

Marx, Class and Poverty - The Necessity of Class to Eradicate Poverty

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Abstract

A popular theme in the discourse on class is the distinction between the poor and working classes. Recently, there has been a tenuous relationship between the two classes. Marx proclaimed the working class as the agent of change to facilitate a revolution. The working class, in understanding the historical implications of its role in the production process, was tasked to deconstruct the notion and existence of class. The goal would then be to eliminate any differences between the classes. However, the creation of a social surplus and subsequent redistribution effects are contingent upon the existence and productivity of a working class. This article argues that with a [social] surplus being a by-product of the working class, class [distinction] is necessary for further redistribution of a surplus contributing to the eradication of poverty. Poverty cannot be expected to be eradicated without a working class that strives towards becoming the “new middle class.” Class, therefore, can be described as being dynamic in that the poor benefit from social distributions emanating from the working class and the middle class. Importantly, the poor aspires and has the potential to become part of the middle class. Consequently, the ranks of the working middle class are expanded by way of the most mobile and successful of the poor class. Class migration is desirable and a necessity for eradicating poverty.

Keywords: Marxism, Poverty Eradication, Social Mobility, Class Migration

Introduction

Karl Marx the author of one of the world’s most influential political manuscript must have known that he was at best providing a framework for discussing complex relationships between the classes. In his *Manifesto*, however, one would be hard pressed to find mention of “the poor class,” in contrast to repeated reference to “the working class” as the Proletarians – a class exploited by the Bourgeoisie, yet poised to over-throw it. In Marx’s

seminal work the *Capitalist*, the Bourgeoisie and the Proletariat feature prominently, implying a hierarchy of classes. Less prominent, however, is the poorest of the poor classes that appear at the bottom just below the Proletarians. Marx's Manifesto does refer to the Proletarians as having created a class of laborers who live so long as they can find work. They then must be the poorest class that lives to subsist and sell themselves piecemeal. They are merely a commodity to be exploited by the classes above them.

Referring again to the Communist Manifesto, if the Bourgeoisie felled their feudal masters and if the Proletarians are motivated to fell the Bourgeoisie, will the poor rise up to overthrow the Proletarians? This is an added possibility of the class struggle and the tenuous relationship between the classes. The next lower class, arguably, is exploited and the next higher class benefits from its ability to exploit. Characteristically, the capitalist strives to maximize profits and does so by requiring workers to be paid less than the value of their labour. Should they, the poor be fortunate to have a job, they as workers are trapped in a cycle of poverty. This is yet another explanation for the tension between classes (Qaedi, n.d.). Nevertheless, Marx (1844) hinted of the passive link [bond] that exists between classes. A consequence is that poverty as a passive bond causes human beings [classes] to need other human beings – i.e., other classes. This article, therefore, discusses the reason for that need, as the next lower class benefits from the success of the next higher class, with that next lower class being a beneficiary and recipient of a social surplus.

Marx's Manifesto allowed for contextualizing the notion of class and the identification of a class hierarchy. The poor, however, were not recognized akin to a class to be located even at the lowest end of the order. The poor and even poverty as concepts are conspicuously absent from the Manifesto. Rather, there is the notion of a "dangerous class," a social rot from the lowest layer of society that is swept along by the Proletarian and used as a reactionary tool. This is the nature of the poor's exploitation. Disparagingly, the poor as the lowest of the low (as implied by Marx) are vagabonds – a sickly underclass. Nineteenth century depictions and characterization of the poor as being deviant and less than human is a paradox as the Capitalist, the Bourgeoisie and even the Proletarians that

Marx spoke of did much to create the underclass through their exploitation and use, again, as a reactionary tool (Anon, n.d.).

