

# Wage Labour and Capital

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Shortly after adumbrating the materialist conception of history in the 1844 manuscripts and formulating it comprehensively in Part I of *The German Ideology*, Marx turned to the economic studies that were going to preoccupy him in the ensuing years. This did not signify any change of interests or outlook but was the logical outgrowth of the position taken in his earlier writings. If the thesis on "alienated labor" was to be made scientifically cogent and if the expectation of coming proletarian revolution was to be based upon it, he needed to show the capital-labor relationship, which he took to be the core of the bourgeois socio-economic system, to be dialectically self-destructive, i.e., transitory by virtue of its inner dynamics of development. The first work in which he attempted this analysis was *Wage Labour and Capital*.

Having first presented it in lectures to a German workers' society in Brussels in December, 1847, Marx printed the work in April, 1849, in the *Neue Rheinische Zeitung*, of which he was editor-in-chief. Several pamphlet editions appeared in later years. In editing it for the German edition of 1891 (the version that appears here), Engels made some changes in the text, mainly centering in the substitution of the phrase "labour power" for the term "labour" in contexts in which Marx had originally spoken of the worker's sale of his labour to the capitalist. This, as Engels explained in his preface to the 1891 edition, brought the reasoning of the pamphlet into line with the analysis of the capital-labor relationship as Marx had refined it by 1859, when he published *A Contribution to the Critique of Political Economy*.

Despite this, it may be said that what Marx produced in the lectures of late 1847 was the future argument of *Capital* in embryo. The work appears here in condensed form.

From various quarters we have been reproached with not having presented the economic relations which constitute the material foundation of the present class struggles and national struggles. We have designedly touched upon these relations only where they directly forced themselves to the front in political conflicts.

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Wages will rise and fall according to the relation of supply and demand, according to the turn taken by the competition between the buyers of labour power, the capitalists, and the sellers of labour power, the workers. The fluctuations in wages correspond in general to the fluctuations in prices of commodities. *Within these fluctuations, however, the price of labour will be determined by the cost of production, by the labour time necessary to produce this commodity—labour power.*

*What, then, is the cost of production of labour power?*

*It is the cost required for maintaining the worker as a worker and of developing him into a worker.*

The less the period of training, therefore, that any work requires the smaller is the cost of production of the worker and the lower is the price of his labour, his wages. In those branches of industry in which hardly any period of apprenticeship is required and where the mere bodily existence of the worker suffices, the cost necessary for his production is almost confined to the commodities necessary for keeping him alive and capable of working. The price of his labour will, therefore, be determined by the price of the necessary means of subsistence.

Another consideration, however, also comes in. The manufacturer, in calculating his cost of production and, accordingly, the price of the products takes into account the wear and tear of the instruments of labour. If, for example, a machine costs him 1,000 marks and wears out in ten years, he adds 100 marks annually to the price of the commodities so as to be able to replace the worn-out machine by a new one at the end of ten years. In the same way, in calculating the cost of production of simple labour power, there must be included the cost of reproduction, whereby the race of workers is enabled to multiply and to replace worn-out workers by new ones. Thus the depreciation of the worker is taken into account in the same way as the depreciation of the machine.

The cost of production of simple labour power, therefore, amounts to the cost of existence and reproduction of the worker. The price of this cost of existence and reproduction constitutes wages. Wages so determined are called the *wage minimum*. This wage minimum, like the determination of the price of commodities by the cost of production in general, does not hold good for the *single individual* but for the *species*. Individual workers, millions of workers, do not get enough to be able to exist and reproduce themselves; but the wages of the whole working class level down, within their fluctuations, to this minimum.

Now that we have arrived at an understanding of the most general laws which regulate wages like the price of any other commodity, we can go into our subject more specifically.

## III

Capital consists of raw materials, instruments of labour and means of subsistence of all kinds, which are utilised in order to produce new raw materials, new instruments of labour and new means of subsistence. All these component parts of capital are creations of labour, products of labour, *accumulated labour*. Accumulated labour which serves as a means of new production is capital. So say the economists.

What is a Negro slave? A man of the black race. The one explanation is as good as the other.

