Human Economy and Class Society
(a new introduction)
by Steve Bloom—April, 2012
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This is an attempt to write another brief introduction to a subject that has been introduced many times by many people, traditionally called "political economy" (recognizing the link between the economic and the political, as opposed to a more academic approach which presents “economics” as something completely independent.) And because the political economy I propose to elaborate is based on a certain understanding of human history that goes by the name "historical materialism" we will deal here with some of the fundamentals of this concept as well.

Why a new effort? Because none of those developed previously that I am aware of seems adequate if our goal is to envision a 21st century ecosocialism.

Those familiar with a Marxist approach will recognize that the description presented here is firmly rooted in that tradition. And yet we also have to acknowledge that too many Marxists have (borrowing a few words from Fred Ho) "been plagued and poisoned by *Eurocentrism* and *the inevitably of whiteness, technocentrism* and *industrialism* as the goal and exemplar of social-economic development, and by *patriarchy*; in sum, a Manifest Destiny Marxism which has proven to be inimical to human freedom, genocidal towards indigenous peoples (viewed as 'primitive' and subordinate to the 'proletariat'), generating racist and integrationist organizing practices and, therefore, ultimately incapable of making true and thorough revolutionary transformation."

I would suggest that from this point of view Karl Marx himself was better than most of his followers. But even Marx was not immune. Each of us, no matter how visionary, is inevitably constrained by our own experiences, by the information available to us, and by the prevailing philosophies of our time—even when our goal is to overthrow those philosophies. During Marx's lifetime there was very little comprehension among Europeans about alternative forms of human society, beyond those which Europeans themselves experienced as "normal." An understanding that the continued expansion of industrial processes (something that Marx and subsequent generations of Marxists assumed to be an inherent part of the solution to human exploitation and oppression) were leading inexorably to an ecological catastrophe would not even begin to emerge until a century later. Further, Marx concerned himself primarily with understanding the economic workings of capital and capitalism, forms of economic life which developed primarily in Europe. Thus the accusation of "Eurocentrism" directed against Marxism has some validity, even in relation to the ideas of Marx himself. True, the underlying realities of economic relationships that Marx discovered apply far more broadly than simply to Europe. But there was a sense in which the development of European industrial capitalism was seen as "normal," as the culmination of a steady historical "progress."

This notion that evolution as it actually takes place equals "progress" has, in the past, plagued biological theories as well as the popular approach to human societies. Among biological evolutionists humanity has most often been conceived as the apex of natural processes, the intelligent being it was all somehow destined to produce. This way of thinking was effectively debunked by Stephen Jay Gould in the 1980s and it is time for us to do something similar with the idea that a mass consumer-based culture, dependent on industrial production, is somehow "more advanced" (represents "progress") simply because it is more complex and more "productive." We need to acknowledge that "more productive" in this sense is also "more destructive"—of the earth and of a truly human life.

A second error made by many Marxist thinkers derives directly from this initial misconception: The culture produced by a society with this "more advanced" form of economic organization is also often treated as if it were more advanced. Thus while Marxists have attempted to distance themselves from, even to actively oppose, the rape of the world by Europe, North America, and Japan, there has always been a tension in Marxist thought between this side of its teaching and the side which strongly admires the culture produced by the northern industrial nations. This has made it difficult to embrace an essential reality: that from a human point of view indigenous cultures, with their inherent sense of caring for each other and for the earth, are truly superior, likewise with many aspects of the cultures created by others whose lives are less dominated by industrial processes.

Every revolutionary we might hold up as a model—from Marx to Malcolm X to cite only two prominent examples—has spent time both striving to develop a consistent revolutionary viewpoint and, precisely because of that striving, working to transcend their own viewpoint in order to understand the world even better. Each level of transcendence is both a) based on what remains true from previous modes of thought and b) part of the process of revolutionizing previous modes of thought. Had Karl Marx lived until the year 2012, we modestly suggest, his ideas would look quite different from those which come down to us in a set of collected works. And while this cannot be used as an endorsement for any *particular* attempt at transcending Marx (there have been many, and the overwhelming majority are worse than useless from a revolutionary point of view), it does stand as an irrefutable indictment of those who consider the collected works of any revolutionary thinker to be holy texts that cannot be reconsidered or challenged. Our task, therefore, should be the same as the one Marx would have set for himself: to be constantly transcending and revolutionizing his thought, along with our own.

The present exposition is offered to you in that spirit. We will attempt in the narrative which follows to strictly avoid any sense that the evolution of an advanced industrial (capitalist) economy and its rise to dominance on a global scale represents "progress," that the specific forms it took were somehow preordained or inevitable, while still utilizing all of the elements in a Marxist analysis which help us to understand how and why that rise actually did take place in the way that it did. Such an understanding is essential if our goal is to transform the world-as-it-is into a better one.

I. Natural Life

Most peoples' lives, especially in industrialized countries, revolve around money. If you develop a craving for something that you cannot make yourself (and that is most things in our culture), chances are you go to a store and buy it if you can afford to. Or maybe you hire someone to make it for you, or pay to have it shipped to you. For virtually all such transactions money must change hands. To get money, unless you are among the fortunate few, you engage in an occupation which pays you to do some kind of work. And even the fortunate few have their money invested somewhere so that it is constantly producing more money—in the form of interest or dividends or an increase in the inherent value of some property. (At least that's what it is trying to do, even if sometimes the money is lost instead.) Such economic activity centered around money seems quite natural to those of us who live in a country like the USA. It is simply how we do things. It is how we have always done things. It is how we always remember everyone else doing things.

And yet if we step back and take a longer view we will discover that this kind of economic life is not "natural" at all. The impact of money on our lives, in particular an obsession with money, is a fairly recent phenomenon in human society.

The first human cultures where use of money became a factor are thought to have emerged around 5,000 years ago (give or take). The first human beings of our kind (homo sapiens) are thought to have evolved around 500,000 years ago (also give or take). Divide the first number by the second and you discover that money has only existed for 1 percent of the time human beings have been on the earth. For 99 percent of that time, therefore, people lived far more naturally—that is, they lived without money. How did they do it? Why did this original lifestyle evolve over the last 5,000 years into the pressure-cooker, money-hungry existence that has been imposed upon us today—and which *must* be imposed, because it is totally unnatural (a subject we will return to)? Is it possible to recreate a society that is not dependent on money?

These are questions we will attempt to address below.

II. The commune

One thing which distinguishes human beings from other animals is that we systematically engage in labor using tools. We have always done this, for our entire 500,000-year existence in order to build shelters, make clothing, or obtain food. Originally humans used tools that were shaped from things provided, ready to shape, by nature itself: stone, bone, and wood. Around ten to fifteen thousand years ago human beings learned to make pottery, then to work with metals. Today our tools have become extremely sophisticated and complex. But the basic concept remains the same: Human life is defined, in large part, by labor and the use of tools to produce things we need and want.

Some other animals are known to use tools occasionally. Apes in particular will break off a twig and dig out insects from the ground or the bark of a tree. Or they may use rocks to crack nuts. What is different about human tools is that they are more consciously constructed—from sharpened wood, bone, or stone for example—and their use more generalized. It is a regular and systematic activity, rather than being sporadic and occasional as it is among other species.

