

Marginal notes to Marx's *The Poverty of Philosophy*

Pierre-Joseph Proudhon

1847

The Poverty of Philosophy

Chapter One: A Scientific Discovery

§ 2. *Constituted Value or Synthetic Value*

Marx (quoting from John Francis Bray's *Labour's Wrongs and Labour's Remedy*): "As an end, the political equality is there a failure, as a means, also, it is there a failure."

Proudhon: Yes

Chapter Two: The Metaphysics of Political Economy

§ 1. *The Method*

Now, we have enumerated and critiqued these forms or categories of labour. They are: the division of labour, machines, competition, monopoly, the state or centralisation, free trade, credit, property, and community. Our analysis has shown that if labour possesses within itself the means of creating wealth, these means, through the antagonism that is specific to them, are likely to become so many new causes of poverty; and as political economy is nothing other than the affirmation of this antagonism, it is thereby proven that political economy is the affirmation and organisation of pauperism. The question is therefore no longer how labour will drive out primitive poverty, which has long since disappeared; but how we will eliminate the pauperism that results from the inherent defect of labour, or, to put it better, from the false organisation of labour, from political economy.

– "Chapter XIII: Tenth Epoch – Population"
System of Economic Contradictions

First Observation

Marx: "But the moment we cease to pursue the historical movement of production relations, of which the categories are but the theoretical expression, the moment we want to see in these categories no more than ideas, spontaneous thoughts, independent of real relations, we are forced to attribute the origin of these thoughts to the movement of pure reason."

Proudhon: It is quite necessary, since, in society, everything is, no matter what one says, contemporary; just as, in nature, all the atoms are eternal.

For credit can and must be *based only on realities, not on expectations*; credit is *real*, not *personal*, as the lawyers say. In order for this rule to be overthrown and reversed, it is necessary that by the reaction of labour against capital all appropriated wealth has become collective wealth again, that capital taken out of society has returned to society; it is necessary, in a word, that the antinomy be resolved. But then credit will be no more than a secondary organ of progress; it will have disappeared in the universal association

– "Chapter X: Seventh Epoch - Credit"
System of Economic Contradictions

Marx: "It is of this absolute method that Hegel speaks in these terms:"

Proudhon: Very well: is that so stupid?

Marx: "He thinks he is constructing the world by the movement of thought, whereas he is merely reconstructing systematically and classifying by the absolute method of thoughts which are in the minds of all."

Proudhon: I do not pretend to do anything else!; and I believe that it is something. Your observation observes nothing.

Second Observation

Marx: "M. Proudhon the economist understands very well that men make cloth, linen, or silk materials in definite relations of production. But what he has not understood is that these definite social relations are just as much produced by men as linen, flax, etc. Social relations are closely bound up with productive forces."

Proudhon: Lie: that is precisely what I say. Society produces the laws and materials from its experience.

Marx: “Thus the ideas, these categories, are as little eternal as the relations they express.”

Proudhon: Yes, eternal like humanity, no more no less and all contemporary. Your second observation goes nowhere.

Third Observation

Marx: “The only drawback to this method is that when he comes to examine a single one of these phases, M. Proudhon cannot explain it without having recourse to all the other relations of society; which relations, however, he has not yet made his dialectic movement engender.”

Proudhon: I say precisely all this. So tell me, how will you set about speaking in turn about the objects of Pol[itical] Econ[omy]?

Marx: “In constructing the edifice of an ideological system by means of the categories of political economy, the limbs of the social system are dislocated.”

Proudhon: Who tells you about all this? Your third observation is nothing but slander.

The error of Malthus, or rather of political economy, does not consist in saying that a man who has nothing to eat must die; or in maintaining that, under the system of individual appropriation, there is no course for him who has neither labour nor income but to withdraw from life by suicide, unless he prefers to be driven from it by starvation: such is, on the one hand, the law of our existence; such is, on the other, the consequence of property.. The error of Malthus, the radical vice of political economy, consists, in general terms, in affirming as a definitive state a transitory condition, namely the division of society into patricians and proletarians; – particularly, in saying that in an organised, and consequently interdependent, society, there may be some who possess, labour, and consume, while others have neither possession, nor labour, nor bread.

– “Chapter I: On Economic Science”
System of Economic Contradictions

The remedy for competition, in your opinion [economist], is to make competition universal. But, in order that competition may be universal, it is necessary to procure for all the means of competing; it is necessary to destroy or modify the predominance of capital over labour, to change the relations between employer and worker, to solve, in a word, the antinomy of division and that of machinery; it is necessary to ORGANISE LABOUR: can you give this solution?

– “Chapter V: Third Epoch – Competition”
System of Economic Contradictions

Fourth Observation

Marx: “For him, M. Proudhon, every economic category has two sides – one good, the other bad. He looks upon these categories as the petty bourgeois looks upon the great men of history: *Napoleon* was a great man; he did a lot of good; he also did a lot of harm.”

Proudhon: I myself criticised of this way of reasoning. For some, Napoleon is a demigod, for others a scourge. Are these or those closer to the truth than this petit bourgeois?

Marx: “The problem to be solved: to keep the good side, while eliminating the bad.”

Proudhon: Shameless slander.

Marx: “*Slavery* is an economic category like any other... What would M. Proudhon do to save slavery? He would

formulate the problem thus: preserve the good side of this economic category, eliminate the bad.”

Proudhon: This is just a deceitful, but reasonable, point. Slavery, the extreme [version] of the proletariat, that is to say of relative inferiority, has its reason for being, which will always make it exist, not as slavery but as an apprenticeship or something similar. It is forever like the customs-house.

Marx: “Hegel has no problems to formulate. He has only dialectics. M. Proudhon has nothing of Hegel’s dialectics but the language. For him the dialectic movement is the dogmatic distinction between good and bad.”

Proudhon: Nonsense.

Marx: “The very setting of the problem of eliminating the bad side cuts short the dialectic movement.”

Proudhon: Who has ever spoken to you of elimination?

Marx: “By taking the economic categories thus successively, one by one, and making one the antidote to the other, M. Proudhon manages to make with this mixture of contradictions and antidotes to contradictions, two volumes of contradictions, which he rightly entitles: *The System of Economic Contradictions*.”

Proudhon: Your fourth observation is nothing but a lie, a [illegible word] slander.

So by the very fact that society, forced by credit, has recognised the monopolist’s right to borrow on the mortgage of his monopoly without rendering an account to his fellow workers, it has made him the owner. Property is the postulate of credit, as credit had been the postulate of commerce, and monopoly the postulate of competition. In practice, all these things are inseparable and simultaneous; but in theory they are distinct and consecutive; and property is no more monopoly than machinery is the division of labour, although monopoly is almost always and almost necessarily accompanied by property, as division almost always and almost necessarily presupposes the use of machinery.

