VIII.1 The 'Ricardian Socialists' - A Philosophical Approach

VIII.1.1 In a sense, the 'Ricardian Socialists' were the economic forerunners of 'Utopian Socialism'. The roots of their philosophy are to be found in the ideas of the contemporary 'utopian' interpretation of socialism and their criticism of the prevailing capitalist mode of production.

VIII.1.2 In contrast to Marx, 'Utopian Socialism' stands the whole world on its head. Idea is not the reflection of the material world, but rather the idea turns out to become 'cause', and reality its 'effects'. As such 'rationalization' begins to act as 'the sole measure of everything' (Engels, 1954, p. 34), and hence social disasters are outcomes of the failure to be 'rational'. Socialism

1 The classical representatives of the 'Utopian Socialists' as Engels named them were three: Saint Simon and Charles Fourier in France, Robert Owen in England (See, Engels, 1954, pp. 36-37). However, on the same philosophical basis of 'Utopian Socialism', the 'Ricardian Socialists' arguing against capitalism, interpreted existing social and economic relations and sought to introduce a 'new system'.

2 Marx's Socialism is scientific due to his "two great discoveries; the materialistic conception of history and the revelation of the secret of capitalistic production through surplus-value..." (Engels, 1954, p. 57).
is, therefore, defended by Utopians from the point of view of an "absolute truth" which as such is independent of time and the historical process of the development of society. (Cf. Engels, 1954, p. 49, emphasis added). The 'Kingdom of Reason' can even make the capitalists sit with the labourers across the same table and resolve class struggle through discussions. (See above VI.9.(b).2, p.195). The 'Ricardian Socialists' thus arrive at the conclusion that once their 'principles' (based on reason) are understood, a social change would have to occur to set up a New Social System in the place of the old.

VIII.1.3 The 'Ricardian Socialists' here considered - (Thompson, Hodgskin, Gray and Bray) - echoed the idealism of the 'utopians' inherited in their philosophy of philanthropy. This 'philosophy' as a result reflects their failure in understanding the laws of the development of society within any given period. In consequence, though they defended the 'right of labourers' none of them, as Engels said in the context of the 'utopian socialists' could appear "as a representative of the interests of that proletariat which historical development had, in the meantime, produced" (Engels, 1954, p. 37).
VIII.1.4 However, having an economic approach to social problems concentrated on poverty and misery and taking exploitation of 'labour' by 'capital', as a central point of their analysis, the 'Ricardian Socialists' at least in their writings of the 1820s and 1830s played an important historical role. They are to be taken as a link between the classical political economy of Smith and Ricardo and that of Marx and Engels that followed.

VIII.2 The 'Ricardian Socialists': Smith and Ricardo - A Philosophical Approach

VIII.2.1 For Smith, Ricardo and the 'Ricardian Socialists' the source of incomes determined the classes i.e. different classes derive their income from different sources (e.g. rent, profit and wages). Although Ricardo does not, like the 'Ricardian Socialists', deal with moral philosophical questions, his analysis implies an objective view of economic questions based on a materialistic approach to society. The difference between the 'Ricardian Socialists' and Ricardo arises from the fact that noticing the 'classes' and their antagonisms Ricardo tried to scientifically analyse these relations from an economic point of view, while the 'Ricardian Socialists' paying less attention to 'what is' tried to economically as well as morally philosophize as regards 'what ought to be'.

VIII.2.2 To argue against the prevailing system of capitalism and in favour of a 'new system', the 'Ricardian Socialists' put their whole arguments from a philosophical point of view - they turned to the principles of 'natural equality' of men, and 'natural freedom' of all individuals in society. Herein, lies a major similarity with Smith's elaboration of his philosophy of the economic system. However, here too lies a fundamental difference in their respective understanding of the essence of this 'principle' and thus in their respective attitudes towards society. Smith understood and interpreted the Principles from a bourgeoise point of view while the 'Ricardian Socialists' took their position from the stand point of the interests of the 'labouring classes'. Smith's defence of the idea of 'natural equality', the equal right of each individual to pursue his own gain irrespective of birth and position, leads him to the idea of 'natural freedom' - 'freedom'.