In societies without money, everything that was produced by human labor using tools was intended for the direct consumption or use by those who produced it, or else by individuals they knew and regularly associated with (family/clan/tribe). Where exchange took place it was either the exchange of one thing to be used for another with a member of the same family/clan/tribe, or else an exchange of gifts designed to maintain relationships between unrelated individuals and groups. This is a life style that Marxists have, traditionally, called the "primitive commune." Today it seems better to drop the word "primitive," because it suggests that this style of life represents something "backward" or "inferior," perhaps even something less than human.

Let me suggest substituting the term "original commune."

Please remember that far from being a less-than-human lifestyle, the original commune covers a full 99 percent of the time our species has existed on this planet. And while it is true that in some respects the first class societies were "more advanced" than the original commune—because they could produce greater quantities of food based on systematic agriculture and animal-raising, thereby sustaining much larger populations—they were also considerably less advanced in other respects. For example, with the development of a dependence on a small number of staple food sources, human beings who gathered together in the first "civilizations" were less healthy than their ancestors who relied on a wide variety of foods that became available in different seasons. (I also dislike the term “civilization,” because it implies that all who went before were "uncivilized." But I will continue to use that word temporarily until we have discussed enough to propose an alternative below.) And by all accounts the average time an individual in "civilized" societies had to work to produce basic needs increased dramatically. Those who lived in the original commune enjoyed far more leisure time than the vast majority of their "civilized" descendants.

We should also factor in the deterioration of human relationships, which we will talk more about soon. But we jump ahead of our story. Let's return to the narrative of how the original commune came to be transformed into a society based on social classes, and on money.

III. “Takers,” “Leavers,” and “Intrinsic Value”

In a book called *Ishmael* (1992, Bantam Books)—a work of fiction that contains more truth than most discussions of history or philosophy—Daniel Quinn introduces the concept of “Takers” and “Leavers” as two distinct kinds of human cultures. His is such a useful approach that I am hoping to adapt it and build on it here. For those who have not read the book: Leavers are those who live according to the truth that human beings, like all other forms of life, are part of and belong to the natural world. Living a human existence, in a Leaver culture, means filling a place in that world which simultaneously provides space for other forms of life. The Takers, by contrast, believe that the natural world by right belongs to them, that they have a destiny to control it—even to make war against any part of the natural world which does not suit their perceived needs—regardless of the consequence for other life or for the global ecology that sustains all life.

The “original commune,” referred to above, is clearly—at least for the most part, there were some exceptions—a culture of Leavers. The narrative that follows (parts IV, V, and VI of our present essay) might be thought of as a brief history of Taker culture, an effort to understand how it arose and came to dominate the earth.

Please keep in mind as you read, however, that I am only describing the way in which history did unfold. It would be a serious logical error to conclude that because it did unfold in this way there was something inevitable or preordained (not to mention “proper” or “superior”) about that history. This is true of everything in the past that was actually contingent on events taking place in a certain way at a certain time. If, for example, weather had not favored the English Navy in 1588 and the Spanish Armada had succeeded in its mission, the subsequent history of our planet would have surely looked substantially different. (In sections VII and VIII below, on “Developing a Historical Perspective” and “Ecosocialism,” we will consider some of the reasons why Taker culture might have come to dominate as it did, along with what the alternative possibilities were, and still are.)

One other concept to introduce at this point, before we proceed to our history of the Takers, is something called “intrinsic value.” I will, in the narrative that follows, talk a great deal about two concepts called “use value” and “exchange value.” These are defined below, but for the moment let's simply note that both of these “values” deal with things that are actively considered as a part of economic or commercial transactions.

And yet there is so much in the world that clearly has value—not only for human beings but for all of life—which has traditionally been left out of such economic calculations. What is the value of a sunset, for example, or of biological diversity? It is zero from a purely commercial point of view. And yet that value is quite substantial from a human point of view. Even things that can be tangibly measured in terms of what they create that human beings need—such as rain forests or coastal wetlands, things we might include in a concept of “the commons”—never enter into “normal” economic calculations. In recent years some have, therefore, introduced the concept of “intrinsic value” to describe the importance of these things. We will also talk a bit below about the ways in which we might develop a different kind of economic calculation, one which takes “intrinsic value” into account.

IV. Development of a social surplus and the emergence of class society

I will, at this point, begin to put some concepts in boldface, because they are important enough to try to remember. The first of these is **"productivity of labor." T**his is self-explanatory. Depending on the tools that any person has to work with and the level of skill achieved in relation to a particular laboring process, each individual human being might produce more, or less, in a given period of time. Today, with automated factories that can churn out vast quantities of goods with only a handful of workers, the productivity of labor is often extremely high. At the dawn of human life, however, 500,000 years ago, it was obviously at its most rudimentary.

Gradually, over tens of thousands of years, improvements in our tools—and of course in the skill of individual hunters and gatherers based on a collective knowledge and experience—accumulated, though at an extremely gradual pace. At some point arrow and spear heads replaced sharpened wood, for example. Someone invented fish hooks carved from bone. Somewhere (but not until sometime later than 10,000 years ago, i.e. in the last 2 percent of human time-on-earth) it was discovered that even harder implements could be made from metals. We could cite numerous other examples. Many discoveries of this kind certainly occurred more than once, being made by different groups of people in different parts of the world. Once made they would spread from one group of human beings to their neighbors.

A qualitative leap in this process was achieved some 12,000 years ago with the domestication of plants and animals. Once again, it seems as if this discovery was made during more or less the same period of time in different parts of the world. It resulted in a revolution in the productive process, making it possible for human societies to begin to accumulate, for the first time, substantially more than was needed for immediate consumption by each individual. There was, suddenly, an extra quantity of food and other goods. This extra is what we call a **"social surplus product."**

As long as human beings depended primarily on hunting and gathering it was always necessary for each member of a band or tribe to contribute their individual labor in order for the entire collective to survive. Increases in the productivity of labor did take place during this period. But they were relatively modest and simply contributed to the overall security and collective well-being of the particular human community. Agriculture did not change this state of affairs immediately. It was possible to practice extensive agricultural production while still maintaining the egalitarian life style of the original commune. The Iroquois of North America stand out as one example. So the development of social classes was not inevitable after the domestication of plants. What the agricultural revolution did do, however, was create the *possibility* that human relations would begin to change, that cultures might emerge in which some would have more than others. It is these cultures, I would argue, that turned into Takers.

And so what has been called "civilization," in which the inhabitants are divided into different social classes, began to develop. We should note that this piece of the social-evolutionary process was not Eurocentric by a long shot. Indeed, Europe was a backwater for the first several thousand years. The earliest "civilizations" were in the "fertile crescent" of what is now Arabia. The Yellow River basin in China, Egypt, Mexico, Central America, and northern South America are all places where this new form of social organization flourished long before there was any similar development in Europe.

These earliest "civilizations," unlike the original commune, were socially divided. The majority of individuals (many of whom were slaves) still worked to produce food and whatever else was needed. But a small layer did not have to work because they could live off of the social surplus created by others. The layer that did not have to work was able to pursue other forms of activity, and the result was an explosion in the development of areas of knowledge that were previously beyond the reach of the commune—math and science in particular. This is the period in human history when writing is invented. Some individuals began to spend their entire lives devoted to religious practices, or to statecraft, or similar pursuits. All of this was suddenly possible because everyone's work was no longer needed simply in order to ensure collective survival.