– “Chapter XI: Eight Epoch – Property”
System of Economic Contradictions

Fifth Observation

it is labour that must be paid for and exchanged, not the gratuitous utility of the land... In such conditions, the most absolute freedom of exchange is always advantageous, and can never become harmful. But monopolies, but the privileges of industry, but the prelibation of the capitalist, but the seigniorial rights of property, have you abolished them? do you even have a means of abolishing them? do you even believe in the possibility, in the necessity of their abolition?... As long as the privilege of national territory and individual property are implied by you, the law of exchange in your mouth will be a lie; as long as there is no association and solidarity agreed between the producers of all countries, that is to say, a community of the gifts of nature and an exchange only of the products of labour, foreign trade will only reproduce between races the phenomenon of enslavement and dependence that the division of labour, wage labour, competition and all economic agents produce between individuals; your free trade will be a deception, if you do not prefer that I say a theft exercised by force.

– “Chapter IX: Sixth Epoch – Balance of Trade”
System of Economic Contradictions

Marx: “When M. Proudhon spoke of the *serial relation in understanding*, of the *logical sequence of categories*, he declared positively that he did not want to give *history according to the order in time*, that is, in M. Proudhon’s view, the historical sequence in which the categories have manifested themselves.”

Proudhon: There is none.

Marx: “and now we have M. Proudhon reduced to saying that the order in which he gives the economic categories is no longer the order in which they engender one another.”

Proudhon: False. To appreciate the true value of logic is not to deny logic.

Marx: “In logical sequence, it was the century that belonged to the principle, and not the principle which belonged to the century.”

Proudhon: Who speaks to you of that? When I categorically say the opposite?

Marx: “But the moment you present men as the actors and authors of their own history, you arrive – by detour – at the real starting point, because you have abandoned those eternal principles of which you spoke at the outset.”

Proudhon: So I have the misfortune to still think like you! Have I ever claimed that principles are anything other than the intellectual representation, not the generating cause, of facts? Your fifth observation is a slanderous imputation. The real meaning of Marx’s work is that he regrets that throughout I thought like him, and that I said it before him. It is up to the reader to believe that it was Marx who, after having read me, regrets thinking like me! What a man!

Sixth Observation

Marx: “We shall concede that economic relations, viewed as *immutable laws, eternal principles, ideal categories*, existed before active and energetic men did”

Proudhon: I have no need of your supposition.

Marx: “So great is the productive force of the contradictions which *function* and which made M. Proudhon function, that, in trying to explain history, he is forced to deny it”

Proudhon: Appearing and existing are two different things, the first of which is true only for us.

In other words, in an organised society, *production increases as the square of the number of workers*. It is political economy itself that teaches us this: all its books are full of it; and if Malthus, preoccupied with a fixed idea, that of the doubling of the population, had forgotten it, why did his colleagues not remember it? For it is obvious that the ratio of increase determined by Malthus between the population and subsistence can only be understood in an inorganic society, where industry, that is to say division, machinery, competition, exchange, etc., are absolutely null; where collective force does not exist: in no way in an interlocking society, founded on the separation of industries and on exchange, and where each man, producing for millions of consumers, is served in turn by millions of producers.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

English commerce, requested by its immense clientele, calls for workers from all directions, and encourages marriage; as long as work is abundant, marriage is an excellent thing, the effects of which often cited in the interest of machinery; but, as the clientele fluctuates, as soon as work and wages are lacking, they denounce the abuse of marriage, they accuse workers of improvidence. Political economy, that is to say, proprietary despotism, can never be wrong: it must be the proletariat.

– “Chapter IV: Second Epoch – Machines”
System of Economic Contradictions

Marx: “in trying to explain the successive appearance of social relations, he denies that anything can appear: in trying to explain production, with all its phases, he questions whether *anything can be produced*.”

Proudhon: Yes, production is appearance.

Marx: “To this end he has invented a new reason”

Proudhon: You always joke beforehand: start by being right.

Marx: “Just as the *antithesis* was before turned into an *antidote*, so now the *thesis* becomes a *hypothesis*. This change of terms, coming from M. Proudhon, has no longer anything surprising for us!”

Proudhon: Prattle.

Marx: "Providence, providential aim, this is the great word used today to explain the movement of history. In fact, this word explains nothing. It is at most a rhetorical form, one of the various ways of paraphrasing facts."

Proudhon: Here I am again guilty of worshipping Providence!

Marx: "Thus, by successive transformations, landed property in Scotland has resulted in the driving out of men by sheep. Now say that the providential aim of the institution of landed property in Scotland was to have men driven out by sheep, and you will have made providential history."

Proudhon: Libel! [Pasquinade!]

Unfortunately, the antagonism of economic institutions does not allow them to produce their effect without friction: hence the mishaps of labour, hence the upsets of misery. Thus, competition, by its positive and social side, has indeed as its aim to reduce indefinitely the price of things, consequently to increase unceasingly the sum of values and to put production in advance of the population; but, by its negative and selfish side, competition turns from wealth to poverty, since the reduction in price that it brings about, on the one hand only benefits the victors, on the other leaves the vanquished without work and without resources.

Competition, says the theory, must enrich everyone. But, by the imperfection of the social organism, practice proves that where competition has become general, there are just as many unfortunates as enriched: this is what it is impossible to doubt, after the criticism that we have made.

– "Chapter XIII: Tenth Epoch – Population"
System of Economic Contradictions

This is the war you have to support: a war of labour against capital; a war of liberty against authority; a war of the producer against the non-productive; a war of equality against privilege... Now, to combat and reduce power, to put it in its proper place in society, it is useless to change the holders of power, nor to introduce some variation into its workings: it is necessary to find an agricultural and industrial combination by means of which power, today dominating society, becomes its slave.

– "Chapter VII: Fifth Epoch – The Police or Taxation"
System of Economic Contradictions

Marx: "To say now that all former centuries, with entirely different needs, means of production, etc., worked providentially for the realization of equality is, firstly, to substitute the means and the men of our century for the men and the means of earlier centuries and to misunderstand the historical movement by which the successive generations transformed the results acquired by the generations that preceded them."

Proudhon: What is this chicanery? Generations transform! – I say myself that the same principle unites, governs, all events; – I do not know what transformation is. The France of 89 transformed its absolute monarch into a constitutional monarch. So be it. That is your style. I say, for my part, that the State, in 89, regularised the division of political powers that existed before 89. The reader will judge. The sixth observation falls on Hegel and does not relate to anything.

Marx: "But since M. Proudhon takes such a tender interest in Providence, we refer him to the *Histoire de l'économie politique* of M. de Villeneuve-Bargemont, who likewise goes in pursuit of a providential aim. This aim, however, is not equality, but Catholicism."