4 These concepts have been putforth by W. Thompson through his "Three Principles of Distribution of Wealth" (see above III.5.3-12, pp.72-81); by T.Hodgskin in his belief in the 'laws of nature' (see above, IV.3.2., p.117); by Gray in what he called 'the principles of natural right and justice' (see above V.2.4, p.132); and by J.P. Bray within the range of his First Principles (see above, VI.3.1, pp. 164-166).

5 It should be noticed that they sought to speak from the point of view of the working class, but in practise, not being scientific in their views of socialism or their method they could not truly be the voice of the proletariat. In an ultimate analysis they defended in fact the interest of the petty bourgeoisie class as their 'socialism' was no more than what Marx and Engels would call 'petty bourgeois socialism'. (See, Marx-Engels, 1952, p.80).
for every individual under the capitalist mode of production. In other words, Smith takes society as it is and on the basis of this 'principle' offers a philosophical argument in favour of the emerging bourgeois order against mercantilism. Thus, Smith's philosophy of society rests on a society constituted of individuals whose 'individualism' (reflected in economic activities that were motivated by self interest) would bring about a harmony in the economy and also in their social relations - as long as the government did not interfere. This is, however, one aspect of Smith's 'dual basis' (Cf. Bharadwaj, 1979, p.46) of analysis of society - what is characterized by Marx as the 'exoteric' (Marx, 1968, p.166) aspect. Following Ricardo, on the other hand, the 'Ricardian Socialists' emphasized that the interests of different classes (namely, capitalists, landlords and labourers) were not only not compatible, but were antagonistic to one another - an antagonism that derived from exploitation. Thus, if

6 One of the developments of Smith's philosophy of 'natural freedom' is the 'Laissez Faire' ideology. It was progressive for that time (the last decades of 18th century) in as much as it militated against the interests of landlordism in England.

7 However, this does not mean that Smith could not see antagonisms that existed between the different classes. This rather means that he just ignored it or gave it much less emphasize so that he could uphold 'the basic idea of harmony of a market guided economy'. (Bharadwaj, 1979, p. 61).
freedom in its sense of the political as well as the economic emancipation of man, was central to the philosophy of the 'Ricardian Socialists', in the true and the original bourgeois world outlook of Adam Smith it eventually turned out to be a largely fictitious freedom of opportunity, even while retaining the claims of exploitation.

VIII.3 Another aspect of the philosophy of 'natural freedom' on the basis of the principle of 'natural equality' is believed by both the 'Ricardian Socialists' and Smith - the idea that the 'laws of nature', operating objectively in society. This 'aspect' reveals the materialistic approach of the 'Ricardian Socialists' as well as Smith to Society, however, with a difference in its way of understanding. Smith had analyzed society as passing through successive stages (namely, hunting, pasturage, agriculture and commerce) on the basis of objective changes taking place in the conditions of production and exchange.9

8 Here, the term 'materialistic' has been used in its most general sense and not in that of its scientific meaning developed later by Marx.

9 For a comprehensive discussion, see, K. Bharadwaj, 1979, p. 56, ff.
But he stopped here as he could not conceive of any further 'stage' or 'stages'. Hence Smith's materialism leads him to believe in capitalism as the ultimate stage in the progress of society and so an ideal one, where the 'natural laws' through an 'invisible hand' would bring society into a state of harmony. In other words, the self-seeking interest of individuals would be made conducive to social welfare. Just one point needs to be made at this stage. Thinking of Capitalism as an ideal society is different from taking 'existing capitalism' (using a phrase more familiar in reference to socialism) as being 'perfect'. Smith rather recognized inequality and injustice as partly due to the aberrations and imperfections of the prevailing system. He, however, thought of a 'perfect' system in terms of the rule of the market instead of the interference of the state.