Note please that there was a long transition period with many intermediate forms. Even before "civilization" became widespread, when humanity was still living predominantly as part of the traditional commune, some groups realized that they could make a good living by waging war on their neighbors, stealing whatever material goods their neighbors had accumulated, taking captives and turning those captives into slaves. We might even think about the rise of "civilization" as representing the generalization of such practices—the use of force to steal from and enslave others—which is another reason the term "civilization" is so problematic. And part of this generalized use of force was the turning inward of repressive violence, its use against the majority which resided within these class-structured communities themselves. This was the only way to maintain an internal division where some were entitled to more while others were entitled to less. And thus repressive legal codes enforced by groups of armed men made their historical appearance.

Understanding that the development of “civilization” goes hand in hand with the emergence of organized state repression allows us to suggest an alternative term for this stage of human social evolution, a term I will now begin to use for the remainder of this exposition: "stateized." These were universally societies which both allowed for and depended upon the existence of a repressive state power for the first time.

The astute reader may have also remembered by now that it is during this same period of human history, when stateization begins to arise and supplant the original commune as the predominant form of human society, that money first makes its appearance. We are now in a position to turn our thoughts specifically to the question of what money is, where it comes from, what it is used for, and why it exercises such a strangle-hold over our lives today.

V. Use value, exchange value, money, commodities

As noted, within the original commune all production was for use. Exchange was a relatively simple matter, among people who knew each other and were, for the most part, related to one another or immediate neighbors. There was no particular requirement that there be an equality in such an exchange. If you gave more and got less today you would probably be in the opposite position when some future exchange took place. And no matter what might happen in any particular exchange, you were still guaranteed to have enough, assuming the collective community in which you lived had enough.

But stateization and the emergence of social classes changed this equation. Now everyone was not equal, with equal rights to the collective economic product. Some had more rights than others. And it became rather important for those who had more to ensure that they continued to have more. It also became essential for those who had less to make sure they would still have enough, since this was no longer socially guaranteed. If I had something someone else might use it was important for me to see that I got back as much as I could in any exchange. In addition, people were now exchanging with strangers, over longer distances, and there was an increased **division of labor.** Different individuals were producing different kinds of things, with certain work becoming specialized, sometimes requiring a particular aptitude or period of training in order to perform it well (though this process was only in its initial stages).

So it became necessary to find some means for measuring the value of the things produced by one individual and comparing that value to what someone else was producing. Money was discovered as a form by which this equivalence could be measured. Today we are far removed in time from the development of money and the entire process may seem both mystical and mythical. Our own money certainly appears to be mystical and mythical, consisting as it does of pieces of paper or electronic data with no inherent value in themselves. But money is not mystical or mythical at all, as we will soon discover.

Most of the production that took place during this time, even in stateized communities, was still for direct consumption. Those who farmed the land would, for the most part, produce not only their own food but also build the shelter they needed, sew their own clothing, make many of their own tools, etc., or else order their slave to do this work. Still, they could not produce everything. Some things had to be purchased with money, or gained by the barter of one product for another. And there were often taxes to be paid too, which was sometimes done with products from the farm or estate, but also sometimes had to be paid in money form. In addition there were now groups of people, as noted, who did not engage directly in the production of food or other necessities. These were often the social elite. Money to buy things was far more important for them.

The need for people to acquire some things that they could not or did not make themselves gave rise to a new form of production: of **commodities,** or things that were made explicitly in order to either be traded for other commodities or sold, rather than for direct and immediate use. A market place, for the exchange and sale of commodities, therefore grows up as a universal feature of every stateized society, with money exchange as a universal characteristic of the market place. Let's consider why money was needed in more detail.

Suppose you are a farmer who grows grain and you want some cloth in order to make clothes. Let's suppose as well that you have sufficient knowledge and skill to weave the cloth you need yourself on a loom at home, or else have slaves who can do it for you. But you also have the option to spend your time, or have your slaves spend time, growing grain, some of which you will then take to the marketplace where you will look for another individual who has cloth to exchange.

What happens, however, if you make the second choice but when you get to the market you discover that none of the cloth vendors happens to need grain that day; they are all looking for fruit in exchange for their cloth? You would be stuck. But then you might discover that in another part of the market there are vendors with fruit who want grain but have no need for cloth. You take your grain there, exchange it for the fruit, then go to the cloth vendors and make another exchange. Clearly, the greater the number of vendors who come to the market and the greater the variety of commodities that are being exchanged, the more and more difficult this kind of process becomes. Money was invented as an intermediary, a means to facilitate the exchange of other commodities. Money is, at least in its original form, some particular commodity that, by social custom, can be exchanged for all other commodities.

It is easy to see why precious metals like gold and silver quickly came to be accepted universally as forms of money. Gold and silver have an inherent value (we will discover why shortly). Relatively small quantities have a fairly large value, so it is possible to convert something substantial, like bushels of wheat or yards of cloth, into something far smaller and much easier to carry around.

But now we have to ask: What determines the money-value of a commodity when we take it to the marketplace? Why are people willing to pay a certain price, but not one which is significantly higher? First let us note that any commodity has to be something someone else needs or wants—something that in the end will find a use. If it has no use for anyone then it cannot be sold at any price. We say, therefore, that every commodity must have a **use value.** But this use value, by itself, does not determine how much the commodity is worth in the market. A diamond necklace is not more useful, in a human sense, than a potato. But it is worth a lot more, pound for pound, if we go to sell it. Nothing is more useful than the air we breathe. But you cannot bottle and sell air (at least not yet). So something other than the inherent usefulness of a commodity must be determining its **exchange value**. Let's go back to our exchange of grain for cloth and try to figure out what that something else might be.

As you will recall it was possible for the farmer, rather than spending time producing grain, to devote some portion of that time to weaving the cloth directly. If I am this farmer, going to market with my grain, I will be making a mental calculation: Had I not spent the time and labor I did growing grain, had I spent it instead weaving cloth, how much cloth might I have been able to make in the same time, with a similar expenditure of energy? Of course any such mental calculation might be too high or too low, or just about right. But in any event it will affect the expectations I have when I get to the market. If, at the end of the day, I have about the amount of cloth I expected, more or less equivalent to what I think I could have made had I spent my time producing cloth, or maybe even a little bit more, I will be satisfied with the exchange.

But if I end up with a lot less I will be quite dissatisfied, and (this is key) it is likely to affect my future choices about what kind of labor to engage in. I will probably decide that the next time I need cloth it hardly makes sense for me to grow grain and take it to market. It makes a lot more sense for me to simply weave the cloth myself. And this choice, if made by many farmers simultaneously (all influenced by the same relationship between the price for grain and the price for cloth), would in turn affect how much demand there was for cloth on the market. There would be a lot less demand, and the price of cloth would therefore fall. There would also be a much smaller supply of grain on the market, and so the price of grain would rise. These things we know to be true because of the law of supply and demand, which is accepted by all economists everywhere and demonstrated to be true by centuries of experience.

What does this thought experiment reveal? It tells us that in fact the law of supply and demand is nothing more than the following statement: When human beings go to market to exchange commodities, what they are actually exchanging is not the commodities themselves but the time it took them to produce those commodities. If, in fact, the exchange value of grain and the exchange value of cloth are more or less equal when the quantity of labor time needed to produce them are also equal, then there will be a stability in the marketplace based on the law of supply and demand. If these things are not equal, however, if the price of one or the other is too high or too low compared to the labor time it takes to produce these commodities, the subsequent actions of human beings in response (the flow of labor from one activity to the other) will guarantee that their relative prices will be adjusted in the future.