Proudhon: What stupidity after what I wrote! Truly, Marx is jealous.

Seventh and Last Observation

Marx: "Thus, feudal production, to be judged properly, must be considered as a mode of production founded on antagonism."

Proudhon: Does Marx have the pretension to present all this as his own, in opposition to something to the contrary that I said?

Marx: "From day to day it thus becomes clearer that the production relations in which the bourgeoisie moves have not a simple, uniform character, but a dual character... there is a development of the productive forces, there is also a force producing repression; that these relations produce *bourgeois wealth* – i.e., the wealth of the bourgeois class – only by continually annihilating the wealth of the individual members of this class and by producing an ever-growing proletariat.

Proudhon: But all this is me!

It is important, then, that we should resume the study of economic facts and practices, discover their meaning, and formulate their philosophy. Until this is done, no knowledge of social progress can be acquired, no reform attempted. The error of socialism has consisted hitherto in perpetuating religious reverie by launching forward into a fantastic future instead of seizing the reality which is crushing it; as the wrong of the economists has been in regarding every accomplished fact as an injunction against any proposal of reform.

For my own part, such is not my conception of economic science, the true social science. Instead of offering *a priori* arguments as solutions of the formidable problems of the organisation of labour and the distribution of wealth, I shall interrogate political economy as the depositary of the secret thoughts of humanity.

– "Chapter II – On Value"
System of Economic Contradictions

and when we..., taking up the difficult task, abandoned by you, of A. Smith, Ricardo, J. B. Say, even Malthus, we reveal to your eyes the despoiling principle; when we demonstrate to you that humanity is always struck before it fails in bread and land; when we develop in your presence the mechanism of proprietary usurpation, of capitalist fiction and of mercantile theft, you close your eyes so as not to see, your ears so as not to hear, your heart so as not to yield to conviction! The iniquity of the century is more precious to you than the rights of the poor, and the interests of your clique come before those of science!

Well! as long as you cry out against imprudence and against population, we will cry out on our side against hypocrisy and brigandage; We will point you out to the distrust of the workers, and it is you, you alone that we will hold responsible for the exploitation that is killing us and the infamy that is defiling us. We will repeat everywhere, with a clap of thunder: Political economy is the organisation of misery; and the apostles of theft, the purveyors of death, are the economists.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

Marx: “We have the *fatalist* economists, who in their theory are as indifferent to what they call the drawbacks of bourgeois production as the bourgeois themselves are in practice to the sufferings of the proletarians who help them to acquire wealth... The proletariat that takes part in this struggle and is absorbed in this feverish labour experiences only passing, accidental sufferings, and itself regards them as such.”

Proudhon: I said all that. Marx does as Vidal did.¹

Marx: “these theoreticians are merely utopians who, to meet the wants of the oppressed classes, improvise systems and go in search of a regenerating science.”

Proudhon: Plagiarism of my 1st chapter.

Marx: “Let us return to M. Proudhon.”

Proudhon: What! return! But the preceding pages are a copy of me.

§ 2. Division of Labour and Machinery

Marx: “Certainly, things would be made much too easy if they were reduced to M. Proudhon’s categories.”

Proudhon: What does that prove? That humanity is progressing slowly.

Marx: “Adam Smith goes further than M. Proudhon thinks.”

Proudhon: Fine

Marx: “All this does not prevent M. Proudhon from saying elsewhere that Adam Smith has not the slightest idea of the drawbacks produced by the division of labour.”

Proudhon: Fine. But has Smith clarified the matter? – No.

Marx: “17 years before Adam Smith, who was a pupil of A. Ferguson, the last-named gave a clear exposition of the subject in a chapter which deals specifically with the division of labour [and quotes Ferguson’s *An Essay on the History of Civil Society* (1783)]”

Proudhon: The problem is not clarified.

Marx: “Besides, why stress this part of M. Proudhon’s work, since a little later we shall see him formally retract all these alleged

Let us remember that in the current period of social antinomies that we call credit, and from which we are led to expect such pompous wonders, nothing is yet organised: labour is delivered to fragmented division; the workshop, to master and wage labour; the market, to competition and monopoly; society, to fiscal and parliamentary hypocrisy... We must therefore return to the general observation that we first made: for credit to become a true means of equilibrium, equilibrium must first be established in the workshop, on the market, in the State; in a word, labour must be organised. But this organisation does not exist...

– “Chapter X: Seventh Epoch – Credit”
System of Economic Contradictions

Whatever the pace of mechanical progress, if we were to invent machines a hundred times more marvellous than the mule-jenny... very far from freeing humanity, securing its leisure, and making the production of everything gratuitous, they would never do anything but multiply work, increase the population, make the chains of serfdom heavier, render life more and more expensive, and deepen the abyss which separates the class that commands and enjoys from the class that obeys and suffers.

– “Chapter IV: Second Epoch – Machines”
System of Economic Contradictions

developments? ‘The first effect of fractional labour,’ continues M. Proudhon... M. Proudhon says, to relieve his conscience, that the universal conscience wills it thus...”

Proudhon: Come, dear Marx, you act in bad faith, and at the same time you know nothing.

Marx: “Machinery is no more an economic category than the bullock that drags the plough. Machinery is merely a productive force.”

Proudhon: It is a philosopher who says this.

¹ François Vidal (1812-1872) was a French utopian socialist associated first with the Saint-Simonians and then the Fourierists. He published an article in *Presse* on the 9th of December 1846 which analysed capitalism in terms of its contradictions. In his notebooks Proudhon accused Vidal of plundering his ideas (Pierre Haubtmann, *Pierre-Joseph Proudhon: sa vie et sa pensée, 1809-1849* [Paris : Beauchesne, 1982], 711). (*Black Flag*)

An English manufacturer: "The insubordination of our workers has made us think of dispensing with them. We have made and provoked every imaginable effort of the mind to replace the service of men by more docile tools, and we have achieved our object. Machinery has delivered capital from the oppression of labour. Wherever we still employ a man, we do so only provisionally, pending the invention for us of some means of accomplishing his work without him."

What a system is that which leads a businessman to think with delight that society will soon be able to dispense with men! *Machinery has delivered capital from the oppression of labour!* That is exactly as if the ministry were undertaking to deliver the budget from the oppression of the taxpayers. Fool! if the worker cost you, they are your customers: what will you do with your products, when, driven out by you, they will no longer consume them? Thus machinery, after crushing the workers, does not take long in dealing the masters a counter-blow; for, if production excludes consumption, it itself is soon obliged to stop.

– "Chapter IV: Second Epoch - Machines"
System of Economic Contradictions

Marx: "For M. Proudhon, who sees things upside down, if he sees them at all, the division of labour, in Adam Smith's sense, precedes the workshop, which is a condition of its existence."