VIII.2.4 As opposed to Smith, the materialism of the 'Ricardian Socialists' led them to argue about the disintegration of capitalist society as a result of the objective laws of nature being ignored by the ruling classes of society. However, the 'Ricardian Socialists' did not think of the disintegration of capitalism in terms of the laws of the 'social progress' as for instance Marx did. Their opposition to capitalism, in addition was moral-based and not materialistic in the Marxian sense. Conse-
quently, they could not extrapolate ... their analysis beyond their 'ideal society' which they considered absolute and eternal. Further, they not only argued that the capitalist system, going against the 'laws of nature' would have to collapse, but also they could visualize a 'new system' coinciding with 'natural principles' based on 'universal labour' and social ownership of means of production. They devoted more analysis to the mechanism of their ideal system than the system within which they lived. They were, however, similar to Adam Smith in the fact that they saw contemporary society as having developed through stages. In Bray, particularly such an idea is vividly brought out. Before entering into a discussion of what should be considered as the 'labour's wrongs' and what should be taken as the 'labour's remedy' he goes on to assure the labourers that 'states of society and forms of government have always been forced upon men by the common march of events; and that state of society or form of government which existed at one period of a nation's history, and was sufficient for all its wants, will never be tolerated at a later period ... All these changes were but manifestations of the common progress of things; and they all happened naturally and unavoidably, independent of the control of government or individuals. Turn to history for an answer - look back from our days to the days of our fore-
fathers and ask if any of the many powerful endeavours to prevent changes ever yet succeeded" (Bray, 1839, pp.11-12).

VII.2.5 Thus, the 'Ricardian Socialists' in some senses could be considered as possessing a dynamic understanding of history. However, while Adam Smith could locate the changes in the states of society in changes in the conditions of production and exchange, the 'Ricardian Socialists' merely confined themselves to observations on the results of the process and offered no explanation for change or transition. But whereas Smith and Ricardo could not conceive of a new system, the 'Ricardian Socialists' could not only do so, but also emphatically asserted the possibility of its achievement. That is, perhaps, why their main concern was to show "what ought to be" and how it could be achieved. Having advanced solutions without developing a coherent and scientific world-outlook, and thus having not furnished the strategy of social change, they were soon overtaken by the other inheritors of the Ricardian tradition, viz. Marx and Engels.

VIII.3 The 'Ricardian Socialists', Marx and Engels - A Philosophical Approach

VIII.3.1 The idea of 'equality of man' and hence 'natural freedom' of man as the philosophical basis of the ideology
of socialism in Marx and Engels was reflected in this scientific understanding of 'human emancipation'. So far as the idea of 'human emancipation' in its abstract sense is concerned, there is a similarity between the 'Ricardian Socialists' and Marx and Engels. The main aim of all the four 'Ricardian Socialists' was to provide the basis for the challenge of 'human emancipation' - the Socialist emancipation of men from human exploitation. However, even professing the same ideals, what demarcates the 'Ricardian Socialists' from Marx and Engels is the fact that unlike the latter they would provide only an utopian concept of socialism and inherently unscientific methods of achieving 'human emancipation'. In other words, the latter differed from the former on the basis of their scientific understanding of history and the tools of historical materialism, they derived therefrom.

VIII.3.2 Although the 'Ricardian Socialists' had a materialistic view of history, their understanding of the different 'stages' or 'states' of the development of society in relation to 'private property' was essentially that they originated as if from an 'abstraction of the mind' and not as a course of history driven by 'necessity'. That is why the achievement of this 'ideal society' (sought and discovered in the realm of 'pure reason' by a man of 'genius')
would, they believed, correct that 'aberration of the mind' and so rectify the society as a whole. Hence, "if pure reason and justice have not hitherto, ruled the world, this has been the case only because men have not rightly understood them. What was wanted was the individual man of genius, who has now arisen and who understands the truth. That he has now arisen, that the truth has now been clearly understood, is not an inevitable event, following of necessity in the chain of historical development, but a mere happy accident. He might just as well have been born 500 years earlier, and might then have spared humanity 500 years of error, strife and suffering". (Engels, 1954, p. 37).