Of course the real world is more complicated than our illustration using only two commodities. But followed to its conclusion the same social dynamic is at work. No matter how many commodities we might be dealing with, and no matter how many factors are at play in relation to their production, if a particular commodity consistently rewards work time more, because it is priced higher than other commodities which take the same amount of work time to produce, more human labor will subsequently be devoted to creating this higher-priced commodity, its supply will therefore rise and its price will fall; vice-versa for a product which consistently penalizes those who spend time producing it because it is priced too low.

Based on this we can now formulate a **law of value.** (For the moment please note that what I present is a *preliminary* statement of this law, because there is one crucial refinement to be introduced shortly): "The exchange value of any commodity is determined by the human labor time it takes to produce that commodity."

Many writers have offered many proofs of this law of value over the years. Personally, I like the one I have developed and presented above best, because it seems quite clear and direct. When I was first trying to comprehend this stuff, the law of value was a sticking point for me. I could not understand why it should be true. Then, in a eureka moment, I realized that this was not a statement about a relationship between things (the commodities being produced) but a statement about the relationship between human beings (the individuals who are engaged in any process of exchange). The approach I offer here makes this clear, I believe. I hope it will therefore be helpful to the reader.

And once we have absorbed the law of value into our souls it becomes the cornerstone for an understanding of all political economy. It is interesting that up to the time of Karl Marx this law was universally acknowledged. Marx did not invent it. He merely adapted it from the work of previous economists. But after Marx demonstrated conclusively that based on an understanding of this law the inherent injustice of the capitalist economic system could be rigorously demonstrated, the alternative of communism postulated, bourgeois political economists began to dispute the law of value and present alternative theories. Any honest look at human economies and how they function, however, must reinforce and renew our appreciation of the law of value as the bedrock of all understanding about market exchange in my view.

Now let us return to and refine the law as promised: Our difficulty is that all human labor is not equal. A baker may be more or less efficient in the production of a loaf of bread. Let us say that there is one baker who works in a very relaxed manner and can, based on the prevailing technology, produce twenty five loaves of bread per day. Another baker in the next street, based on the same technology, works more intensely and produces fifty loaves. The law of value, as stated in its preliminary form above, predicts that a loaf of bread produced by our relaxed baker would be worth twice as much as one made by the baker who labors more intensely, because it represents twice as much labor time. This makes no sense. And so we are forced to introduce the concept of **"socially necessary labor time"**—which is a collective average, in a given society and culture, based on the average level of technology, the average expectations regarding labor intensity, and the average level of individual skill. Our refined labor theory of value now states: "The exchange value of any commodity is determined by the *socially necessary* human labor time it takes to produce that commodity." The baker who produces fewer loaves than the expected average in a given time will be compensated less, while the baker who makes a greater number will be compensated more.

Some may ask: Doesn't a significant part of the value of any commodity come from the raw materials, cost of tools, fuels consumed, and other things needed in order to create that commodity? Yes. But in the end the value of these things, too, can be reduced to the socially necessary labor time it took to produce them. The producer of any commodity pays for the value of these items when they are purchased, then passes those costs along when calculating the price that can be charged for the new commodity that is being created. So all of the value of the new commodity is still a reflection of socially necessary labor time, even if part of it is the labor time needed to produce the raw materials, tools, fuel, etc.

There is one more thing to note as well before we move on, another way in which different forms of human labor are not equal. Some forms of labor, as we have already discussed, require specific levels of skill and therefore a period of apprenticeship or additional schooling which is, generally, unpaid or underpaid. In calculating the value of this more skilled labor time the marketplace compensates for that period of apprenticeship or training by adding something to the value of whatever commodities are produced by skilled labor. We say, therefore, that the labor referred to in the law of value is **"simple labor,"** while the labor of more skilled individuals is calculated as a multiple of simple labor. We do not have to change the law of value. It remains true. We allow the marketplace to determine the actual relationship between simple and more skilled labor in any particular case. But we do have to remember that such a process, of equalizing different kinds of labor that are inherently unequal, is taking place.

The value of money and its evolution

Why are gold and silver so valuable? What makes them so useful as forms of money? This is not a trick question. You have all the tools you need to answer it at your disposal, based on the exposition we have presented so far. Some would assert that gold and silver are valuable because they can be easily converted into money, and in most cultures have been the basis for money. But this is a tautology. It merely asserts that these commodities are valuable because they are valuable. Others might say that these materials are valuable because they are rare, and that is a piece of the answer, but not the entire answer.

At its most fundamental the answer must be that because gold and silver are rare it therefore takes a lot of human labor time in order to find them. Given the way the marketplace works, most of the labor time that has historically been spent looking for these precious metals is not compensated by society. The prospector who finds nothing is paid nothing. Only those lucky few who actually discover precious metals receive any compensation whatsoever. And the compensation they receive is based on (what?) the *socially necessary* labor time that it took to find the gold and silver, not the time any individual actually spent in this pursuit. That socially necessary labor time needed to find gold and silver includes *all of the uncompensated time* spent by individuals who never find anything at all. So those who do find, and obtain, precious metals are compensated far above what would be expected based simply on their personal expenditure of time—just as the baker who makes fifty loaves a day will be rewarded because other bakers can make only twenty five, or forty loaves.

Up until very recently all money, even paper money, was based on the actual value of some commodity. One of the earliest forms of money was the shekel. But before it was money the shekel was defined as a unit of weight, probably of grains of barley. The British "Pound Sterling" is another clear example of money based on a given quantity of a specific commodity. The value of a pound note was originally defined as the value of one pound of sterling silver. Until 1968 dollar bills in the USA were called "silver certificates," because the treasury of the USA promised to redeem each and every one of them on demand for a specified amount of that precious metal.

The use of gold and silver coins started in ancient times and, obviously, in those days money had a very real inherent value. When the transition was made to paper money that paper was, as noted, still tied to the value of gold and silver. This remained true until after the Second World War. Even now, when there is no real apparent value of any commodity backing up our paper or electronic currency, the value of money is not a fiction. There is still a very fixed quantity of money in circulation, as determined in the USA by the Federal Reserve. The total value of all commodities in a given economy, taken together, will be more or less determined by the total amount of money in circulation. That's the reason inflation results when the Federal Reserve simply creates more money out of nothing. More money in circulation, without any increase in the production of commodities, means a higher price that can and will be demanded for each individual commodity.

Price and value

Finally, let us note that price and value are not the same, though they are related. As we saw with our oversimplified example above about the exchange between grain and cloth, if prices at some particular moment do not correspond more or less with the real values of commodities, as determined by the law of value, supply and demand tells us that more of the commodity which is overpriced will then be produced, less of the commodity that is underpriced, thereby changing the equation for each of them. Of course it is possible that this will merely create a different discrepancy, with the one that was previously overpriced now becoming underpriced and vice-versa. So all that we can really say is that the prices of specific commodities oscillate around their values, even if at any given moment they are not fixed or directly determined by that value.