A Negro is a Negro. He only becomes a slave in certain relations. A cotton-spinning jenny is a machine for spinning cotton. It becomes *capital* only in certain relations. Torn from these relationships it is no more capital than gold in itself is *money* or sugar the price of sugar.

In production, men not only act on nature but also on one another. They produce only by co-operating in a certain way and mutually exchanging their activities. In order to produce, they enter into definite connections and relations with one another and only within these social connections and relations does their action on nature, does production, take place.

These social relations into which the producers enter with one another, the conditions under which they exchange their activities and participate in the whole act of production, will naturally vary according to the character of the means of production. With the invention of a new instrument of warfare, firearms, the whole internal organisation of the army necessarily changed; the relationships within which individuals can constitute an army and act as an army were transformed and the relations of different armies to one another also changed.

Thus the social relations within which individuals produce, the social relations of production, change, are transformed, with the change and development of the material means of production, the productive forces. The relations of production in their totality constitute what are called the social relations, society, and, specifically, a society at a definite stage of historical development, a society with a peculiar, distinctive character. Ancient society, feudal society, bourgeois society are such totalities of production relations, each of which at the same time denotes a special stage of development in the history of mankind.

Capital, also, is a social relation of production. It is a bourgeois production relation, a production relation of bourgeois society. Are not the means of subsistence, the instruments of labour, the raw

Now, after our readers have seen the class struggle develop in colossal political forms in 1848, the time has come to deal more closely with the economic relations themselves on which the existence of the bourgeoisie and its class rule, as well as the slavery of the workers, are founded.

Now, therefore, for the first question: *What are wages? How are they determined?*

If workers were asked: "How much are your wages?" one would reply: "I get a mark a day from my employer"; another, "I get two marks," and so on. According to the different trades to which they belong, they would mention different sums of money which they receive from their respective employers for the performance of a particular piece of work, for example, weaving a yard of linen or typesetting a printed sheet. In spite of the variety of their statements, they would all agree on one point: wages are the sum of money paid by the capitalist for a particular labour time or for a particular output of labour.

The capitalist, it seems, therefore, *buys* their labour with money. They *sell* him their labour for money. But this is merely the appearance. In reality what they sell to the capitalist for money is their labour *power*. The capitalist buys this labour power for a day, a week, a month, etc. And after he has bought it, he uses it by having the workers work for the stipulated time. For the same sum with which the capitalist has bought their labour power, for example, two marks, he could have bought two pounds of sugar or a definite amount of any other commodity. The two marks, with which he bought two pounds of sugar, are the *price* of the two pounds of sugar. The two marks, with which he bought twelve hours' use of labour power, are the price of twelve hours' labour. Labour power, therefore, is a commodity, neither more nor less than sugar. The former is measured by the clock, the latter by the scales.

Labour power is, therefore, a commodity which its possessor, the wage-worker, sells to capital. Why does he sell it? In order to live.

But the exercise of labour power, labour, is the worker's own life-activity, the manifestation of his own life. And this *life-activity* he sells to another person in order to secure the necessary *means of subsistence*. Thus his life-activity is for him only a means to enable him to exist. He works in order to live. He does not even reckon labour as part of his life, it is rather a sacrifice of his life. It is a

commodity which he has made over to another. Hence, also, the product of his activity is not the object of his activity. What he produces for himself is not the silk that he weaves, not the gold that he draws from the mine, not the palace that he builds. What he produces for himself is *wages*, and silk, gold, palace resolve themselves for him into a definite quantity of the means of subsistence, perhaps into a cotton jacket, some copper coins and a lodging in a cellar. And the worker, who for twelve hours weaves, spins, drills, turns, builds, shovels, breaks stones, carries loads, etc.—does he consider this twelve hours' weaving, spinning, drilling, turning, building, shovelling, stone breaking as a manifestation of his life, as life? On the contrary, life begins for him where this activity ceases, at table, in the public house, in bed. The twelve hours' labour, on the other hand, has no meaning for him as weaving, spinning, drilling, etc., but as *earnings*, which bring him to the table, to the public house, into bed. If the silk worm were to spin in order to continue its existence as a caterpillar, it would be a complete wage-worker. Labour power was not always a *commodity*. Labour was not always wage labour, that is, *free labour*. The *slave* did not sell his labour power to the slave owner, any more than the ox sells its services to the peasant. The slave, together with his labour power, is sold once and for all to his owner. He is a commodity which can pass from the hand of one owner to that of another. He is *himself* a commodity, but the labour power is not *his* commodity. The *serf* sells only a part of his labour power. He does not receive a wage from the owner of the land; rather the owner of the land receives a tribute from him.