In terms of a new political economy for his time, Marx qualified class, laid the foundation for socialism and communism, and called for the Proletarians to be instruments of revolution. The poor were all but disregarded, as the post industrial revolution class struggle centered on labour and the owners of capital. Up until the postmodern period, the poor were expected to remain in a perpetual state of poverty. Speculating, the reason for [Marx's] obscuring the poor and poverty is because class according to Marx is less to do with the stratification of society in terms of a lower, upper or middle class. Rather, class is contextualized relative to the "means of production." This is the reason for his focusing on the Capitalist, the Bourgeoisie and the Proletariat. More than any other class, the Proletariat recognized as the working class was highly regarded by Marx (Wheen, 1999). As a mentor, Marx's affection for the likes of Weitling (1808-1871) and Eccarius (1818-1889) is at odds with his reputation as an elitist who regarded the Proletariat as unable to initiate the revolution. Nevertheless, his arguably high regard for workers is devoid of the fact that a worker, or any gainfully employed Proletarian can still be poor and of the poor class. Still, the worker who may be poor and subject to the Bourgeoisie is a force to be reckoned with and their feeling of enslavement to the Capitalist. In contrast, the poorest of the poor, the dangerous, unemployed deviant who having no job cannot be defined in terms of [any] means of production. In the postmodern period, being poor and poverty are relative distinctions that are qualified and quantified to differentiate between the working class and the poor. The former may at least be employed and their state of poverty is relative to lifestyle and means. The latter, however, has no means, no resources and will be dependent on the state or the next higher class for a social surplus. Discounting the state, next follows an examination of the relationship between the higher working class and the poor as a recipient and beneficiary of a social surplus.

The Poor and Working Class Symbiotic Relationship

Anton de Bary (1879) described symbiosis as a close association between organisms and different species. Symbiosis is characterized by roles that are mutualistic and at times parasitic. There, however, is a greater

inclination to think of symbiotic relationships [symbiosis] in more positive terms of mutualism where benefits are realized by one organism from another. In the age of globalization, a symbiotic relationship (mutual bond) between the poor and working class is becoming more “obligatory” as the gap between the rich and poor widens. The rich and even the working class cannot continue to maximize their own self-interests without regard for the welfare of the poorest of the poor. The rich getting richer and the poor getting poorer has become unacceptable.

Zweig (2000) argued that concern for the poor should be expressed in terms of an alliance with the working class. In the manner put, it is an unholy alliance. Unholy in that “the middle class is suffering as the poor are taking away tax money and living on welfare.” In his view, there is a negative relationship between the poor and the working middle class. Whether positive or negative, there is an economic dependency, a relationship, a bond that manifests itself in money targeted for socio-economic policies, say, to eradicate poverty or to provide [income] maintenance. The question is whether there is a [distinct] class identity that sets them apart from the greater working class? Zweig (*loc. cit.*) argued that the working class is so broad that the poor [women] should be considered to be part of the working class. He debunks the notion that the poor does not work. Rather, the poor in some way or form work and have always worked. Notably, the relationship and the bond between the poor and the working class is strongest when grievances against the Capitalist are vocalized – literally, thorough demonstrations, or through other methods. This relationship can be described as “a coalition” among all working people, as the working poor, non-working poor and the working class in general suffer indiscriminately at the hands of capitalism and in the most modern terms from the negative effects of globalization. In *Globalising the Working Class*, Seabrook (1999) says it best: “People are always poor in the same way. Hunger, insufficiency, and sickness know nothing of cultural [class] differences.”

Globalization is therefore thought to be eroding and fragmenting the working class. As it relates to wages and economic power, this may be true. In reaction to globalization, unified coalitions seem to refute notions of fragmentation. In 2009 May Day demonstrations by workers, unions, and the United Russia party a coalition was exemplified made up of differing

factions – politicians, workers and the unemployed – coming together to take note of a worldwide economic crisis that left 2.8 million Russians unemployed at the end of 2009 (TASS-Online). While globalization has caused economic fragmentation, globalization has also become a unifying force bringing the poor and the working class together – a convergence that has come about due to an inherent need to survive.

Banerjee and Duflo (2007) pointed out the most obvious characteristic of the middle class – i.e., they are most likely to be holding a steady job. In a developing country, a working middle class person could be an entrepreneur running a small but unprofitable business. Their health and the health of their children will be marginal. The education of their children will be marginal as well. The quality of life, however, for a middle class household in a developing country will differ from the quality of life of a poor household in that same developing country. Banerjee and Duflo's (2007) study pointed out that the working class did indeed live differently than the poor. In South Africa, for example, it was found that a middle class person was in a position to save by buying cheaper food – having an income of \$8 per day. In the case of the poor with an income of \$2 per day, they are less inclined to save, spending 67% of that amount on food. Conclusively, higher income levels facilitate consumption options – i.e., an ability to exercise spending alternatives.