Proudhon: Not division in the sense of A. Smith, but the great natural division of trades.

Marx: "Nothing is more absurd than to see in machinery the *antithesis* of the division of labour, the *synthesis* restoring unity to divided labour."

Proudhon: I maintain that.

Marx: "The machine is a unification of the instruments of labour, and by no means a combination of different operations for the worker himself. 'When, by the division of labour, each particular operation has been simplified to the use of a single instrument, the linking up of all these instruments, set in motion by a single engine, constitutes – a machine.' (Babbage, *Traité sur l'économie des machines*, p. 230, Paris, 1833)"

Proudhon: So the machine comes after division.

Marx: "Simple tools; accumulation tools; composite tools; setting in motion of a composite tool by a single hand engine, by man; setting in motion of these instruments by natural forces, machines; system of machines having one motor; system of machines having one automatic motor – this is the progress of machinery."

Proudhon: So the workshop that groups the parts of work also comes after division.

Marx: "The concentration of the instruments of production and the division of labour are as inseparable one from the other as are, in the political sphere, the concentration of public authority and the division of private interests."

Proudhon: Without doubt, it is only a logical succession.

Marx: "For M. Proudhon the concentration of the instruments of labour is the negation of the division of labour. "

Proudhon: Yes.

Marx: "In reality, we find again the reverse. As the concentration of instruments develops, the division develops also, and vice versa."

Proudhon: Yes too, all of this is true at the same time.

Marx: "This is why every big mechanical invention is followed by a greater division of labour, and each increase in the division of labour gives rise in turn to new mechanical inventions."

Proudhon: Very good, this is explained in my theory perfectly, as the parallel development of wealth and poverty.

Virgin country! Certainly, it is not from the burning of these eternal forests that the English, Swiss, German pioneer lived and multiplied; it is from work, work, I say, at first suitably divided, then gradually accompanied by capital and machines, increasing in value through circulation, and not yet made sterile by parasitism and monopoly. A proof of this is that political economy, imported from Europe, having begun to function a little too early in this country where, land and space being lacking to no one, work paid for itself without passing through the servitude of capital, the mediation of the banker and the surveillance of the police, the people had to let political economy run its course, and turn its gears alone.

– "Chapter XIII: Tenth Epoch – Population"
System of Economic Contradictions

*Whoever appeals to power and capital to
organise labour has lied,*

*Because the organisation of labour must be the
downfall of capital and power.*

– "Chapter XII: Ninth Epoch – Community"
System of Economic Contradictions

Marx: "The automatic workshop opened its career with acts which were anything but philanthropic."

Proudhon: Absurd, like the opinion that believes the balance of trade is dishonoured by the vexations of the customs-house.

Marx: "Indeed, what a difference between the division of labour as it existed in Adam Smith's day and as we see it in the automatic workshop!"

Proudhon: Division for me goes back further than A. Smith; it is also taken in a broader sense.

Marx (quoting from Dr. Ure's *The Philosophy of Manufactures*): "The principle of the factory system then

is, to substitute mechanical science for hand skill, and the partition of a process into its essential constituents, for the division or gradation of labour among artisans... on the automatic plan, skilled labour gets progressively superseded, and will, eventually, be replaced by mere overlookers of machines.”

Proudhon: One is only the consequence of the other and everything that is said about the first is applicable to the second.

Marx (quoting from Dr. Ure’s *The Philosophy of Manufactures*): “Such translations are utterly at variance with the old practice of the division of labour, which fixed one man to shaping the head of a pin, and another to sharpening its point, with the most irksome and spirit-wasting uniformity, for a whole life...”

Thus power, the instrument of collective power, created in society to serve as a mediator between labour and privilege, finds itself fatally chained to capital and directed against the proletariat. No political reform can resolve this contradiction, since, by the admission of the politicians themselves, such a reform would only result in increasing the energy and extent of power, and unless hierarchy is overthrown and society is dissolved, power cannot touch the prerogatives of monopoly. The problem therefore consists, for the working classes, not in conquering, but in vanquishing both power and monopoly, which means bringing forth from the bowels of the people, from the depths of labour, a greater authority, a more powerful fact which envelops capital and the State, and which subjugates them. Any proposal for reform that does not meet this condition is only one more scourge, a sentinel rod, *virgam vigilantem*, as a prophet said, which threatens the proletariat.

– “Chapter VII: Fifth Epoch – The Police or Taxation”
System of Economic Contradictions

Proudhon: Very good: I have carefully noted this opposition – the degradation of the worker is more advanced in what you call the automatic system than in what A. Smith calls division: – as for me, I have termed those two degrees as *Division* and as *machines*. I have said the Division of Labour fragments, mutilates, dissipates man; – machines enslave him: it is exactly the same as Dr Ure.

Marx: “But the moment every special development stops, the need for universality, the tendency towards an integral development of the individual begins to be felt.”

Proudhon: Good! And how do you understand this integral development?

Marx: “M. Proudhon, not having understood even this one revolutionary side of the automatic workshop, takes a step backward and proposes to the worker that he make not only the 12th part of a pin, but successively all 12 parts of it.”

Proudhon: Yes, insofar as it would only be a matter of resolving the antinomy of division; but I did not say that was all there was. The worker, always synthesising old and modern skill, must know how to work both with his hands and with machines. For it is absurd [to suggest] that he who has been replaced by the machine can do without the machine. Synthetism, having reached to its highest degree, requires of the worker both a greater ability and a lesser development of ability.

It seems, then, that machines are going to repair the deficit caused by division, and triumph over misery. This is not the case. With machines begins the distinction between masters and wage-earners, between capitalists and workers. The worker, whom machinery was supposed to pull out of the stupefaction to which fragmented work had reduced him, sinks deeper and deeper into it: he loses his human character, his freedom, and falls into the condition of a tool. Well-being increases for the bosses, evil for the subordinates; the distinction of castes begins, and a monstrous tendency is declared, that which consists, by multiplying men, in wanting to do without men. Thus universal embarrassment worsens: already announced by fragmented division, poverty officially enters the world; from this moment it becomes the soul and nerve of society.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

§ 3. Competition and Monopoly

Marx: “If the immediate *object* of the lover is the woman, the immediate object of industrial emulation is the product and not the profit.”

Proudhon: Synonym here.

Marx: “Competition is not industrial emulation, it is commercial emulation.”

Proudhon: Another synonym.

We cannot now enter upon a more fundamental criticism of the civil and commercial societies... We will reserve this subject [that is, “the organisation of labour”] for the time when, the theory of economic contradictions being finished, we shall have found in their general equation the programme of association, which we shall then publish in contrast with the practice and conceptions of our predecessors.