The serf belongs to the land and turns over to the owner of the land the fruits thereof. The *free labourer*, on the other hand, sells himself and, indeed, sells himself piecemeal. He sells at auction eight, ten, twelve, fifteen hours of his life, day after day, to the highest bidder, to the owner of the raw materials, instruments of labour and means of subsistence, that is, to the capitalist. The worker belongs neither to an owner, nor to the land, but eight, ten, twelve, fifteen hours of his daily life belong to him who buys them. The worker leaves the capitalist to whom he hires himself whenever he likes, and the capitalist discharges him whenever he thinks fit, as soon as he no longer gets any profit out of him, or not the anticipated profit. But the worker, whose sole source of livelihood is the sale of his labour power, cannot leave the *whole class of purchasers*, that is, the *capitalist class*, without renouncing his existence. He belongs not to this or that capitalist but to the *capitalist class*, and, moreover, it is his business to dispose of himself, that is, to find a purchaser within this capitalist class.

materials of which capital consists, produced and accumulated under given social conditions, in definite social relations? Are they not utilised for new production under given social conditions, in definite social relations? And is it not just this definite social character which turns the products serving for new production into capital?

Capital consists not only of means of subsistence, instruments of labour and raw materials, not only of material products; it consists just as much of *exchange values*. All the products of which it consists are *commodities*. Capital is, therefore, not only a sum of material products; it is a sum of commodities, of exchange values, of *social magnitudes*.

Capital remains the same, whether we put cotton in place of wool, rice in place of wheat or steamships in place of railways, provided only that the cotton, the rice, the steamships—the body of capital—have the same exchange value, the same price as the wool, the wheat, the railways in which it was previously incorporated. The body of capital can change continually without the capital suffering the slightest alteration.

But while all capital is a sum of commodities, that is, of exchange values, not every sum of commodities, of exchange values, is capital.

Every sum of exchange values is an exchange value. Every separate exchange value is a sum of exchange values. For instance, a house that is worth 1,000 marks is an exchange value of 1,000 marks. A piece of paper worth a pfennig is a sum of exchange values of one-hundred hundredths of a pfennig. Products which are exchangeable for others are commodities. The particular ratio in which they are exchangeable constitutes their *exchange value* or, expressed in money, their *price*. The quantity of these products can change nothing in their quality of being *commodities* or representing an *exchange value* or having a definite price. Whether a tree is large or small it is a tree. Whether we exchange iron for other products in ounces or in hundred-weights, does this make any difference in its character as commodity, as exchange value? It is a commodity of greater or lesser value, of higher or lower price, depending upon the quantity.

How, then, does any amount of commodities, of exchange value, become capital?

By maintaining and multiplying itself as an independent social power, that is, as the power of a *portion of society*, by means of its exchange for *direct, living labour power*. The existence of a class which possesses nothing but its capacity to labour is a necessary prerequisite of capital.

It is only the domination of accumulated, past, materialised

labour over direct, living labour that turns accumulated labour into capital.

Capital does not consist in accumulated labour serving living labour as a means for new production. It consists in living labour serving accumulated labour as a means of maintaining and multiplying the exchange value of the latter.

What takes place in the exchange between capitalist and wage-worker?

