ABSTRACT

Marxism gives a common background to both school of thoughts either capitalism or socialism. Marxism is also known as scientific socialism because of its practical validity. Marxism believes that the downfall of capitalism is inevitable according to its own process of dialectic feature. Communism is an extreme limit of Marxism whereas socialism is considered to be a transitional phase of capitalism and communism. The failure of both classical capitalism on the one hand and communism on the other together with the successful achievements of socialism in various countries are sufficient evidences to rationalize the practical validity of socialism in global perspectives. In this context, particularly evolutionary socialists have sufficiently contributed to replace the deficiencies of Marxism in global socialist perspectives.

Key words: Marxism, Marxist, Capitalism, Capitalist, Socialism, Socialist, Fabians Communism, Revision, Thought, Validity, System.

ISSUE AND OBJECTIVE

The objective of this study is to analyze different paradigms of socialist economic thoughts. Some socialist economic thoughts are based on Marxist philosophy, however many socialist thoughts are in the modified forms of Marxism from different corners. Hence, Marxist economic thought are used and misused by different manners in different ways. This study presents analytical discussions on the use and misuse of Marxist thought by different philosophers in various timeframe of global perspectives.

Karl Marx (1818-1883) was the founder of scientific socialism. He modified Hegelian dialectic philosophy on a materialistic basis, and made social evolution a matter of material and economic forces. Marx has analyzed capitalist stage and the doctrine of class struggle on the basis of materialistic interpretation of history. Marxism is at once philosophy, sociology, history, and economics (Lekachman, 1966). Therefore, different disciplines of social sciences have revised and still revising Marxism from various corners. Hence Marxism underwent qualitative changes by both of its followers and opponents. In this connection, one faction known to be socialists defended central Marxian concepts. They were revolutionary socialists in view of their commitment to the idea of revolution as a means of social and political change. However there were other socialists too who had accepted Marx as their source of inspirations along with the introduction of certain new ideas and interpretations in the Marxism. They were known as evolutionary socialists who argued that the change-over to socialism should be gradual and non-violent. They supported Marxian idea of social and economic equality, side by side introduced liberal ideas of justice and liberty (Deol, 1990).

METHOD

This is a descriptive study based on secondary sources of information. Sources of information are books, articles, journals, research reports and dissertations. Information was collected and analyzed according to titles classifications to meet
above mentioned objectives of the study. Revisions on Marxist thought with the acceptances of Marxism on the one hand and revisions of Marxism with its distortions on the other are systematically analyzed. Finally, conclusion has been drawn on the basis of analysis. This study is limited to the Marxist scope of political economy, therefore other paradigms of Marxism has been left.

DISCUSSIONS

STARTING OF REVISIONS ON MARXISM

In early of the nineteenth century, Marxian thought of socialism highly influenced the English economic thought. The more concrete expression of Marxian thought was emerged in the formation of the 'Fabian Society' in January 1884. It was named after a Roman General, *Quintus Fabius Maximus Cunctator* and the members of this society were Sidney and Webb, Bernard, Wells, Wallas, MacDonald, Laski and Cole. The Fabians were primarily influenced by the three philosophers known as Mill, George and Marx.

Marxism or the revisionist movement started in Germany in about 1898 by a movement leader Bernstein. He rejected Marxian thoughts or the dictatorship of the Proletariat and was in favor of constitutional methods, economic freedoms, social reform and evolutionary socialism. He defined socialism as a movement, which creates a society, based on the principle of association. The revisionist agreed a socialist policy elaborated in the light of general social and economic facts, which are in historical flux. They were influenced by Marx's scientific and synthetic treatment of socialism. Thus, it was a midway between mere democratic reformism and revolutionary class war socialism.

Laski openly condemned the violent path to socialism and tried to coordinate between irreconcilable opposites of revolutionary doctrine and democratic socialism. According to Fabians, the state should be efficient and responsive to public wishes. Therefore, the civil servants are managers and innovators of the Fabian socialism (Deol, 1990: 200). The Fabians were whether socialists or not is still a controversial issue. Some are of the opinion that they were just social reformers and they had repudiated all the prime essentials of the creed of socialism. However, many argue that the Fabians clung to the surplus value and they were in favor of reconstruction of society on a collectivist, cooperative and non-competitive manners. These characteristics are sufficient to keep them on the rank of socialist.

Modification in Marxism started in France before World War I by the French trade union movement, which created an idea of Syndicalism. It grew out of the organized labor movement and seemed different from that of other radical ideologies. The movement appeared first and the theory developed along with and out of movement. The Syndicalists hoped that the cause of the workers ultimately gained sufficient support which made possibilities to introduce a general strike. This would paralyze industry as well as government and lead to overthrow capitalism together with the abolition of classes setting up of a new politico-economic order.