The value of a middle [working] class should not be understated. A gainfully employed middle class is highly associated with resource endowments (Easterly, 2001). When the middle [working] class experiences higher levels of income, development outcomes include higher income levels, higher national growth, increases in education and health, improvements in infrastructure and improvements in the quality of life of the poor. In many ways, those development outcomes are indicative of a social surplus.

Defining a Social Surplus

Poverty can result from inadequate channels of distribution. A contention here then is that the poor are poor due to inadequate channels of distribution of created surplus. Poverty and being poor is a distribution problem – i.e., a distribution of a social surplus created by the working class. Essentially, the creation of surplus [value] is a natural occurrence associated with

capitalism. Capitalism has a drive to produce surplus value (Slaughter, 1975). The problem is not supply but distribution (Parenti, 1996).

From the preceding discussion to here, Marxism is at odds with itself. It proposes to do away with the Bourgeoisie for the benefit of the workers – to eliminate exploitation. However, that which it seeks to destroy [capitalism] produces a vital surplus that benefits the poor and the working class. Marxism strived for a non-exploitive society (Chakrabarty, Cullenberg & Dhar, 2008) but the eradication of exploitation would have a perverse outcome and a negative impact on workers and the poor. Assumingly, this is a trade-off that Marxists are prepared to accept – i.e., the eradication of capitalism, the eradication of exploitation, minimal surplus value and prolonged poverty. This exemplifies the contradictory relationship between Marxism, poverty and how Marxism is at odds with itself.

Unfortunately, for developing countries in the south such a trade-off is hard to accept. In theory, development has replaced capitalism and even under development, as in capitalism, there is a natural occurrence to create a [social] surplus. Nevertheless, poverty and the plight of the poor are relative to the ability of societies, developmental or capitalistic, being able to distribute a social surplus. The question then is: What is a social surplus? Towards understanding a *social surplus*, Resnick and Wolf (1987) defined class in terms of performance, appropriation, distributions and the receipt of surplus labour. These are terms of consumption that have distributional connotations for class. Chakrabarty *et al.* (2008: 674) built on the notion of a surplus by differentiating between a production surplus and a social surplus. Focusing on a social surplus, it is an excess over consumed class payments - class payments being distributions of surplus products or items having surplus value. The implication for poverty eradication is that a reduction in class payments (production surplus) results in a greater amount of social surplus being available to maximize conditions of existence or processes relating to need. Initially, Resnick and Wolf (*loc. cit.*) focused on surplus labour; subsequently, Chakrabarty (2008:675) unpacked surplus labour into components of production surplus and social surplus. The logic follows that to maximize the latter, minimize the former. To eradicate poverty, extract a portion of surplus beyond the existing production surplus. This can be illustrated through the following class equation that equates surplus value to the sum of subsumed class payments:

$$SV^1 = \Sigma SC \quad (1)$$

Where:

SV^1 is the surplus value that materializes from surplus labour; SC is subsumed [inclusive] class payments pertaining to distributions and receipt of surplus labour. Further to the earlier discussion surplus value may also be construed as the sum total of surplus value distributed as social surplus (SS). This is illustrated as:

$$SV^2 = SS = \Sigma SS_n \quad (2)$$

Where:

SV^2 is the sum total surplus value equal to the sum of social surplus to the *nth* payment. Notably, the expectation is that there would be a distribution for socio-economic purposes such as poverty eradication, the elderly, education, improvements in infrastructure and the quality of life, etc. Putting equations 1 and 2 together allows for illustrating Total Surplus Value.

$$TSV = \{SV^1 = \Sigma SC\} + \{SV^2 = SS = \Sigma SS_n\} \quad (3)$$

Where:

As TSV is the combination or addition of surplus value and social surplus, it can be derived that by minimizing (shifting to become negative) surplus value, more social surplus will be available for distribution. The resulting equation is as follows:

$$\Sigma SS_n = TSV - \{SV^1 = \Sigma SC\}^1 \quad (4)$$

For this article a fundamental question remains to be answered – that is: How is it that class is necessary to eradicate poverty? The answer lies in

¹ See Chakrabarti *et al.* (2008: 676-678) for the complete derivation for appropriated use value SUV .

identifying a production surplus as being based on class processes and recognizing that a social surplus (characterized by appropriation, distribution and receipt) is distinctly different from class processes. The distinction of a social surplus not being of class processes is inherent in the beneficiaries (the poverty stricken, children, elderly, the unemployed, the poor) who provide no conditions of existence to class process. Recall where it was stated that the poor cannot be defined in terms of any means of production. Thus the need of the poor and impoverished can only be addressed by class process that comes about by way of a production surplus. And again, a social surplus can only occur from minimizing a production surplus. The former could not exist without the latter – thus the need for class [processes] to eradicate poverty.