The worker receives means of subsistence in exchange for his labour power, but the capitalist receives in exchange for his means of subsistence labour, the productive activity of the worker, the creative power whereby the worker not only replaces what he consumes but gives to the *accumulated labour a greater value than it previously possessed*. The worker receives a part of the available means of subsistence from the capitalist. For what purpose do these means of subsistence serve him? For immediate consumption. As soon, however, as I consume the means of subsistence, they are irrevocably lost to me unless I use the time during which I am kept alive by them in order to produce new means of subsistence, in order during consumption to create by my labour new values in place of the values which perish in being consumed. But it is just this noble reproductive power that the worker surrenders to the capitalist in exchange for means of subsistence received. He has, therefore, lost it for himself.

Let us take an example: a tenant farmer gives his day labourer five silver groschen a day. For these five silver groschen the labourer works all day on the farmer's field and thus secures him a return of ten silver groschen. The farmer not only gets the value replaced that he has to give the day labourer; he doubles it. He has therefore employed, consumed, the five silver groschen that he gave to the labourer in a fruitful, productive manner. He has bought with the five silver groschen just that labour and power of the labourer which produces agricultural products of double value and makes ten silver groschen out of five. The day labourer, on the other hand, receives in place of his productive power, the effect of which he has bargained away to the farmer, five silver groschen, which he exchanges for means of subsistence, and these he consumes with greater or less rapidity. The five silver groschen have, therefore, been consumed in a double way, *reproductively* for capital, for they have been exchanged for labour power which produced ten silver groschen, *unproductively* for the worker, for they have been exchanged for means of subsistence which have disappeared forever and the value of which he can only recover by repeating the same exchange with the farmer. Thus capital presupposes wage labour; wage labour presupposes capital. They reciprocally condition the existence of each

other; they reciprocally bring forth each other.

Does a worker in a cotton factory produce merely cotton textiles? No, he produces capital. He produces values which serve afresh to command his labour and by means of it to create new values.

Capital can only increase by exchanging itself for labour power, by calling wage labour to life. The labour power of the wage-worker can only be exchanged for capital by increasing capital, by strengthening the power whose slave it is. Hence, increase of capital is increase of the proletariat, that is, of the working class.

The interests of the capitalist and those of the worker are, therefore, one and the same, assert the bourgeois and their economists. Indeed! The worker perishes if capital does not employ him. Capital perishes if it does not exploit labour power, and in order to exploit it, it must buy it. The faster capital intended for production, productive capital, increases, the more, therefore, industry prospers, the more the bourgeoisie enriches itself and the better business is, the more workers does the capitalist need, the more dearly does the worker sell himself.

The indispensable condition for a tolerable situation of the worker is, therefore, the fastest possible growth of productive capital.

But what is the growth of productive capital? Growth of the power of accumulated labour over living labour. Growth of the domination of the bourgeoisie over the working class. If wage labour produces the wealth of others that rules over it, the power that is hostile to it, capital, then the means of employment, the means of subsistence, flow back to it from this hostile power, on condition that it makes itself afresh into a part of capital, into the lever which huris capital anew into an accelerated movement of growth.

To say that the interests of capital and those of the workers are one and the same is only to say that capital and wage labour are two sides of one and the same relation. The one conditions the other, just as usurer and squanderer condition each other.

As long as the wage-worker is a wage-worker his lot depends upon capital. That is the much-vaunted community of interests between worker and capitalist.

#### IV

If capital grows, the mass of wage labour grows, the number of wage-workers grows; in a word, the domination of capital extends over a greater number of individuals. \* \* \*

To say that the worker has an interest in the rapid growth of capital is only to say that the more rapidly the worker increases the

wealth of others, the richer will be the crumbs that fall to him, the greater is the number of workers that can be employed and called into existence, the more can the mass of slaves dependent on capital be increased.

We have thus seen that:

Even the most favourable situation for the working class, the most rapid possible growth of capital, however much it may improve the material existence of the worker, does not remove the antagonism between his interests and the interests of the bourgeoisie, the interests of the capitalists. Profit and wages remain as before in inverse proportion.

If capital is growing rapidly, wages may rise; the profit of capital rises incomparably more rapidly. The material position of the worker has improved, but at the cost of his social position. The social gulf that divides him from the capitalist has widened. Finally:

To say that the most favourable condition for wage labour is the most rapid possible growth of productive capital is only to say that the more rapidly the working class increases and enlarges the power that is hostile to it, the wealth that does not belong to it and that rules over it, the more favourable will be the conditions under which it is allowed to labour anew at increasing bourgeois wealth, at enlarging the power of capital, content with forging for itself the golden chains by which the bourgeoisie drags it in its train.