– “Chapter VI: Fourth Epoch – Monopoly”, *System of Economic Contradictions*

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Pierre-Joseph Proudhon

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Chapter One: A Scientific Discovery

§ 2. *Constituted Value or Synthetic Value*

Marx (quoting from John Francis Bray's *Labour's Wrongs and Labour's Remedy*): "As an end, the political equality is there a failure, as a means, also, it is there a failure."

Proudhon: Yes

Chapter Two: The Metaphysics of Political Economy

§ 1. *The Method*

Now, we have enumerated and critiqued these forms or categories of labour. They are: the division of labour, machines, competition, monopoly, the state or centralisation, free trade, credit, property, and community. Our analysis has shown that if labour possesses within itself the means of creating wealth, these means, through the antagonism that is specific to them, are likely to become so many new causes of poverty; and as political economy is nothing other than the affirmation of this antagonism, it is thereby proven that political economy is the affirmation and organisation of pauperism. The question is therefore no longer how labour will drive out primitive poverty, which has long since disappeared; but how we will eliminate the pauperism that results from the inherent defect of labour, or, to put it better, from the false organisation of labour, from political economy.

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System of Economic Contradictions

First Observation

Marx: "But the moment we cease to pursue the historical movement of production relations, of which the categories are but the theoretical expression, the moment we want to see in these categories no more than ideas, spontaneous thoughts, independent of real relations, we are forced to attribute the origin of these thoughts to the movement of pure reason."

Proudhon: It is quite necessary, since, in society, everything is, no matter what one says, contemporary; just as, in nature, all the atoms are eternal.

For credit can and must be *based only on realities, not on expectations*; credit is *real*, not *personal*, as the lawyers say. In order for this rule to be overthrown and reversed, it is necessary that by the reaction of labour against capital all appropriated wealth has become collective wealth again, that capital taken out of society has returned to society; it is necessary, in a word, that the antinomy be resolved. But then credit will be no more than a secondary organ of progress; it will have disappeared in the universal association

– "Chapter X: Seventh Epoch - Credit"
System of Economic Contradictions

Marx: "It is of this absolute method that Hegel speaks in these terms:"

Proudhon: Very well: is that so stupid?

Marx: "He thinks he is constructing the world by the movement of thought, whereas he is merely reconstructing systematically and classifying by the absolute method of thoughts which are in the minds of all."

Proudhon: I do not pretend to do anything else!; and I believe that it is something. Your observation observes nothing.

Second Observation

Marx: "M. Proudhon the economist understands very well that men make cloth, linen, or silk materials in definite relations of production. But what he has not understood is that these definite social relations are just as much produced by men as linen, flax, etc. Social relations are closely bound up with productive forces."

Proudhon: Lie: that is precisely what I say. Society produces the laws and materials from its experience.

Marx: “Thus the ideas, these categories, are as little eternal as the relations they express.”

Proudhon: Yes, eternal like humanity, no more no less and all contemporary. Your second observation goes nowhere.

Third Observation

Marx: “The only drawback to this method is that when he comes to examine a single one of these phases, M. Proudhon cannot explain it without having recourse to all the other relations of society; which relations, however, he has not yet made his dialectic movement engender.”

Proudhon: I say precisely all this. So tell me, how will you set about speaking in turn about the objects of Pol[itical] Econ[omy]?

Marx: “In constructing the edifice of an ideological system by means of the categories of political economy, the limbs of the social system are dislocated.”

Proudhon: Who tells you about all this? Your third observation is nothing but slander.

The error of Malthus, or rather of political economy, does not consist in saying that a man who has nothing to eat must die; or in maintaining that, under the system of individual appropriation, there is no course for him who has neither labour nor income but to withdraw from life by suicide, unless he prefers to be driven from it by starvation: such is, on the one hand, the law of our existence; such is, on the other, the consequence of property.. The error of Malthus, the radical vice of political economy, consists, in general terms, in affirming as a definitive state a transitory condition, namely the division of society into patricians and proletarians; – particularly, in saying that in an organised, and consequently interdependent, society, there may be some who possess, labour, and consume, while others have neither possession, nor labour, nor bread.

– “Chapter I: On Economic Science”
System of Economic Contradictions

The remedy for competition, in your opinion [economist], is to make competition universal. But, in order that competition may be universal, it is necessary to procure for all the means of competing; it is necessary to destroy or modify the predominance of capital over labour, to change the relations between employer and worker, to solve, in a word, the antinomy of division and that of machinery; it is necessary to ORGANISE LABOUR: can you give this solution?

– “Chapter V: Third Epoch – Competition”
System of Economic Contradictions

Fourth Observation

Marx: “For him, M. Proudhon, every economic category has two sides – one good, the other bad. He looks upon these categories as the petty bourgeois looks upon the great men of history: *Napoleon* was a great man; he did a lot of good; he also did a lot of harm.”

Proudhon: I myself criticised of this way of reasoning. For some, Napoleon is a demigod, for others a scourge. Are these or those closer to the truth than this petit bourgeois?

Marx: “The problem to be solved: to keep the good side, while eliminating the bad.”

Proudhon: Shameless slander.

Marx: “*Slavery* is an economic category like any other... What would M. Proudhon do to save slavery? He would

formulate the problem thus: preserve the good side of this economic category, eliminate the bad.”

Proudhon: This is just a deceitful, but reasonable, point. Slavery, the extreme [version] of the proletariat, that is to say of relative inferiority, has its reason for being, which will always make it exist, not as slavery but as an apprenticeship or something similar. It is forever like the customs-house.

Marx: “Hegel has no problems to formulate. He has only dialectics. M. Proudhon has nothing of Hegel’s dialectics but the language. For him the dialectic movement is the dogmatic distinction between good and bad.”

Proudhon: Nonsense.

Marx: “The very setting of the problem of eliminating the bad side cuts short the dialectic movement.”

Proudhon: Who has ever spoken to you of elimination?

Marx: “By taking the economic categories thus successively, one by one, and making one the antidote to the other, M. Proudhon manages to make with this mixture of contradictions and antidotes to contradictions, two volumes of contradictions, which he rightly entitles: *The System of Economic Contradictions*.”

Proudhon: Your fourth observation is nothing but a lie, a [illegible word] slander.

So by the very fact that society, forced by credit, has recognised the monopolist’s right to borrow on the mortgage of his monopoly without rendering an account to his fellow workers, it has made him the owner. Property is the postulate of credit, as credit had been the postulate of commerce, and monopoly the postulate of competition. In practice, all these things are inseparable and simultaneous; but in theory they are distinct and consecutive; and property is no more monopoly than machinery is the division of labour, although monopoly is almost always and almost necessarily accompanied by property, as division almost always and almost necessarily presupposes the use of machinery.

