws is what links the industrialism of 1840s Manchester to the contemporary context of the Foxconn factories in Shenzhen and Rana Plaza in Bangladesh. This is also why China is now following the Silicon Valley model, where the future of capitalism is taking on entirely different contours, while simultaneously trying to offer a version of gas and water socialism alongside zones of "common prosperity" providing equal access to housing, healthcare, and education (the "three mountains" that China must climb to contain rising discontent).

While Marx's work may seem to some to be that of a long-outdated (Eurocentric) economist, the fact remains that we still live under the reign of capital. Marx's theory of the circulation and accumulation of capital, however incomplete it may be, remains entirely relevant. It extends far beyond the specificities of Manchester, and its "concrete abstractions" are sufficiently

rigorous and flexible to encompass Manchester and Birmingham, or Shenzhen and Silicon Valley, provided one takes into account the particular circumstances in which Marx worked.

His analysis of relative surplus value is intimately linked to the British experience, in which the Manchester system and the cotton industry played a central role. In Marx's time, the industrial form of capital and its inherent laws of motion were valid only for Great Britain, Western Europe, and the East Coast of the United States, with a few scattered commercial developments around the world. But today, the inexorable and unlimited dynamic of market expansion and penetration subjects the economy almost everywhere to the laws of capital motion discovered by Marx.

Marx's analysis of these laws and their operation is more relevant than ever – which is not to say, again, that our reading of them cannot be improved and expanded, or that their interpretation and application should be taken for granted. The accusation of Eurocentrism must be understood in light of the fact that capital itself is arguably Eurocentric, in the sense that it first appeared in recognizable and hegemonic forms in the Italian city-states before being transformed as it came under the tutelage of the Netherlands (with Amsterdam as its center), then Great Britain (where Marx made his discovery), and finally the United States during the last century.

These hegemonic shifts, according to Giovanni Arrighi, have led to both a change of scale and a consolidation of institutional forms deployed within the framework of the formation of capitalist state power. But just as Marx, towards the end of his life, identified the challenge to British hegemony posed by the dynamics of capital centralization in the United States after the end of the Civil War, the question today is to what extent a China-centric influence is beginning to take shape in the face of American hegemony.

The scarcity of information that Marx lamented is no longer a problem for us. We have no shortage of detailed data on the conditions of the working classes worldwide, on the conditions of their local reproduction, on the inadequacy of social welfare systems, and on the terrible, near-slavery conditions that prevail in certain regions. Numerous studies exist on the appalling living and educational conditions in many parts of the world and on the abject poverty afflicting populations barely able to survive.

There is a plethora of research monographs and thick reports published by international organizations, whether it be the United Nations, the World Bank, the IMF, the Bank for International Settlements and the OECD, not to mention the masses of data collected by NGOs (one thinks for example of the periodic reports of OXFAM), state agencies, commercial organizations (for commercial purposes, certainly, but always instructive).

We suffer more from an overabundance than a shortage of information. Techniques for mass data collection and media processing have proliferated. But there is also a great deal of disinformation (now rebranded as "*fake news*"). This information overload, in various ways, is more of a problem than a benefit. The sheer volume is such that, for most people, it is, at best, only partially accessible, and at worst, incomprehensible. Many of the "experts" invited to enlighten us prove to be just as bewildered as anyone else, even when they manage to set aside their legacy of ideological presuppositions inherited from centuries of flawed bourgeois knowledge on subjects related to what are called class struggles and political economy.

The analysis and interpretation of information are a matter of debate, and its media presentation aims as much at political exploitation as at education. Hence some significant problems. For Marx, it was relatively easy to have an overview, even if only from Manchester industrialism and factory inspection reports, and to

consider the negations that would define a socialist project for that place and time. In our case, the challenge seems far more arduous and may even be somewhat elusive.

