

## Requiem for Marx

Edited by Yuri N. Maltsev  
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Reviewed by Peter J. Boettke

This volume is advertised by its editor, Yuri N. Maltsev, as "the most anti-Marxist collection ever published" in the scholarly literature, and this is not hyperbole. There have been major critics, both serious and silly, of Marx's economics since the first volume of *Capital* was published in 1867. None of the criticisms leveled against Marx compares either in depth or fatality to those that have emerged from the Austrian camp. Eugen von Böhm-Bawerk's *Karl Marx and the Close of His System*, for instance, is usually credited with having dealt a devastating blow to the analytical foundation of Marx's theory. But the promise of socialism for a better world would not go away simply because of the analytical problems of price theory raised by Böhm-Bawerk. And neither Ludwig von Mises's famous 1920 article or 1922 book, *Socialism*, which argued for the impossibility of economic calculation in the socialist commonwealth (perhaps the single most important insight generated in twentieth-century economic science), nor F. A. Hayek's demonstration in *The Road to Serfdom* of the inherent totalitarian tendency of socialist economies (even if democratically sanctioned), could dissuade progressive intellectuals from pushing socialist schemes to save mankind from poverty, squalor, and ignorance. Today, despite the collapse of communist regimes in the late 1980s, a modified version of socialism is still the dream of many. Hope springs eternal for the idealist. As *Requiem for Marx* so aptly shows, however, Marxism

was never much of an analytical system, and the socialist system (in all its varieties) should never have been accepted as a progressive ideal.

Praxeology establishes parameters on our utopias. Through its principles we learn the limits of economic and social policy. Its teachings allow us to find the necessary conditions for economic prosperity and the continuing progress of the human condition (including the least advantaged in society). And what praxeology has established clearly is that nothing in the socialist project is consistent with the goal of increasing the welfare of the mass of citizens in a society. A few may benefit, but the masses suffer in economic misery and live under political tyranny.

Maltsev's introduction does a wonderful job dissecting the rhetoric of the reform efforts in the former Soviet Union, and even the so-called "shock therapy" reforms of Yeltsin's Russia. As Maltsev points out, "the Yeltsin government has proven another point: Gorbachevian socialism was not the only way to ruin an economy's wealth-creating potential." The Yeltsin program was not a market-oriented reform, but was directed at "restructuring the state regulatory mechanism." Western intellectuals and politicians are thus ridiculous in blaming "market" reforms for Russia's poor economic performance in 1992 and 1993 and for the public's reaction at the voting booth in the fall of 1993. The idea, put forth by some of Russia's political leaders, that the period of market romanticism has been tried and failed, and that it is now time to move to non-monetary means of economic control (read: wage and price controls) would be laughable were it not so tragic.

Contemporary political events, however, are not the focus of this volume. The main papers are by David Gordon (on the logic of Marx's system); the late David Osterfeld (showing that Marx's inability to distinguish between restricted and free exchange did not permit him to properly analyze capitalist relations, and therefore that Marx's critique of capitalism is no critique at all); Hans Hoppe; Ralph Raico (both on the theme of class analysis and demonstrating how the libertarian "class" analysis provides a more coherent and powerful analytical tool for social analysis than traditional Marxian class theory); and Murray Rothbard (providing a brilliant intellectual history of Marx's vision). These papers focus on Marx's fundamental intellectual contributions, while Gary North's paper provides an examination of Marx's personal biography — some of which is quite revealing. I think the papers by Hoppe, Raico, and Rothbard are the strongest in the collection. Raico's and Rothbard's contributions are consistent with what we have come to expect from these two over the years — learned, well written, and at times (especially in Rothbard's case) highly entertaining. Hoppe's paper provides a good discussion of libertarian class theory,

with some illuminating examples drawn from the New Left historians of the 1960s and 1970s. In this sense, Hoppe's paper fits in with the 1972 collection edited by Rothbard and Ronald Radosh, *A New History of Leviathan*. Osterfeld's essay points in an interesting research direction, but ultimately promises more than it can deliver. Gordon's paper contains a few logical leaps that prevent it from possessing the analytical sting intended. North provides some very interesting material (like Marx's real income), and writes in his characteristic lively style.

*A Requiem for Marx* is more than a "Bronx cheer" for the Marxist system and the havoc it has wrought on humanity during the twentieth century. The book's arguments devastate Marx's teachings. It deserves a wide readership, which hopefully will include many of those who remain unconvinced of the merits of claims derived from praxeology. For many intellectuals, socialism remains a worthy ideal, one that mankind was unfortunately unable to live up to in practice.<sup>1</sup> This, of course, gets the problem exactly backwards: It was socialism that failed to live up to the worthy demands of mankind. The realization of mankind's demand for economic prosperity, political freedom, and a cooperative social order can only be accomplished under a system of private property and the unfettered market economy. A strong (and counter-intuitive to many) claim of praxeology is that the free market system outperforms all other coordination devices on both efficiency and fairness grounds. *Requiem for Marx* hammers this message home repeatedly, and as such is a worthy continuation of Mises's work on the economic and sociological analysis of socialism.

### Note

<sup>1</sup>See, for example, Ray Jenkins, "Socialism's Nobel Aims," *New York Times*, January 23, 1994, section 3, p. 13. ▲