– “Chapter XI: Eight Epoch – Property”
System of Economic Contradictions

Fifth Observation

it is labour that must be paid for and exchanged, not the gratuitous utility of the land... In such conditions, the most absolute freedom of exchange is always advantageous, and can never become harmful. But monopolies, but the privileges of industry, but the prelibation of the capitalist, but the seigniorial rights of property, have you abolished them? do you even have a means of abolishing them? do you even believe in the possibility, in the necessity of their abolition?... As long as the privilege of national territory and individual property are implied by you, the law of exchange in your mouth will be a lie; as long as there is no association and solidarity agreed between the producers of all countries, that is to say, a community of the gifts of nature and an exchange only of the products of labour, foreign trade will only reproduce between races the phenomenon of enslavement and dependence that the division of labour, wage labour, competition and all economic agents produce between individuals; your free trade will be a deception, if you do not prefer that I say a theft exercised by force.

– “Chapter IX: Sixth Epoch – Balance of Trade”
System of Economic Contradictions

Marx: “When M. Proudhon spoke of the *serial relation in understanding*, of the *logical sequence of categories*, he declared positively that he did not want to give *history according to the order in time*, that is, in M. Proudhon’s view, the historical sequence in which the categories have manifested themselves.”

Proudhon: There is none.

Marx: “and now we have M. Proudhon reduced to saying that the order in which he gives the economic categories is no longer the order in which they engender one another.”

Proudhon: False. To appreciate the true value of logic is not to deny logic.

Marx: “In logical sequence, it was the century that belonged to the principle, and not the principle which belonged to the century.”

Proudhon: Who speaks to you of that? When I categorically say the opposite?

Marx: “But the moment you present men as the actors and authors of their own history, you arrive – by detour – at the real starting point, because you have abandoned those eternal principles of which you spoke at the outset.”

Proudhon: So I have the misfortune to still think like you! Have I ever claimed that principles are anything other than the intellectual representation, not the generating cause, of facts? Your fifth observation is a slanderous imputation. The real meaning of Marx’s work is that he regrets that throughout I thought like him, and that I said it before him. It is up to the reader to believe that it was Marx who, after having read me, regrets thinking like me! What a man!

Sixth Observation

Marx: “We shall concede that economic relations, viewed as *immutable laws, eternal principles, ideal categories*, existed before active and energetic men did”

Proudhon: I have no need of your supposition.

Marx: “So great is the productive force of the contradictions which *function* and which made M. Proudhon function, that, in trying to explain history, he is forced to deny it”

Proudhon: Appearing and existing are two different things, the first of which is true only for us.

In other words, in an organised society, *production increases as the square of the number of workers*. It is political economy itself that teaches us this: all its books are full of it; and if Malthus, preoccupied with a fixed idea, that of the doubling of the population, had forgotten it, why did his colleagues not remember it? For it is obvious that the ratio of increase determined by Malthus between the population and subsistence can only be understood in an inorganic society, where industry, that is to say division, machinery, competition, exchange, etc., are absolutely null; where collective force does not exist: in no way in an interlocking society, founded on the separation of industries and on exchange, and where each man, producing for millions of consumers, is served in turn by millions of producers.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

English commerce, requested by its immense clientele, calls for workers from all directions, and encourages marriage; as long as work is abundant, marriage is an excellent thing, the effects of which often cited in the interest of machinery; but, as the clientele fluctuates, as soon as work and wages are lacking, they denounce the abuse of marriage, they accuse workers of improvidence. Political economy, that is to say, proprietary despotism, can never be wrong: it must be the proletariat.

– “Chapter IV: Second Epoch – Machines”
System of Economic Contradictions

Marx: “in trying to explain the successive appearance of social relations, he denies that anything can appear: in trying to explain production, with all its phases, he questions whether *anything can be produced*.”

Proudhon: Yes, production is appearance.

Marx: “To this end he has invented a new reason”

Proudhon: You always joke beforehand: start by being right.

Marx: “Just as the *antithesis* was before turned into an *antidote*, so now the *thesis* becomes a *hypothesis*. This change of terms, coming from M. Proudhon, has no longer anything surprising for us!”

Proudhon: Prattle.

Marx: "Providence, providential aim, this is the great word used today to explain the movement of history. In fact, this word explains nothing. It is at most a rhetorical form, one of the various ways of paraphrasing facts."

Proudhon: Here I am again guilty of worshipping Providence!

Marx: "Thus, by successive transformations, landed property in Scotland has resulted in the driving out of men by sheep. Now say that the providential aim of the institution of landed property in Scotland was to have men driven out by sheep, and you will have made providential history."

Proudhon: Libel! [Pasquinade!]

Unfortunately, the antagonism of economic institutions does not allow them to produce their effect without friction: hence the mishaps of labour, hence the upsets of misery. Thus, competition, by its positive and social side, has indeed as its aim to reduce indefinitely the price of things, consequently to increase unceasingly the sum of values and to put production in advance of the population; but, by its negative and selfish side, competition turns from wealth to poverty, since the reduction in price that it brings about, on the one hand only benefits the victors, on the other leaves the vanquished without work and without resources.

Competition, says the theory, must enrich everyone. But, by the imperfection of the social organism, practice proves that where competition has become general, there are just as many unfortunates as enriched: this is what it is impossible to doubt, after the criticism that we have made.

– "Chapter XIII: Tenth Epoch – Population"
System of Economic Contradictions

This is the war you have to support: a war of labour against capital; a war of liberty against authority; a war of the producer against the non-productive; a war of equality against privilege... Now, to combat and reduce power, to put it in its proper place in society, it is useless to change the holders of power, nor to introduce some variation into its workings: it is necessary to find an agricultural and industrial combination by means of which power, today dominating society, becomes its slave.

– "Chapter VII: Fifth Epoch – The Police or Taxation"
System of Economic Contradictions

Marx: "To say now that all former centuries, with entirely different needs, means of production, etc., worked providentially for the realization of equality is, firstly, to substitute the means and the men of our century for the men and the means of earlier centuries and to misunderstand the historical movement by which the successive generations transformed the results acquired by the generations that preceded them."

Proudhon: What is this chicanery? Generations transform! – I say myself that the same principle unites, governs, all events; – I do not know what transformation is. The France of 89 transformed its absolute monarch into a constitutional monarch. So be it. That is your style. I say, for my part, that the State, in 89, regularised the division of political powers that existed before 89. The reader will judge. The sixth observation falls on Hegel and does not relate to anything.

Marx: "But since M. Proudhon takes such a tender interest in Providence, we refer him to the *Histoire de l'économie politique* of M. de Villeneuve-Bargemont, who likewise goes in pursuit of a providential aim. This aim, however, is not equality, but Catholicism."

Proudhon: What stupidity after what I wrote! Truly, Marx is jealous.