Our most obvious starting point is the political struggles and protests taking place around the world today, taking into account their trajectory of oscillations between right and left that permeate and influence the course of events. It seems we are witnessing an explosion of labor struggles across the globe, heralded and championed by trade unions as spontaneous or purely reactive to the failures of public policies or the blatant rapacity of large corporations. Many of these struggles, in India, Bangladesh, Indonesia, and China, for example, are reminiscent of the traditional struggles that arose against Manchester industrialism.

But most of the major mass movements of recent years have concerned the inability of the dominant economic model to guarantee the necessary conditions for daily life, conditions meant to satisfy even the most basic needs of the vast majority of the population. Environmental degradation and the continued worsening of social inequality, primarily measured by both wealth and financial assets as well as income, generate relative deprivation, fueling a wave of profound discontent. The austerity often demanded might be acceptable if we were unaware of the enormous amount of wealth and power siphoned from the economy by oligarchs and autocrats who themselves wield so much influence over public policy.

While the Occupy movements against the wealthiest 1% failed to gain traction, the bitterness and heightened sensitivity to ever-increasing inequality, rather than its reduction, remain. This kind of situation provides the materialist-historical grounding from which someone like Thomas Piketty can revive the tradition of Ricardian socialism without resorting to the labor theory of value, and to advocate for a universal global wealth tax.

How, then, should we interpret this history and this situation in light of any socialist strategies? A socialist perspective must recognize the qualities, problems, and challenges that arise both within the entirety of the circulation of labor power and at the point where this circulation intersects with the accumulation of capital. When alienation dominates all the different stages of the circulation of labor power, serious problems emerge. This is something that so-called "analysis" of the contemporary economy strives far more to conceal than to reveal.

*

Originally published by [Jacobin](#) .

Notes

[1] Famous expression taken from the equally famous poem "Jerusalem" by William Blake (1757-1827). "Mills" is usually translated as "moulins" which however loses the reference to " *cotton mills* ", that is to say to *cotton spinning mills* , typical incarnation of the nascent industrial world.

[2] Karl Marx, *Capital*. Book I, Paris, PUF, 1993, p. 5 – Preface to the 1st German edition (1867).

[3] Ibid., pp. 5-6.

[4] Walter Rodney, "Marxism and African Liberation (1975) [[online](#)].

[5] "Marxism and Black Liberation", art. cit.

[6] Amilcar Cabral, *Unity and Struggle* , vol. 1: *The Weapon of Theory* , Paris, Maspero, 1975, p. 304 [excerpt [available online](#)]

[7] Marx, *Capital. Volume I* , op. cit., p. 633.

[8] Karl Marx, *Manuscripts of 1857-1858 ("Grundrisse")*, Paris, Editions sociales, 1980, vol. 2, p. 49.

[9] Translator's note: Wikipedia offers the following definition: "A monopsony is a market in which a single buyer faces a large number of suppliers or, more generally, where demand has market power over supply. It is the symmetrical situation to that of a monopoly, in which a single supplier faces many buyers."

[10] Marx, *Capital. Volume I, op. cit.*, p. 250.

[11] Ibid., p. 251.

[12] Marx, "The Future Consequences of British Domination in India", *New York Daily Tribune*, August 8, 1853, in Karl Marx, *Works, Vol. IV, Politics I*, Paris, Gallimard/La Pléiade, 1994, p. 732. Translation by Maximilien Rubel modified.

[13] Marx, "The East India Company. Its History and Results", *New York Daily Tribune*, July 11, 1853, in Marx, *Works, vol. IV..., op. cit.*, p. 727.

[14] Marx, "The Revolution in China and Europe", in Marx, *Works*, vol. IV, op. cit., pp. 709, 710.

[15] Marx, "The future consequences...", art. cit., *Works t. IV*, p. 734.

[16] Karl Marx, Friedrich Engels, *Manifesto of the Communist Party*, Paris, Editions sociales, 1972, bilingual edition, p. 41-43.

[17] Marx, "The future consequences...", art. cit., p. 734.

[18] Marx, *Capital. Volume I, op. cit.*, p. 336.