Karl Marx (1818-1883) The Ideas that make up Marxism.

All ideas, Marx would argue, are a product of their time and place in history. Marx formed his ideas as Europe embarked upon the massive transformations which changed traditional, peasant farming societies into modern, industrial ones. As he wrote, for the first time large industrial cities were being developed. Filth, overcrowding, sickness and poverty existed alongside a new urban rich. Marx was not alone in offering an analysis of these changing conditions. What is distinctive about his thought is that he sees the key factor in understanding the development of these new societies, the thing which at the end of the day shapes how the society is organised, what we think and believe, who we are and what we can become, is not the new industrial technologies nor even the new urban spaces but the way in which production is organised.

The new world that Marx was analysing was the first flowering of a mature capitalist system. Today we are so used to talk of 'market forces' that it is hard to remember that there is nothing natural or God-given about the capitalist economic system. It exists because human beings have created it and sustained it. The key difference between capitalism and the economic systems that had gone before it is the way in which the relationships between property and labour are organised. Capital lies in private hands and those who own it seek profit as their reward for its deployment in the economy. Investment - whether in farming, mining, manufacturing or services - requires workers if it is to see a return; there is no point building a factory unless there are workers to labour in it. As well as bringing into being a new class of owner, capitalism also requires a new kind of worker: one tied not by traditional loyalties or by relationships of servitude, but formally free labour entering into a contractual relationship with the employers for wages.

When Marx looked at this relationship between the owners of capital and those who have to sell their labour power to survive, he saw not a fair deal, but a system of exploitation. To take a simplified example: imagine you have a pile of wood, glue, nails, varnish and screws worth £10 and at the end of the day these have been turned into a table, retail price £200. What has transformed these raw materials into a table is the labour of the workers. Even after subtracting the costs of electricity, machinery, distribution and advertising (say another £10 per table) we are still left with a value added by the hands of the workers of £180. Of course they are not paid this much: they are paid enough to keep them alive (so that they come back to work tomorrow) and to enable them to raise children (so that someone will come to work in twenty years time and keep the whole show on the road). What's left over is taken as profit. Profit is not the legitimate reward for investment - it is the theft from workers of the value of their labour. Workers and owners are (says Marxist analysis) thus in a fundamentally antagonistic relationship – each side trying to keep a greater slice of this 'surplus' value.

This fundamental conflict between workers and owners is for Marx the dialectical engine at the heart of history. All earlier economic systems had contained within them the seeds of their own destruction and capitalism is no different. The logic of seeking greater and greater profit would lead to

amalgamations, mergers and giant corporations whilst skilled workers and small shop keepers would be eaten up by the system and become deskilled and pauperised like all other workers. The two great historic classes at the heart of the capitalist system - capitalists and proletariat - would face each other across the barricades of history and private property would be done away with.

Marx may have analysed the position of the workers and seen them as sharing a situation and destiny, but their unity was far from inevitable. Workers did not come home from work spontaneously complaining that they've had a bad day experiencing the fundamental contradictions between labour and capital. Workers struggled against each other for survival. Skilled workers would hold themselves to be better than the unskilled; immigrant groups would be accused of stealing the jobs of indigenous workers; women would be seen as a cheap labour threat to male workers. If these divisions were to be overcome, workers would have to overcome these false understandings of their condition and become a united class. This is no easy task for, Marx argued, the dominant beliefs in any era - those accepted as obvious and common sense - are those that work in the interests of the ruling class. If religion was the opiate of the people, other beliefs such as the superiority of white 'races' and the 'natural' inferiority of women also acted to alienate workers from their shared experiences and from uniting together.

It is easiest to appreciate how Marx formed his ideas if we look back to the social conditions and the intellectual traditions within which they were born. But is this nineteenth century 'grand theory of everything' only applicable in that brief historical moment? Undoubtedly the world in which we live is very different from the one Marx knew. Ownership of capital is now dispersed through share ownership and pension plans. The divisions among those of us who work and sell our labour power for a wage seem greater than ever. This is especially true if we remember that capitalist enterprises are now operating in a global way.

Many social scientists reject Marx's approach whilst others have built upon it and provided increasingly sophisticated analyses of society and culture. Much social science debate has been characterised as a debate with Marx's ghost. In applying dialectical analysis to the material conditions of life Marx may have hit upon a method which we can still apply in these changing times.