#### V

Are growth of productive capital and rise of wages really so inseparably connected as the bourgeois economists maintain? We must not take their word for it. We must not even believe them when they say that the fatter capital is, the better will its slave be fed. The bourgeoisie is too enlightened, it calculates too well, to share the prejudices of the feudal lord whom makes a display by the brilliance of his retinue. The conditions of existence of the bourgeoisie compel it to calculate.

We must, therefore, examine more closely:

How does the growth of productive capital affect wages? If, on the whole, the productive capital of bourgeois society grows, a more manifold accumulation of labour takes place. The capitals increase in number and extent. The numerical increase of the capitals increases the competition between the capitalists. The increasing extent of the capitals provides the means for bringing more powerful labour armies with more gigantic instruments of war into the industrial battlefield.

One capitalist can drive another from the field and capture his capital only by selling more cheaply. In order to be able to sell

more cheaply without ruining himself, he must produce more cheaply, that is, raise the productive power of labour as much as possible. But the productive power of labour is raised, above all, by a *greater division of labour*, by a more universal introduction and continual improvement of *machinery*. The greater the labour army among whom labour is divided, the more gigantic the scale on which machinery is introduced, the more does the cost of production proportionately decrease, the more fruitful is labour. Hence, a general rivalry arises among the capitalists to increase the division of labour and machinery and to exploit them on the greatest possible scale.

If, now, by a greater division of labour, by the utilisation of new machines and their improvement, by more profitable and extensive exploitation of natural forces, one capitalist has found the means of producing with the same amount of labour or of accumulated labour a greater amount of products, of commodities, than his competitors, if he can, for example, produce a whole yard of linen in the same labour time in which his competitors weave half a yard, how will this capitalist operate?

He could continue to sell half a yard of linen at the old market price; this would, however, be no means of driving his opponents from the field and of enlarging his own sales. But in the same measure in which his production has expanded, his need to sell has also increased. The more powerful and costly means of production that he has called into life enable him, indeed, to sell his commodities more cheaply, they *compel* him, however, at the same time to *sell more commodities*, to conquer a much *larger* market for his commodities; consequently, our capitalist will sell his half yard of linen more cheaply than his competitors.

The capitalist will not, however, sell a whole yard as cheaply as his competitors sell half a yard, although the production of the whole yard does not cost him more than the half yard costs the others. Otherwise he would not gain anything extra but only get back the cost of production by the exchange. His possibly greater income would be derived from the fact of having set a larger capital into motion, but not from having made more of his capital than the others. Moreover, he attains the object he wishes to attain, if he puts the price of his goods only a small percentage lower than that of his competitors. He drives them from the field, he wrests from them at least a part of their sales, by *underselling* them. And, finally, it will be remembered that the current price always stands *above or below the cost of production*, according to whether the sale of the commodity occurs in a favourable or unfavourable industrial season. The percentage at which the capitalist who has employed new and more fruitful means of production sells above

his real cost of production will vary, depending upon whether the market price of a yard of linen stands below or above its hitherto customary cost of production.

However, the *privileged position* of our capitalist is not of long duration; other competing capitalists introduce the same machines, the same division of labour, introduce them on the same or on a larger scale, and this introduction will become so general that the price of linen is *reduced not only below its old, but below its new cost of production*.

The capitalists find themselves, therefore, in the same position relative to one another as *before* the introduction of the new means of production, and if they are able to supply by these means double the production at the same price, they are *now* forced to supply the double product *below* the old price. On the basis of this new cost of production, the same game begins again. More division of labour, more machinery, enlarged scale of exploitation of machinery and division of labour. And again competition brings the same counteraction against this result.