So far as the historical development phase of socialism is concerned, the theoretic-utopian phase of Owen, Simon, Fourier and Proudhon can never be undermined. They believed that a special society could be set up which could produce the socialist 'common wealth'. It laid a foundation stone of socialism and provided sufficient causes for the moral failure of capitalism. They provoked the need of socio-
economic reforms. However, their reform measures were fantastic which contributed too little or nothing towards the progress of socio-economic reforms.

In this context, the British intellectuals were Penty, Orage, Hobson and Cole with the ideology of Guild socialism. They believed in the federation of traders and guilds through representation committee based on the common interest of the industry, side by side a political state running for the services related to a few reserved internal and external affairs. Guild socialistic movement ultimately failed because of its heterogeneity supporters and survived only in the realm of the mind. In the nineteenth century, the masses of labor organization started to protest against the existing misery of factory system which disrupted the traditional pattern of economic activities. As a result, socialist reformist measures became powerful in global context.

**THEORETICAL FOUNDATIONS OF EXTREME THOUGHTS AND THEIR APPLICATIONS**

Marx believed on two types of states; Bourgeois and Proletarian based on two types of dictatorship. Since the Bourgeois state must be overthrown irrespective of its form of government the Proletarian state must be built a new. Marx added a new dimension with higher priory for the importance of economic system against the liberal emphasis on political freedom. Thus, the principle of the Proletarian dictatorship is, no doubt, an integral part of Marxism. Moreover, it is believed by pre-Marxism thinkers that consciousness of human being determines his/her existence. Marx is of the view that it controls over the means of production, which determines the institutions and forms of production. The politico-economic contributions of Marx had been influencing all over the world. However, the issue of political and economic freedom remained as debatable and most controversial aspect, which specially ignored 'individualism'. Apart from this, some genuine economic issues were unresolved in Marxian thought that-

Oscar Lange made this point very strikingly: Let us imagine two persons: one who has learned his economics only from the Austrian school, Pareto and Marshall, without ever having seen or even heard a sentence of Marx or his disciples; the other one who, on the contrary, knows his economics exclusively from Marx and the Marxists and does not even suspect that there may have been economists outside the Marxist School. Which of the two will be able to account better for the fundamental tendencies of the evolution to capitalism? To put the question is to answer it (Blaug, 1997: 253).

Marxist doctrine again challenged by the distribution of economic resources, positions and opportunities for the creation of welfare state. In the kind of modern, dynamic and pluralist society associated with polyarchal democracy, the governments of the economic enterprises are for the most part chosen (at least nominally) by, and are legally responsible to, the owners who are, for the most part, private persons or can be taken as collectives outside the firm. Characteristically, too, the productive activity of the enterprise is oriented to markets. While this kind of economic order is often called capitalism. In this context, Lindblom more accurately calls it a market-oriented private enterprise system. In any case, the category includes an extraordinary variety: from nineteenth-century, Laissez-faire, early industrial systems to twentieth century, highly regulated social welfare and late or post industrial systems.

In the late twentieth century 'welfare state' orders vary all the way from the Scandinavian systems, "which are redistribute, heavily taxed, comprehensive in their social security and Neo-corporatist, in their collective bargaining arrangements, to the
faintly redistribute, moderately taxed, limited social security, weak collective bargaining systems of the United States and Japan” (Dahl, 1991: 324).

It is just an idealistic statement that production and distribution mechanisms should be balanced in the economy. Neither capitalism nor communism can have maintained a balance between production and distribution strategy properly. Many Marxist disciples believe that communism can be established only after the destruction of capitalism because it has to pass through a ‘transitional’ phase of socialism. If the production and distribution system of communism is perfect, what is their answer about the achievements of European and Scandinavian system of social democracy?

The capitalism or capitalist thinkers were equally aware on the inequality of income and wealth distribution. In this regard, Heilbroner (1996: 44) says, It is that wealth which is inextricably associated with inequality, this is an insight that we get from the most unlikely source, the first of the great philosopher of capitalism, Smith who writes, "where there is great property, there is great inequality" (Ackerman, 1995: 1). The capitalist economies are facing the problem of inequality of income distribution as in the last quarter of the twentieth century the distribution of income became far more unequal—particularly in the US but also, to varying degrees, in many other developed countries (Heilbroner, 1996). However, these countries do not reflect or represent perfect market economy.

The characteristics of a command economy remains opposite than characteristics of a perfect market economy the commanding economy is characterized by state ownership and control of resources and has centralized the decision making of resource use whereas the economy of perfect market is based on private ownership and control of resources known as rights of private property and coordination of decision of resource use through markets. Both of these isms have no practical, but only an academic and theoretical validity.

**Revision Was Essential in Marxism**

A model of communism which Marx wanted to establish has not been successful so far in the world. Marx predicted that socialist revolution first would occur in highly developed capitalist countries. During Marx that time the Great Britain was in the state of under developed capitalism, so he was very hopeful that the revolution of new-era would certainly start from there. The reality of the world however clearly indicated that the Communist Manifesto was just 'the greatest pamphlet of time' which occupies higher historical importance and a previous way to Russia, China and many others for the establishment of communistic as well as constitutional socialist states.