What about things like the price of tickets to sporting events, or rock concerts? According to the law of value these prices should be determined, at least in their broad parameters, by the socially necessary labor time it takes to produce the sporting event or the concert in question. Is that true? I would tend to respond with a qualified "yes," based on two factors: First, the labor of baseball players, for example, or rock stars is skilled labor of a very intense kind, taking years of training or else some rare and highly-prized talent. Such labor is, therefore, valued far more than other kinds. Second, as with the socially necessary labor time it takes to find gold or silver, the highly-valued labor of a star athlete or musician gains even more from the fact that there are hundreds, perhaps thousands, of others who aspire to the position of star athlete or rock idol and who spend countless hours in pursuit of that goal but who never make it. Such individuals receive little or no compensation for their time. And yet that time is also part of the *socially necessary* labor time that it takes to produce the performances of stars, and the stars are therefore compensated for this labor time spent by others. These are the primary processes at work here. The reason my "yes" is qualified, however, is that to some extent what's happening is also similar to what takes place with monopoly pricing, which we take up next.

When one individual or corporation holds a monopoly on something others want or need they can escalate the price far beyond the real value of whatever commodity it is that they are producing or selling. This phenomenon is well understood, and needs little exposition here. It accounts for the escalating prices of art and other collectibles—far beyond the real value that we might put on a particular artwork, for example, based simply on the skilled labor that goes into creating it and the extra value that accrues to an acknowledged masterpiece because so many artists work in obscurity, being compensated little or nothing by society for their labor.

VI. Different forms of class society

The basic economic laws relating to commodities, their production, their values and their prices discussed above are also a universal. I will assert this without attempting to prove it. If we could go back and study all of the earliest stateized, and therefore marketized, cultures we would find these laws at work. This seems obvious based simply on the fact that money arose independently on many different occasions, everywhere based on the same general concept and playing the same general role. We might say something similar about the simple logic that human beings are unlikely to spend their time laboring in ways that cause them to have less rather than more if given a choice.

But from this point on our narrative becomes a bit narrower. Since our goal is to understand how capitalism evolved and came to dominate the world, as the most destructive and rapacious form of Taker culture, and since that process is centered on the continent of Europe, we will now focus our attention there too. Slavery, as a class system, was pretty similar everywhere in the world. But after that we will be dealing with a very specific evolution of class society that was characteristic only of Europe.

All class societies are based on the **expropriation** by the ruling classes of values produced by the laboring classes. In slavery and feudalism this process of expropriation is naked and obvious. In societies based on capitalism it is hidden. But it's essentially the same in all cases.

In a slave society the slave works and produces things for use or for sale. Slaves receive a certain portion of what they produce and use that portion to keep themselves alive, thereby reproducing their own labor power. The rest of what they produce is taken directly by the slave-owning class (expropriated) and used either for the personal consumption of the slave owner or for sale as commodities.

In a feudal society the serf works and produces things for use (mostly) or sale. There were different systems that coexisted in Europe during the feudal period. In some the serf worked the land and gave a portion (usually one half) of what was produced to the feudal lord who owned that land. In other cases serfs had the right to work a certain part of the land and keep what was produced. But there was also an obligation to work for half of the available time on other land where the entire product was kept by the feudal lord. In either case it amounts to the same thing: Half of whatever was produced by the labor of the serf belonged to the serf and that half was used to keep the serfs and their families alive, thereby reproducing their labor power, while half of what was produced belonged to (was directly expropriated by) the feudal lord.

In a capitalist society workers work and produce things for sale. (Any things directly for use are produced outside the structures of capitalism itself.) In this case, however, those who labor and produce are paid wages. Using these wages they feed, clothe, house themselves and their families, thereby reproducing their own labor power. The entire product that they create belongs to their employer, who then attempts to sell what is produced and make a profit. Where does that profit come from? It comes from values created by the worker and expropriated by the employer, but in this case the expropriation is indirect, mediated by the payment of a wage.

The law of value tells us that the value (and therefore the profit) realized by the capitalist in the sale of a commodity cannot come from anywhere other than the labor time of the workers who worked to produce that commodity, since this is where all value of all commodities comes from. If there were no difference between the value realized in the sale of the commodities produced and the wages paid to the workers who made them, then there would be no possibility for the capitalist enterprise to make a profit and no reason for it to exist. Thus it becomes clear that the wages paid to the workers must represent only one portion of the value produced by those workers, just as the material things that slaves and serfs were allowed to keep and use represented only one portion of all that their labor created. The rest of the value produced in the laboring process of a capitalist enterprise is expropriated by the capitalist, just as the feudal lord expropriated things produced by the serfs and the slave owner expropriated things produced by the slaves.

We will talk more about this process of expropriation of value by the capitalists, also called **"exploitation,"** in section VI that deals directly with capital and capitalism.

The transition from one form of class society to another

It is beyond the scope of this presentation to go into great detail about how and why one form of class society gives way to another, which is an important aspect of historical materialism. But a brief summary does seem essential.

Different forms of class society are most appropriate to specific levels of technology and specific kinds of productive processes. Slavery, for example, is extremely productive in many agricultural settings or in extractive mining, where the primary things that are needed in order to labor productively are a strong back and quick hands, supplemented by rugged tools that are relatively simple to make and use, relatively difficult to break. Slavery is counterproductive in a technological setting, where the tools are extremely complex and sensitive, requiring some care and skill in their handling. (Slaves have no particular incentive to treat their tools with care, quite the opposite.) Slavery is also a drain in a system where a variable labor force is a useful element. Workers, unlike slaves, can be hired when there is a greater demand for a particular commodity, then laid off when demand slackens. A slave, however, belongs to the master for life and must be provided for no matter what.

In Europe, the earliest stateized cultures, based on slavery, developed in ancient Greece, eventually supplanted by Rome. Rome had no rivals at all on the continent as the primary, established ruling power for hundreds of years. Eventually, however, it essentially grew too large to be maintained by the traditional system based on conquest, tribute, and slavery, and began to break up gradually after reaching its height under the emperor Trajan in 117 AD. The Roman empire was replaced by a more locally administered, agriculture-based feudal form of class society, which was less expensive and therefore more efficient given the levels of technology and productive skill that prevailed during this time. Later, within feudalism, the power of a new class, merchant capital (we will go into some detail about this below), began to emerge and grow stronger, eventually replacing the old system with a new one.

VII. Capital and capitalism

What is capital and what is capitalism?

Let's go back to our process of market exchange between the producer of grain and the producer of cloth. Each of these individuals comes to market with a commodity, exchanges the commodity for money, then uses that money to buy the other commodity. In any such process those who sell-in-order-to-buy are reasonably satisfied, as we have seen, if the value of the commodity they end up with is equal to the value of the commodity they started with. (This is generally expressed in summaries of Marxist thought by the formula "c - m - c," or "commodity - money - commodity," with the values all being more or less equal.)

But now consider a different kind of market transaction, one engaged by those who are merchants by trade, who do not actually produce anything themselves but who buy things produced by others in order to resell those same commodities and make a profit on the transaction. The merchant comes to the market with money, buys a commodity, and then resells that commodity for a new sum of money. This can be represented by the formula "m - c - m" (money - commodity - money). But in this case, if the first "m" and the second "m" are equal the transaction is pointless. It only makes sense for the merchant to engage in the process of buying and selling if the second "m" is greater than the first. Thus we come up with a slightly different formula: "m - c - m' " (read "m-prime") where m-prime is greater than the original m. The merchant has made a profit. Where does this profit come from? It comes from the discrepancy between price and value discussed above. The merchant is either purchasing the commodity below its value, or selling it above its value, or both. The merchant has, thereby, stolen, or expropriated, some value that was created by another human being. This extra value, expropriated by the merchant, is called **"surplus value."**

Capital can now be defined as *a value that has been increased by a surplus value.* **Capitalism** is any economic activity that creates or pursues surplus value.