We see how in this way the mode of production and the means of production are continually transformed, revolutionised, *how the division of labour is necessarily followed by greater division of labour, the application of machinery by still greater application of machinery, work on a large scale by work on a still larger scale.*

That is the law which again and again throws bourgeois production out of its old course and which compels capital to intensify the productive forces of labour, *because it has intensified them, it, the law which gives capital no rest and continually whispers in its ear: "Go on! Go on!"*

This law is none other than that which, within the fluctuations of trade periods, necessarily *levels out* the price of a commodity to its *cost of production*.

However powerful the means of production which a capitalist brings into the field, competition will make these means of production universal and from the moment when it has made them universal, the only result of the greater fruitfulness of his capital is that he must now supply *for the same price* ten, twenty, a hundred times as much as before. But, as he must sell perhaps a thousand times as much as before in order to outweigh the lower selling price by the greater amount of the product sold, because a more extensive sale is now necessary, not only in order to make more profit but in order to replace the cost of production—the instrument of production itself, as we have seen, becomes more and more expensive—and because this mass sale becomes a question of life and death not only for him but also for his rivals, the old struggle begins again *all the more violently the more fruitful the already dis-*

covered means of production are. The division of labour and the application of machinery, therefore, will go on anew on an incomparably greater scale.

Whatever the power of the means of production employed may be, competition seeks to rob capital of the golden fruits of this power by bringing the price of the commodities back to the cost of production, by thus making cheaper production—the supply of ever greater amounts of products for the same total price—an imperative law to the same extent as production can be cheapened, that is, as more can be produced with the same amount of labour. Thus the capitalist would have won nothing by his own exertions but the obligation to supply more in the same labour time, in a word, *more difficult conditions for the augmentation of the value of his capital.* While, therefore, competition continually pursues him with its law of the cost of production and every weapon that he forges against his rivals recoils against himself, the capitalist continually tries to get the better of competition by incessantly introducing new machines, more expensive, it is true, but producing more cheaply, and new division of labour in place of the old, and by not waiting until competition has rendered the new ones obsolete.

If now we picture to ourselves this feverish simultaneous agitation on the whole world market, it will be comprehensible how the growth, accumulation and concentration of capital results in an uninterrupted division of labour, and in the application of new and the perfecting of old machinery precipitately and on an ever more gigantic scale.

*But how do these circumstances, which are inseparable from the growth of productive capital, affect the determination of wages?*

The greater division of labour enables one worker to do the work of five, ten or twenty; it therefore multiplies competition among the workers fivefold, tenfold and twentyfold. The workers do not only compete by one selling himself cheaper than another; they compete by one doing the work of five, ten, twenty; and the division of labour, introduced by capital and continually increased, compels the workers to compete among themselves in this way.

Further, as the division of labour increases, labour is simplified. The special skill of the worker becomes worthless. He becomes transformed into a simple, monotonous productive force that does not have to use intense bodily or intellectual faculties. His labour becomes a labour that anyone can perform. Hence, competitors crowd upon him on all sides, and besides we remind the reader that the more simple and easily learned the labour is, the lower the cost of production needed to master it, the lower do wages sink, for, like the price of every other commodity, they are determined by the cost of production.

Therefore, as labour becomes more unsatisfying, more repulsive,

competition increases and wages decrease. The worker tries to keep up the amount of his wages by working more, whether by working longer hours or by producing more in one hour. Driven by want, therefore, he still further increases the evil effects of the division of labour. The result is that *the more he works the less wages he receives*, and for the simple reason that he competes to that extent with his fellow workers, hence makes them into so many competitors who offer themselves on just the same bad terms as he does himself, and that, therefore, in the last resort he *competes with himself, with himself as a member of the working class.*

Machinery brings about the same results on a much greater scale, by replacing skilled workers by unskilled, men by women, adults by children. It brings about the same results, where it is newly introduced, by throwing the hand workers on to the streets in masses, and, where it is developed, improved and replaced by more productive machinery, by discharging workers in smaller batches. We have portrayed above, in a hasty sketch, the industrial war of the capitalists among themselves; *this war has the peculiarity that its battles are won less by recruiting than by discharging the army of labour. The generals, the capitalists, compete with one another as to who can discharge most soldiers of industry.*

The economists tell us, it is true, that the workers rendered superfluous by machinery find new branches of employment.