The socialist party were the largest in the state and even captured the state power as in France, Australia, Germany, Sweden and Labor Party in the Great Britain despite temporary set-backs, ups and downs, had gone on for further strength.

The opposition parties begin to fight against socialism either by dictatorship or by adopting socialist measures. For instance, in the Great Britain, the liberals in 1906 added the socialist measure of the old Age Pension and Industrial Insurance to their programs. In the year 1926, the Conservative Government passed the Widows and Orphan pension bill which had been
advocated by the Labor Party for twenty years. Thus, socialism had been converted to conservative and liberal parties to achieve its ends.

Socialism rests on the great ideals freedom and justice along with mutual services. In strict sense, socialism is also a digestible alternative to the capitalist thinkers, which does not believe on the dictatorship of Proletariat, side by side inserts services for needs and will place instruments of production under collective control. As Gordon says, it is perhaps necessary once more to emphasize the difference between socialism and communism. Communism denies altogether the right of private property, saying bluntly 'all property is theft', under a fully communist state there would be no wages, money and barter. Each citizen would give up his/her best to the state, and would receive his needs from the state (Tyagi, 1994). The victory of the October Socialist Revolution in Russia in 1917 showed that capitalism had outlived itself, that capitalist relations of production had become a major break on the development of the productive forces. A new society known as socialism was built for the first time ever in the USSR. As a result of the defeat of Nazi Germany and militarist Japan during the World War II, a decisive contribution to which was made by the USSR and of the victories of socialist revolutions, the people of several other countries set out to build socialism.

The socialist revolution in the countries of Europe and Asia struck a major blow to the positions of world capitalism. There are very remarkable political differences between socialism and communism. Under socialism, socialized property takes two forms: public and collective farm and cooperative, must under communism there will be one communist property of the whole people.

Likewise, the socialists adore to the state whereas communists detest and denounce it. Socialism tends towards despotism, communism towards anarchy. Similarly, communism is more rigidly authoritarian than that of socialism. They also differ on the methods and means to achieve their objective. Socialists believe on constitutional political action whereas communist would achieve it by force and dictatorship of the Proletariat.

Main Developments in Socialism Since Marx

The philosophers who professed to be Marxian socialists were still active. They were Kautsky in Germany, Hyndman in England, and Hillquit in the United States. The militant organization formed with the cooperation of Marx was failure to achieve its objective in 1870. The Second International was less militant and embraced all sorts of socialists. This was formed in 1889 in an organization of Neo-Marxian. Neo-Marxian was less revolutionary rather evolutionary, so that they defended to make more concessions for mere reforms.

The Revisionists became prominent in Germany where the Social Democratic Party represented their general position. They were evolutionary Marxists and Bernstein was a typical Revisionist. Similarly, Fabians were idealists and advocated for gradual reform. Meanwhile, Syndicalism movement originated about 1875 in France. The best exponents were Georges Sorel and Ferdinand Pelloutier. Syndicalists were extremely radical and non-Marxian. They were more influenced by Proudhon’s anarchism. On the other hand the Guild
Socialists were the latest variety of socialist thought represented by Tawney, Cole and Hobson. It tried to harmonize socialism and syndicalism (Haney, 1997).

**CONCLUSION**

Capitalism and communism both are extreme thoughts which maintain high theoretical however less practical validity. Classical form of capitalism is modified many times to cope with emerging challenges. The *Laissez-faire* doctrine of capitalism was rejected in 1936. Similarly, many fundamentals of capitalism are revised many times according to demand and supply constraints. The core of classical capitalism is now remained in the books being not more than a theory. Similarly, on the other hand, communism is now just an alternate theory of capitalism having no practical validity. Between the mid-ways of these two extreme isms, theory of socialism has been derived and implemented in different countries. In this connection, Marx was chief founder of scientific socialism. Marx had recommended up to the limit of communism with the means of revolution. His revolutionary ideas did not seem to be rationale in global perspectives. Nevertheless Marxism significantly contributed to materialize the thought of socialism in many countries. In this regard, revisions on Marxism were major ingredients to other socialist school of thoughts. The revisions on Marxism were categorically divided into two major factions: revolutionary socialism and evolutionary socialism. In this context, revolutionary socialists followed the basic principles of Marxism whereas evolutionary socialists distorted Marxism. The evolutionary socialists tried to incorporate liberty, justices and fundamental human rights into Marxism. They partially supported Marxism on the issue of equality. Therefore, Marxism is partially applicable in the different situations of various socio-economic parameters. The practical validity of Marxism cannot be underestimated that when the distributional gap between income and wealth widens and tax mechanisms fails to rectify it, Marxism comes without any hesitation. Indeed, Marxism could rightly be remarked as an essential ideology to the communists as well as mediocre socialists and sometimes even to the capitalists.

**WORKS CITED**