Social Mobility and Class Migration

Reading Parenti (1996) one might think that there is some grand strategy to keep the poor in their place – i.e., keep the poor “poor” and in a perpetual state of poverty. Rather, it is a paranoiac state of affairs to think that the government of the day conspires to restrict social mobility and the poor from becoming part of the working middle class. Parenti would argue that when the poor try to fight for a larger share of the pie, they are met with the full force of the capitalist state. Yet in and of itself, mobility is a paradox in that as a fundamental component of class structure (Lopreato & Hazelrigg, 1972), mobility resultantly diffuses and fragments class ideology. The definition of any one class is in flux due to the outflow and inflow of aspiring individuals - aspiring to better themselves, desiring to change occupations, their acquiring greater income, etc. There is little merit in arguing that the poor themselves desire to remain poor and not migrate to the next higher class. Their aspirations, however, nurture the dissociative function of class – individuals moving away, migrating either economically or at times physically by relocating. While social mobility promotes demographic diversification, it is an internal [class] destructive force making in this instance the poor class dynamic and again in flux. Consequently, some numbers of poor are motivated to migrate and become part of the working middle class.

Nonetheless, it is suggested that there is an inherent desire by the poor to move to a higher class or status group. It would appear that the most

obvious way to do this is through an occupational change but a change in occupation will not necessarily lead to a change in status. If occupations can be viewed in terms of social groups, the achievement of status within some social working group could be an opportunity to “move up the ladder.” In the postmodern period this is characterized by social groups such as the professional versus the amateur, white collar versus blue collar, the supervisor versus the subordinate, the high income tax bracket versus the low income tax bracket and so forth. The achievement of membership in any of those supra-ordinate social groups can only be realized by migration or mobility – with exception to inheritance. In that instance, mobility and migration will be undesirable and downward.

Sorokin (1959) defines social mobility as the transition of an individual from one social position to another; social mobility can be horizontal or vertical. In the case of horizontal mobility, as the individual moves from one social group to another, the movement is on the same level. There is lateral movement but no upward mobility. In the case of vertical mobility, there is movement that is ascending or descending – termed respectively as social climbing or social sinking. For the poor, ascending social mobility would be most desirable. Social mobility of an ascending kind, characteristically, can occur through infiltration, creating one’s own higher social group or insertion into a higher social [stratum] group. What is most interesting is that Sorokin expands on the concept of social mobility such that a number of propositions allow for discussing how individuals may move through a stratified society. Consequently, the literature allows for determining how rigid a society may be and the tendency for social inclusion or seclusion.

With a view towards South Africa, there is a pressing question that needs to be explored relative to social mobility and class migration. While the question obviously pertains to the status and movement of the poor, an empirical study on the movement of rural-urban migrants will facilitate an understanding of poor aspirants seeking to improve their quality of life by moving to South African cities. The question is what is the nature of the selection mechanism that motivates some to migrate to the urban areas while others remain in the rural areas? Those who do migrate, sadly, remain in a state of poverty in townships, locations and informal settlements. Notably, the phenomenon of rural-urban migration in South Africa is not unlike the

urbanization that took place during Victorian Britain. Long (2002) studied the socio-economic transition that took place at that time and provided an empirical model that can be used to simulate migration patterns and social mobility in South Africa.

Conclusion

Any discussion of class would be incomplete without reference to Marx and Marxist ideology's response to the poor and poverty. At the conception of Socialism and Marxism, the poor were disregarded and their state of poverty was accepted as a natural occurrence. Nevertheless, being poor and poverty are not absolute states of being. One can be gainfully employed and still be poor. Poverty and for that matter being poor, are binding forces between the poor and working classes. Arguably, there is a symbiotic relationship between the classes. However, in contrast to the poor the working class can at least be defined in terms of its labour and contribution to the production process. The working class thus produces surplus value and a portion of that surplus value entails a social surplus that benefits the poor. Without a working class, the poor would not be the beneficiaries of a social surplus resulting from the surplus labour of the working class.

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