Seventh and Last Observation

Marx: "Thus, feudal production, to be judged properly, must be considered as a mode of production founded on antagonism."

Proudhon: Does Marx have the pretension to present all this as his own, in opposition to something to the contrary that I said?

Marx: "From day to day it thus becomes clearer that the production relations in which the bourgeoisie moves have not a simple, uniform character, but a dual character... there is a development of the productive forces, there is also a force producing repression; that these relations produce *bourgeois wealth* – i.e., the wealth of the bourgeois class – only by continually annihilating the wealth of the individual members of this class and by producing an ever-growing proletariat.

Proudhon: But all this is me!

It is important, then, that we should resume the study of economic facts and practices, discover their meaning, and formulate their philosophy. Until this is done, no knowledge of social progress can be acquired, no reform attempted. The error of socialism has consisted hitherto in perpetuating religious reverie by launching forward into a fantastic future instead of seizing the reality which is crushing it; as the wrong of the economists has been in regarding every accomplished fact as an injunction against any proposal of reform.

For my own part, such is not my conception of economic science, the true social science. Instead of offering *a priori* arguments as solutions of the formidable problems of the organisation of labour and the distribution of wealth, I shall interrogate political economy as the depositary of the secret thoughts of humanity.

– "Chapter II – On Value"
System of Economic Contradictions

and when we..., taking up the difficult task, abandoned by you, of A. Smith, Ricardo, J. B. Say, even Malthus, we reveal to your eyes the despoiling principle; when we demonstrate to you that humanity is always struck before it fails in bread and land; when we develop in your presence the mechanism of proprietary usurpation, of capitalist fiction and of mercantile theft, you close your eyes so as not to see, your ears so as not to hear, your heart so as not to yield to conviction! The iniquity of the century is more precious to you than the rights of the poor, and the interests of your clique come before those of science!

Well! as long as you cry out against imprudence and against population, we will cry out on our side against hypocrisy and brigandage; We will point you out to the distrust of the workers, and it is you, you alone that we will hold responsible for the exploitation that is killing us and the infamy that is defiling us. We will repeat everywhere, with a clap of thunder: Political economy is the organisation of misery; and the apostles of theft, the purveyors of death, are the economists.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

Marx: “We have the *fatalist* economists, who in their theory are as indifferent to what they call the drawbacks of bourgeois production as the bourgeois themselves are in practice to the sufferings of the proletarians who help them to acquire wealth... The proletariat that takes part in this struggle and is absorbed in this feverish labour experiences only passing, accidental sufferings, and itself regards them as such.”

Proudhon: I said all that. Marx does as Vidal did.²

Marx: “these theoreticians are merely utopians who, to meet the wants of the oppressed classes, improvise systems and go in search of a regenerating science.”

Proudhon: Plagiarism of my 1st chapter.

Marx: “Let us return to M. Proudhon.”

Proudhon: What! return! But the preceding pages are a copy of me.

§ 2. Division of Labour and Machinery

Marx: “Certainly, things would be made much too easy if they were reduced to M. Proudhon’s categories.”

Proudhon: What does that prove? That humanity is progressing slowly.

Marx: “Adam Smith goes further than M. Proudhon thinks.”

Proudhon: Fine

Marx: “All this does not prevent M. Proudhon from saying elsewhere that Adam Smith has not the slightest idea of the drawbacks produced by the division of labour.”

Proudhon: Fine. But has Smith clarified the matter? – No.

Marx: “17 years before Adam Smith, who was a pupil of A. Ferguson, the last-named gave a clear exposition of the subject in a chapter which deals specifically with the division of labour [and quotes Ferguson’s *An Essay on the History of Civil Society* (1783)]”

Proudhon: The problem is not clarified.

Marx: “Besides, why stress this part of M. Proudhon’s work, since a little later we shall see him formally retract all these alleged

Let us remember that in the current period of social antinomies that we call credit, and from which we are led to expect such pompous wonders, nothing is yet organised: labour is delivered to fragmented division; the workshop, to master and wage labour; the market, to competition and monopoly; society, to fiscal and parliamentary hypocrisy... We must therefore return to the general observation that we first made: for credit to become a true means of equilibrium, equilibrium must first be established in the workshop, on the market, in the State; in a word, labour must be organised. But this organisation does not exist...

– “Chapter X: Seventh Epoch – Credit”
System of Economic Contradictions

Whatever the pace of mechanical progress, if we were to invent machines a hundred times more marvellous than the mule-jenny... very far from freeing humanity, securing its leisure, and making the production of everything gratuitous, they would never do anything but multiply work, increase the population, make the chains of serfdom heavier, render life more and more expensive, and deepen the abyss which separates the class that commands and enjoys from the class that obeys and suffers.

– “Chapter IV: Second Epoch – Machines”
System of Economic Contradictions

developments? ‘The first effect of fractional labour,’ continues M. Proudhon... M. Proudhon says, to relieve his conscience, that the universal conscience wills it thus...”

Proudhon: Come, dear Marx, you act in bad faith, and at the same time you know nothing.

Marx: “Machinery is no more an economic category than the bullock that drags the plough. Machinery is merely a productive force.”

Proudhon: It is a philosopher who says this.

² François Vidal (1812-1872) was a French utopian socialist associated first with the Saint-Simonians and then the Fourierists. He published an article in *Presse* on the 9th of December 1846 which analysed capitalism in terms of its contradictions. In his notebooks Proudhon accused Vidal of plundering his ideas (Pierre Haubmann, *Pierre-Joseph Proudhon: sa vie et sa pensée, 1809-1849* [Paris : Beauchesne, 1982], 711). (*Black Flag*)

An English manufacturer: "The insubordination of our workers has made us think of dispensing with them. We have made and provoked every imaginable effort of the mind to replace the service of men by more docile tools, and we have achieved our object. Machinery has delivered capital from the oppression of labour. Wherever we still employ a man, we do so only provisionally, pending the invention for us of some means of accomplishing his work without him."

What a system is that which leads a businessman to think with delight that society will soon be able to dispense with men! *Machinery has delivered capital from the oppression of labour!* That is exactly as if the ministry were undertaking to deliver the budget from the oppression of the taxpayers. Fool! if the worker cost you, they are your customers: what will you do with your products, when, driven out by you, they will no longer consume them? Thus machinery, after crushing the workers, does not take long in dealing the masters a counter-blow; for, if production excludes consumption, it itself is soon obliged to stop.

– "Chapter IV: Second Epoch - Machines"
System of Economic Contradictions

Marx: "For M. Proudhon, who sees things upside down, if he sees them at all, the division of labour, in Adam Smith's sense, precedes the workshop, which is a condition of its existence."

Proudhon: Not division in the sense of A. Smith, but the great natural division of trades.