Capitalism in this form (also in the form of money-lending or usury capital) has existed probably since the dawn of class society itself, emerging around the same time that markets and money emerged. But when most people talk about "capitalism" today they are actually thinking of something quite different: a system of production. Let’s try to discover how that system of production came into being.

Within the context of feudal Europe, merchant capitalism grew to play quite a prominent role. It created substantial fortunes, fueled the drive for exploration and the exploitation of other continents—in order to expropriate values that were created in Asia, Africa, and the Americas, thus creating a great deal of surplus value. Note that although we talk about merchant capital as being characterized by buying and selling, in this case much of the surplus value was expropriated through outright theft and violent conquest. This practice is quite in keeping with capitalist morality. It is, of course, illegal in bourgeois society for the poor to take anything from the rich by force. When the rich use force to steal something, however, it is often legally sanctioned by governments. The conquest of colonies and the plunder of their resources by Europeans, starting in the 16th century is an early example of this practice.

Then something even more unique to Europe began to take place in the late 17th and early 18th centuries. A profound development of technology made it possible for capitalists to begin doing more than buying (or perhaps simply stealing, as was often the case with values expropriated from Asia, Africa, and the Americas) and selling what was being produced by others. They could now begin investing in the process of production itself, thereby creating a vast new source of surplus value.

The earliest forms of this were "homework," where a capitalist would purchase the necessary raw materials for the production of some commodity, take these raw materials to a worker who probably lived on a farm, then come back some days later to pick up the finished commodity for sale. This was followed by manufacture, where groups of workers were hired to produce in a single large workshop, then by industry where power tools, driven at first by steam (James Watt had developed his steam engine by 1775) and later by electricity began to do a substantial portion of the necessary work.

This new kind of capitalism, where capital is invested in the process of creating commodities rather than simply in buying and selling them, is called **“the capitalist mode of production,"** and it is the capitalist mode of production that people are most often referring to when they speak of "capitalism," even though capitalism itself, in the form of merchant or usury capital, has roots that go back to ancient times.

Where does surplus value come from in the capitalist mode of production? It is derived from the unique character of **labor power** as a commodity, which like all other commodities can be bought and sold on the market. This buying and selling of labor power is a defining characteristic of the capitalist mode of production. No other form of class society engages in this practice.

What will determine the price that the capitalist has to pay to hire labor power? It is the same thing that determines the price of any commodity: the socially necessary labor time it takes to produce the needed labor power or, put another way, the time it takes to produce all those things the workers hired by the capitalist must have in order to keep themselves alive and able to work.

We should note that what is socially necessary to support the working class is not some absolute quantity of material goods. It is a socially-determined reality that is different at different times and in different parts of the world. In a country like the United States today, for example, it is greater than it is in India, or Brazil, not to mention the Philippines or Haiti. But in any event the price the capitalist has to pay in order to hire labor power is always far less (in a capitalist system that is working and creating profit) than the value of the goods actually produced by that labor power. The difference between the price paid to hire labor power and the value produced by that labor power can then be realized in the sale of what is produced. This is the source of the surplus value created in the process of production, and therefore of the capitalist's profit.

There are a couple of terms related to this that you will surely come across if you decide to investigate how the capitalist mode of production works more thoroughly, and we therefore note them here:

- The time a worker works in the employ of a capitalist during which the worker produces the value equivalent to her/his wage is called **"necessary labor time."**

- The time a worker works and produces extra value that is expropriated by the capitalist, which is the basis for the profit made by the capitalist enterprise, is called **"surplus labor time." (**We will also make reference to “surplus labor time” below.)

Note that here, and previously too, we use the word **“value”** without specifying that we mean “exchange value,” though that is obvious from the context. This is a common convention among those who subscribe to a Marxist analysis. If you see the term “value” with no specification of whether this means “use value” or “exchange value” it will always mean “exchange value.”

There are also some other common terms which relate to earlier parts of this narrative. We did not include their definitions above because we did not need to refer to them. But we will offer them to you now since you will run across them as you read more:

- The sum total of all those tools and laboring processes that human beings use, at any stage of human society, to produce things they want or need, whether for use or for sale, is called **"The means of production."**

- The ways in which human beings relate to one another in order to facilitate the collective process of producing things they want or need, whether for use or for sale, is called **"the relations of production."**

- The combination of the means of production and the relations of production into a coherent process by which a particular society produces things, either for use or for sale, is called **"the mode of production."** (We did touch on this when we defined "the capitalist mode of production," but here we introduce the term as a more general one, applicable to other systems as well.)

Please note that this is not an all or nothing proposition. In most societies one mode of production is dominant, but that does not mean it is the only one in use. A clear example is the USA from 1776 until the civil war. The capitalist mode of production was dominant, but other forms were also prominent. Slavery was dominant in the south, while production for direct personal use and what we call **"petty commodity production"** dominated on the frontier. Within feudal society (the feudal mode of production) there was also room for petty commodity production in the form of craftspeople producing goods for use primarily by the feudal aristocracy, things such as silverware, jewelry, china, carriages, and similar items. And the capitalist mode of production itself also developed, in its earliest forms, even while the feudal mode of production remained dominant.

The imposition of a money society

Before the capitalist mode of production became the primary economic reality in Europe, a mere 300 years ago on our 500,000-year time line (i.e. for all but 0.06 percent of human time-on-earth), most people still had access to means of production and the ability to labor on the land in order to feed, clothe, and house themselves. Money was a significant part of life for humanity as a collective, and it had been for thousands of years. But it was far more important in the lives of the wealthy, and a small layer of skilled artisans who made things or worked for the wealthy, than it was in the lives of the peasants who made up the vast majority of the population. Most peasants were still concerned primarily with the production of what they needed in order to survive. The production of things for sale (commodities) was quite secondary.

This state of affairs began changing in feudal Europe during the 13th and 14th centuries, as commerce and trade increased in importance. But it was not definitively transformed until the capitalist mode of production essentially displaced feudalism as the predominant form of economic life in Europe. The transition made by tens of thousands of peasants, who had previously been essentially self-sufficient, into wage workers who had to labor intensely for 12 or 14 hours a day, often enduring inhuman conditions, was not an easy one. And it was not accepted voluntarily. It was imposed by economic processes that made the old life-style impossible to maintain. These included such measures as the enclosure of common lands, previously used by the peasants to graze their livestock, by the landlord, or the increasing imposition of money rents. Such economic changes were driven by the new-found power of money, and represent the beginning of the modern economic age in which money becomes the central focus of all economic activity.

It is worth noting that similar measures had to be taken by Europeans to impose a money economy on the lives of conquered colonial peoples. For example, in South Africa, in order to create a Black working class that would labor in the gold and diamond mines, the British imposed a tax that had to be paid in money. Once such a tax is in place it is no longer possible for people who are used to living off the land, and quite happy to simply continue living off the land, to avoid engaging in some kind of work that will pay them a wage. All of human existence thereby becomes transformed.

Once money began to impose its grip on humanity a kind of steamroller effect or chain reaction took place. A greater need for money one day creates, on the following day, a still greater need for money, and the next day a need that is greater still. Eventually human beings came to believe that a normal life means paying for everything we use while working up to the point of exhaustion in order to obtain the money needed to do so. It simply isn't true, however. Most human beings, for most of the time human beings have lived on the earth, existed without even knowing what money was. And after they did know what it was they lived, for the most part, without a real dependence upon it.