They dare not assert directly that the same workers who are discharged find places in the new branches of labour. The facts cry out too loudly against this lie. They really only assert that new means of employment will open up for other component sections of the working class, for instance, for the portion of the young generation of workers that was ready to enter the branch of industry which has gone under. That is, of course, a great consolation for the disinherited workers. The worshipful capitalists will never want for fresh exploitable flesh and blood, and will let the dead bury their dead. This is a consolation, which the bourgeois give themselves rather than one which they give the workers. If the whole class of wage-workers were to be abolished owing to machinery, how dreadful that would be for capital which, without wage labour, ceases to be capital!

Let us suppose, however, that those directly driven out of their jobs by machinery, and the entire section of the new generation that was already on the watch for this employment, find a new occupation. Does any one imagine that it will be as highly paid as that which has been lost? *That would contradict all the laws of economics.* We have seen how modern industry always brings with it the substitution of a more simple, subordinate occupation for the more complex and higher one.

How, then, could a mass of workers who have been thrown out

of one branch of industry owing to machinery find refuge in another, unless the latter is lower, worse paid? The workers who work in the manufacture of machinery itself have been cited as an exception. As soon as more machinery is demanded and used in industry, it is said, there must necessarily be an increase of machines, consequently of the manufacture of machines, and consequently of the employment of workers in the manufacture of machines; and the workers engaged in this branch of industry are claimed to be skilled, even educated workers.

Since the year 1840 this assertion, which even before was only half true, has lost all semblance of truth because ever more versatile machines have been employed in the manufacture of machinery, no more and no less than in the manufacture of cotton yarn, and the workers employed in the machine factories, confronted by highly elaborate machines, can only play the part of highly unelaborate machines.

But in place of the man who has been discharged owing to the machine, the factory employs maybe three children and one woman. And did not the man's wages have to suffice for the three children and a woman? Did not the minimum of wages have to suffice to maintain and to propagate the race? What, then, does this favourite bourgeois phrase prove? Nothing more than that now four times as many workers' lives are used up in order to gain a livelihood for one worker's family.

Let us sum up: *The more productive capital grows, the more the division of labour and the application of machinery expands. The more the division of labour and the application of machinery expands, the more competition among the workers expands and the more their wages contract.*

In addition, the working class gains recruits from the higher strata of society also; a mass of petty industrialists and small renters are hurled down into its ranks and have nothing better to do than urgently stretch out their arms alongside those of the workers. Thus the forest of uplifted arms demanding work becomes ever thicker, while the arms themselves become ever thinner.

That the small industrialist cannot survive in a contest one of the first conditions of which is to produce on an ever greater scale, that is, precisely to be a large and not a small industrialist, is self-evident.

That the interest on capital decreases in the same measure as the mass and number of capitals increase, as capital grows; that, therefore, the small rentier can no longer live on his interest but must throw himself into industry, and, consequently, help to swell the ranks of the small industrialists and thereby of candidates for the proletariat—all this surely requires no further explanation.

Finally, as the capitalists are compelled, by the movement described above, to exploit the already existing gigantic means of production on a larger scale and to set in motion all the mainsprings of credit to this end, there is a corresponding increase in industrial earthquakes, in which the trading world can only maintain itself by sacrificing a part of wealth, of products and even of productive forces to the gods of the nether world—in a word, crises increase. They become more frequent and more violent, if only because, as the mass of production, and consequently the need for extended markets, grows, the world market becomes more and more contracted, fewer and fewer new markets remain available for exploitation, since every preceding crisis has subjected to world trade a market hitherto unconquered or only superficially exploited. But capital does not live only on labour. A lord, at once aristocratic and barbarous, it drags with it into the grave the corpses of its slaves, whole hecatombs of workers who perish in the crises. Thus we see: *if capital grows rapidly, competition among the workers grows incomparably more rapidly, that is, the means of employment, the means of subsistence, of the working class decrease proportionately so much the more, and, nevertheless, the rapid growth of capital is the most favourable condition for wage labour.*