Marx: "Nothing is more absurd than to see in machinery the *antithesis* of the division of labour, the *synthesis* restoring unity to divided labour."

Proudhon: I maintain that.

Marx: "The machine is a unification of the instruments of labour, and by no means a combination of different operations for the worker himself. 'When, by the division of labour, each particular operation has been simplified to the use of a single instrument, the linking up of all these instruments, set in motion by a single engine, constitutes – a machine.' (Babbage, *Traité sur l'économie des machines*, p. 230, Paris, 1833)"

Proudhon: So the machine comes after division.

Marx: "Simple tools; accumulation tools; composite tools; setting in motion of a composite tool by a single hand engine, by man; setting in motion of these instruments by natural forces, machines; system of machines having one motor; system of machines having one automatic motor – this is the progress of machinery."

Proudhon: So the workshop that groups the parts of work also comes after division.

Marx: "The concentration of the instruments of production and the division of labour are as inseparable one from the other as are, in the political sphere, the concentration of public authority and the division of private interests."

Proudhon: Without doubt, it is only a logical succession.

Marx: "For M. Proudhon the concentration of the instruments of labour is the negation of the division of labour. "

Proudhon: Yes.

Marx: "In reality, we find again the reverse. As the concentration of instruments develops, the division develops also, and vice versa."

Proudhon: Yes too, all of this is true at the same time.

Marx: "This is why every big mechanical invention is followed by a greater division of labour, and each increase in the division of labour gives rise in turn to new mechanical inventions."

Proudhon: Very good, this is explained in my theory perfectly, as the parallel development of wealth and poverty.

Virgin country! Certainly, it is not from the burning of these eternal forests that the English, Swiss, German pioneer lived and multiplied; it is from work, work, I say, at first suitably divided, then gradually accompanied by capital and machines, increasing in value through circulation, and not yet made sterile by parasitism and monopoly. A proof of this is that political economy, imported from Europe, having begun to function a little too early in this country where, land and space being lacking to no one, work paid for itself without passing through the servitude of capital, the mediation of the banker and the surveillance of the police, the people had to let political economy run its course, and turn its gears alone.

– "Chapter XIII: Tenth Epoch – Population"
System of Economic Contradictions

*Whoever appeals to power and capital to
organise labour has lied,*

*Because the organisation of labour must be the
downfall of capital and power.*

– "Chapter XII: Ninth Epoch – Community"
System of Economic Contradictions

Marx: "The automatic workshop opened its career with acts which were anything but philanthropic."

Proudhon: Absurd, like the opinion that believes the balance of trade is dishonoured by the vexations of the customs-house.

Marx: "Indeed, what a difference between the division of labour as it existed in Adam Smith's day and as we see it in the automatic workshop!"

Proudhon: Division for me goes back further than A. Smith; it is also taken in a broader sense.

Marx (quoting from Dr. Ure's *The Philosophy of Manufactures*): "The principle of the factory system then

is, to substitute mechanical science for hand skill, and the partition of a process into its essential constituents, for the division or gradation of labour among artisans... on the automatic plan, skilled labour gets progressively superseded, and will, eventually, be replaced by mere overlookers of machines.”

Proudhon: One is only the consequence of the other and everything that is said about the first is applicable to the second.

Marx (quoting from Dr. Ure’s *The Philosophy of Manufactures*): “Such translations are utterly at variance with the old practice of the division of labour, which fixed one man to shaping the head of a pin, and another to sharpening its point, with the most irksome and spirit-wasting uniformity, for a whole life...”

Thus power, the instrument of collective power, created in society to serve as a mediator between labour and privilege, finds itself fatally chained to capital and directed against the proletariat. No political reform can resolve this contradiction, since, by the admission of the politicians themselves, such a reform would only result in increasing the energy and extent of power, and unless hierarchy is overthrown and society is dissolved, power cannot touch the prerogatives of monopoly. The problem therefore consists, for the working classes, not in conquering, but in vanquishing both power and monopoly, which means bringing forth from the bowels of the people, from the depths of labour, a greater authority, a more powerful fact which envelops capital and the State, and which subjugates them. Any proposal for reform that does not meet this condition is only one more scourge, a sentinel rod, *virgam vigilantem*, as a prophet said, which threatens the proletariat.

– “Chapter VII: Fifth Epoch – The Police or Taxation”
System of Economic Contradictions

Proudhon: Very good: I have carefully noted this opposition – the degradation of the worker is more advanced in what you call the automatic system than in what A. Smith calls division: – as for me, I have termed those two degrees as *Division* and as *machines*. I have said the Division of Labour fragments, mutilates, dissipates man; – machines enslave him: it is exactly the same as Dr Ure.

Marx: “But the moment every special development stops, the need for universality, the tendency towards an integral development of the individual begins to be felt.”

Proudhon: Good! And how do you understand this integral development?

Marx: “M. Proudhon, not having understood even this one revolutionary side of the automatic workshop, takes a step backward and proposes to the worker that he make not only the 12th part of a pin, but successively all 12 parts of it.”

Proudhon: Yes, insofar as it would only be a matter of resolving the antinomy of division; but I did not say that was all there was. The worker, always synthesising old and modern skill, must know how to work both with his hands and with machines. For it is absurd [to suggest] that he who has been replaced by the machine can do without the machine. Synthetism, having reached to its highest degree, requires of the worker both a greater ability and a lesser development of ability.

It seems, then, that machines are going to repair the deficit caused by division, and triumph over misery. This is not the case. With machines begins the distinction between masters and wage-earners, between capitalists and workers. The worker, whom machinery was supposed to pull out of the stupefaction to which fragmented work had reduced him, sinks deeper and deeper into it: he loses his human character, his freedom, and falls into the condition of a tool. Well-being increases for the bosses, evil for the subordinates; the distinction of castes begins, and a monstrous tendency is declared, that which consists, by multiplying men, in wanting to do without men. Thus universal embarrassment worsens: already announced by fragmented division, poverty officially enters the world; from this moment it becomes the soul and nerve of society.

– “Chapter XIII: Tenth Epoch – Population”
System of Economic Contradictions

§ 3. Competition and Monopoly

Marx: “If the immediate *object* of the lover is the woman, the immediate object of industrial emulation is the product and not the profit.”

Proudhon: Synonym here.

Marx: “Competition is not industrial emulation, it is commercial emulation.”

Proudhon: Another synonym.

We cannot now enter upon a more fundamental criticism of the civil and commercial societies... We will reserve this subject [that is, “the organisation of labour”] for the time when, the theory of economic contradictions being finished, we shall have found in their general equation the programme of association, which we shall then publish in contrast with the practice and conceptions of our predecessors.

– “Chapter VI: Fourth Epoch – Monopoly”, *System of Economic Contradictions*