Some fundamental characteristics and contradictions of capitalism

1) Capitalism must continually expand in order merely to survive. I could present the math and offer you a logical proof explaining why this is true. It is worth understanding why it is true if you choose to study the subject further. But for now let us simply note that almost everyone will acknowledge the truth of this statement. The idea is repeated over and over by the mass media: A "healthy" economy is one that is growing by three or four percent a year. Even one or two percent growth is considered "stagnant." An economy that is truly stagnant, not growing at all or even shrinking, is a social disaster. This is not because human beings need more and more every year. It flows from the internal logic of capitalism itself.

The result of this is a constant increase in the production of commodities. But the goal of a capitalist enterprise is not merely to produce commodities; it is to *sell* commodities. Commodities which are produced but remain unsold are worse than useless from a capitalist point of view. Surplus value is created in the process of production, but it can only be realized in the process of selling what has been produced. If commodities are produced but cannot be sold the capitalist discovers to his horror that there was, in fact, no surplus value at all created when they were manufactured. The investment made in their production turns out to create a loss rather than a profit.

Decisions to produce are made multiple times, by different capitalists who do not consult one another but only look at the market to see what the market tells them about present demand for a particular commodity. On this basis they shape their decisions about what investments to make today, in order to produce tomorrow. When tomorrow comes, however, and they take their new set of commodities to the market, they may discover that ten other companies have made exactly the same choice about what to produce and suddenly the market is saturated. They cannot sell their product at the price they expect/need to get for it in order to realize a profit. Perhaps they cannot sell it at all.

When this happens across many branches of industry simultaneously the result is a generalized **"crisis of overproduction."** During a crisis of overproduction many capitalist firms fail, while others that do not fail merely shut down for a while. Workers are laid off from the firms they once worked for and cannot find employment anywhere else. Because of this, demand for products falls even more and the crisis becomes still deeper; the world confronts a truly grotesque reality: that some will starve because too much food has been produced. And yet that is what actually happens. Food has been produced but finds no buyers, because markets (including the market for food) are saturated and many have therefore been laid off. Food that cannot be sold in a capitalist economy also cannot be eaten.

2) We have seen that a capitalist who can produce commodities at a greater rate than the social average will make a higher profit. This fact leads to a constant revolutionizing of production, because the best way to guarantee that

your factory will produce a particular commodity at a greater rate is to introduce new technology that will allow your workers to produce more per day or per week (increase the productivity of labor). For a period of time this does, in fact, give you an advantage. But eventually all of the other factories either go out of business or install the same technology you have installed. Once this happens you are no longer producing at a greater rate than the social average. The social average has caught up with you, and your **rate of profit** falls back to what it was originally. In fact, it now falls below what it was, and it does so precisely because you have increased the productivity of labor in your plant and so has everyone else.

Consider: The sole source of surplus value in your possession, of your potential profit, is the socially necessary labor time that is spent in your plant by workers you hire in order to produce a new commodity. If, previously, all the workers in your plant could produce 100 widgets per day, and you introduce new technology which now allows the same number of workers to produce 150, the labor time which was once captured in 100 widgets is now captured in 150. Each individual widget contains 1/3 less labor time (extracting from the fixed costs of raw materials, etc.), and therefore 1/3 less surplus labor time. So long as you are producing above the social average this doesn't matter. You are still making an extra profit by stealing some of the value created in other factories. But as soon as the widget industry as a whole catches up to you, you discover that your profit per widget is 1/3 less than it used to be. You now have to produce 150 widgets to make the same profit that you once made on 100.

This process is one of the factors that drives the constant need for capitalism to expand, to produce more and more (just to realize the same profit) until it overproduces, thus generating a crisis.

3) There is, therefore, a competition between capitalists for survival. Small firms are cannibalized by bigger ones, because the bigger ones can produce more efficiently (than the social average), lower the prices of the commodities that they produce and thereby gain a bigger share of the market (increasing profits for themselves, even while overall profit rates in a particular branch of industry might be falling).

And there is also a struggle between classes. One way for the capitalist to increase profits is simply to pay a lower wage and, thereby, increase **the rate of exploitation** (the percentage of the new value created by that capitalist's workers which the capitalist gets to keep). Another way to do the same thing is to speed up production, intensify the labor process so that more is produced by the same number of workers in the same period of time. The workers, of course, have an interest in securing the highest possible wage and the most humane pace of work that they can. And thus there is a constant battle over these things between capitalists and workers.

Combining our understanding of the competition between capitalists and the class struggle we can begin to see that the ruthlessness and inhumanity of capitalism is not a result of some moral lapse or philosophical mistake. It is driven by competition and the need for profit, and it is therefore an absolutely unshakable part of social life under the capitalist mode of production. A capitalist enterprise which increases its profit by increasing the rate of exploitation, or by ignoring the intrinsic value of the environment and therefore polluting freely, one that lays off workers who are no longer needed because of either a slack in demand or the introduction of new technology, will survive in the face of competition from other capitalist firms. One that tries to do the right thing by its workers, by society, by the environment, is likely to make less profit, or even operate at a loss, and be driven out of business.

A similar dynamic was at work well before the capitalist mode of production came to dominate the world. During the age of exploration and initial colonization of other nations by Europeans, it was likewise those who were most ruthless and brutal in their expropriation of values (often by pure theft as noted above) from other lands who also acquired the biggest fortunes, could finance the biggest armies and fleets of ships, and thereby continue to dominate while others were left in their wake.

4) The constant need for expansion also drives the necessity for capitalism to artificially stimulate desire, in order

to create markets and thereby sell the things (including a great deal of useless junk) that it produces. Through media, educational institutions, advertising, etc., people are indoctrinated to believe that they actually "need" a big-screen TV or a shiny new car in order to fulfill themselves as human beings. But it should be obvious that a system which has to expand by three or four percent per year must, at some point, reach a level of production that cannot be sustained by the earth. This truth is independent of any other ecological question raised by capitalism—some of which have been raised clearly and directly even since the time of Marx, though even these have become more and more acute as time goes on. If mountaintops are removed in West Virginia in order to gain access to coal, for example, our humanity is reduced. Many who once lived on or near these mountains will have their lives destroyed. But our existence as a species is not directly threatened. Likewise with the production of carcinogens and the overwhelming exposure to these chemicals which we all face in contemporary industrial society, along with many other ecologically destructive practices in pursuit of profit that have a long history. Today, however, we are reaching a qualitative turning point (what scientists like to refer to as a "tipping point") where the level of ecological disaster being approached by capitalism potentially compromises any future for humanity.

Again, this ecocidal course is not the result of a moral lapse or philosophical mistake. It simply cannot be avoided when the dominant system insists that it must produce more and more each year regardless of the consequences. The major capitalist powers have demonstrated that they are unable to control the process of global warming leading to climate change. The point of no return for our species may well be imminent.

VII. Developing a Historical Perspective

And so we come to the end of our investigation of Taker culture, how it came to dominate the earth and what the consequences are of that domination. But the big question remains: Why did this happen in the way we have described? Was it an inevitable expression of social laws or could it have been avoided? I will not pretend that I can give you a definitive answer. This may be a question that human beings reasonably debate for many centuries into the future (if human beings survive that many centuries).

But allow me to offer you one point of view which seems reasonable, even likely, to me. I will start by raising a question about the causality postulated by Ishmael, who asserts that the expansion of Taker culture came about because the adoption of an agricultural life style prompted a never-ending cycle of population growth, requiring that more land then be put into agricultural production, allowing for still more population growth, etc., until virtually all of the suitable land on earth was being exploited.

I am not inclined to agree that this was the actual source of the expansionist dynamic. As noted above, we can give examples of agricultural societies that did not become Takers but continued to maintain a relationship to the world as Leavers. They exhibited no particular tendency to expand their population or their territory, which suggests that the agricultural revolution per se was not the source of Taker culture or of Taker expansionism. It is also worth noting that some non-agricultural societies became Takers—for example the indigenous culture on Easter Island which transformed that once lush tropical paradise into a barren countryside, or the original hunters of North America who were responsible (at least it seems like the most reasonable theory) for the extinction of many species of large mammals.

So the most we can say is that there was a strong tendency for pre-agricultural or non-agricultural societies to live the life of Leavers, while agricultural societies had the opposite tendency, to become Takers. But neither tendency was universal. Thus it doesn't seem reasonable to suggest that agriculture itself was the cause either of Takerism per se or of its drive to expand and, ultimately, dominate the earth.

Allow me to suggest that the expansionist dynamic of Taker culture flows, instead, from the development of social inequality discussed above—that is, the tendency of a small, privileged elite to begin accumulating wealth in the form of material goods which the members of that elite do not actually work to produce themselves, forcing others (by enslaving them or by taxing them or by writing legal codes that enshrine differentiated classes or in some other way) to produce things which the social elite then lays claim to as its own.

Once a striving for the greater and greater accumulation of private wealth arose there could be no stopping, no satisfying the craving. No matter how much a particular culture might produce it still wanted more. What easier way to get more than by conquering neighboring lands so that the conquering people (their elite in particular) might a) have more land to cultivate in order to create still more wealth, b) enslave those who have been conquered in order to produce that wealth, and/or c) simply plunder the wealth already created by their neighbors.

But agricultural societies such as the Iroquois, which did not develop a social hierarchy and thus the sense that a small elite was entitled to more than everyone else, also did not develop a Taker or expansionist mentality.

It's interesting that the process of social or class differentiation, which we suggest as the key causative factor, arose at the same moment in human history as the agricultural revolution, and it was a direct result of that revolution. After the agricultural revolution human groups were able to produce a sufficient economic surplus so that not everyone actually had to work in order to eat. A small social layer could become an elite class that lived off the labor of others, something that had been impossible before. Thus it's easy to see why Ishmael makes the mistake he does—identifying the agricultural revolution itself as the core problem.

And if our speculation is true then the answer to "why" lies in this imperative for and possibility of conquest, which developed only after social inequality/the accumulation of private wealth began to dominate human consciousness. Those cultures that became Takers were, precisely because they allowed some to live off the labor of others, able to concentrate substantial resources into the creation of armed forces which could, relatively easily, overrun not only non-agricultural societies, but also those agricultural communities which attempted to live according to egalitarian principles.

Does this suggest a certain inevitability? Perhaps, since it seems inevitable that once the *possibility* of social differentiation and the accumulation of wealth exists cultures which reflect that ethos will arise somewhere. And, of course, we know that such a culture not only did arise, but did so more than once, in more than one part of the world, each time transforming itself into a group of Takers and conquerors. This is strongly suggestive of a certain inevitability. Still, it seems important to note that if we postulate such an inevitability it is derived not simply from the fact of what happened, but from logical deductions about the way it happened, and why.

And this assessment has a flip side too, because it is now easy to debunk all of the mythology about "human nature" being naturally competitive and acquisitive. No, that is simply the Taker nature, not a human nature at all. It only *seems* "natural" to those who have grown up in a Taker culture and do not know that anything else is possible. But a different kind of human nature *is* possible, one which dominated for hundreds of thousands of years. All we have to do to regenerate that alternative human nature on a mass scale is to recreate social conditions similar to those that were practiced by the Leavers—relations of equality, with each individual responsible to and for all of the other human beings in a particular collective.

So yes, this understanding—that agriculture and "human nature" are not to blame, that the development of class society and the accumulation of wealth in private hands (something agriculture made possible) is to blame—is good news, because it suggests a path toward the resolution of our present difficulties: Return to the idea that the goal of agriculture is simply feeding people, not accumulating private wealth, make a similar change in all other aspects of our economy, and ***each*** human being on the planet will then become free to return to an ethos of taking only what s/he needs and leaving the rest.

This leads, quite naturally, to our final discussion.

VIII. Ecosocialism

Here we will be brief, because others are working on this subject and producing a lot of thoughtful and useful material. It should be obvious that if human beings could live for 99 percent of their existence on planet earth as Leavers, who had no dependence on money, we should be able to do the same thing. Consider further that even after human beings became Takers, most people's lives were still not driven by money. They continued to be involved in a more use-driven economy. This still remained at least partially true after the capitalist mode of production became dominant: Think about life on the US frontier in the 19th century. And it is only today, with the advent of neoliberal imperialism, that the practice of subsistence agriculture is in danger of being wiped out on a global scale. Until just the last few decades this remained a common life style in many parts of the world.

A future ecosocialist society-without-money must embrace less in the way of technology and other things that are resource- and energy-intensive, but it will provide more of so much that actually gives us a chance to live a human life—things that we can create with our own hands, with our minds and our hearts (not to mention leisure to pursue whatever is of interest to us). Consider how little real sense of satisfaction and well-being is generated by the striving-for-more that has become an obsession of humanity over the last several centuries. We must, instead, develop a culture in which each human being is guaranteed enough to live a comfortable life in the material sense. But once that basic threshold is achieved, the pursuit of art, of science and learning, of sport, of being useful to others, of urban gardening and agriculture, of all varieties of leisure time, should be able to replace the pursuit of material things in our lives and offer us a far greater sense of self-fulfillment. This culture will pursue an equilibrium with the earth, one in which we extract only what we need and do so in a way that replenishes as much as it removes, thus becoming sustainable for many generations into the future. In short, we will be developing an economy that consciously recognizes the importance of "intrinsic value."

To achieve this we will have to restore the idea of the commons, the collective property of humanity as a whole in which everyone shares equally while also bearing an equal responsibility for its maintenance. Our stress will be as much as possible on local production of food and other basic necessities, learning how to share such social tasks as food preparation and child-rearing.

If all of this sounds a lot like the way human beings in indigenous (Leaver) cultures have traditionally related to each other and to the natural world it is not accidental. The need to recapture an indigenous sense of being human is, I would assert, one of the reasons for rejecting the notion of "progress" that has become so tied up with a previous Marxist world view.

Consider, for a moment, what would happen if you had to expand by 3 or 4 percent per year in order to survive. If you weighed 150 pounds on your 20th birthday, by the time you reached age 65 you would weigh 790 pounds. Had you not simply collapsed under your own weight long before that moment you would very soon. Something quite similar is happening today to the capitalist system on a global scale.

We simply cannot afford to allow capitalism to keep on growing until it collapses under its own weight, as the Roman Empire did in the third and fourth centuries. If this happens, capitalism's collapse will probably take the rest of us down with it. It is time, therefore, to make sure that the present predatory system which dominates the earth does not survive one day longer than we can help. It needs to be transformed, and in a revolutionary way, before the prophesy of the Nehiyawok (Cree) people comes true: "When all the trees have been cut down, when all the animals have been hunted, when all the waters are polluted, when all the air is unsafe to breathe, only then will you discover that you cannot eat money."