VIII.3.3 The materialism of the 'Ricardian Socialists' in a sense ends with capitalism as then a "man of genius" is born and henceforth the 'truth' (i.e. the natural principles) would be understood by all the members of society once he decides to explain it to all! Marx (and Engels) on the contrary by analysing the inherent laws of capitalism directed their whole efforts to "develop new principles for the world out of the world's own prin-

10 For example, Gray gives such an impression and in fact, he had such a belief about himself. (See above, V.5.2., p. 149).
ciples". (Marx, 1975, p. 144). Thus they could define the emancipation of the proletariat as a crucial condition for 'human emancipation' and the 'class-struggle' as an objective means through which the goal of 'emancipation' would ultimately be achieved.

VIII.3.4 Thus the materialism of Marx and Engels guided them, in general, to locate the struggle between classes reflected in economic as well as political struggle, and in particular (in respect of capitalism, as Lenin wrote on Marx) to prove 'the necessity of its transformation into the social system'. (Lenin, 1960, p. 158). While, although the 'Ricardian socialists' saw the classes and their differences on the basis of their opposing interests, they, however, took the emergence of classes as being a consequence of the long prevalent ignorance of 'truth' and the absence of reason'. Hence, their materialism in general, began and ended with their understanding of the 'objective laws' of the 'Natural Principles' which cannot be avoided if poverty and misery were to be removed.

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11 For, the interests of the proletariat ultimately coincides with the interests of social progress as a whole. In other words, the proletariat in the struggle for its own emancipation, would necessarily represent the interests of all the other oppressed classes. (See, also Oizerman, 1981, p. 210).
Given that they considered the 'natural principles' eternal, they believed that any problems created by violating these 'principles' could soon be remedied by applying them. And so, not seeing class struggle as an objective law of the development of society, they had to yield to 'reason' and other 'peaceful' means in order to bring about a radical change in the system of society - unlike Marx and Engels who firmly believed and argued that "material force must be overthrown by material force" itself. (Marx, 1975, p.182).

VIII.4 The 'Ricardian Socialists'. Ricardo and Smith - An Economic Approach

VIII.4.1 The main interest of the 'Ricardian Socialists' was, in effect, the state of society due to maldistribution whereas Ricardo was concerned with theoretical problems - the determination of the rate of profit and Smith with the sources of a nation's wealth "and what determines its extent and growth?" (Bharadwaj, 1979, p. 61). However, all these three different interests unite at a point: the analysis of each of them had necessarily to confront the question of value.
VIII.4.2 To the 'Ricardian Socialists' labour was the 'cause' of value as well as its 'measure' in terms of 'consumed time'. Except Hodgskin who tried to give an analytical explanation for his approach (in his detailed discussions on capital) the other 'Ricardian Socialists' upheld this idea to a great extent from a moral point of view, and in consequence reducing the role of capital to a cipher. This accounts for one of the vital differences between them and both Ricardo and Smith in their respective approaches to the capitalist mode of production. In fact, Smith's understanding of 'capital' in relation to commodity value creation is different from Ricardo's and both are different from the understanding of the 'Ricardian Socialists'. To Smith 'Capital' creates value, to Ricardo it transfers its value and to the 'Ricardian Socialists' capital does neither. It turns out simply to be a means of production to facilitate the process of production, produced by labour and useful due to the application of living labour. Hence, here, arises

12 Smith by taking profit, wages and rent as the three 'original' sources of value explicitly implies that besides 'labour', in the process of production 'capital' also creates value.

13 For example, in the works of Hodgskin, the most important of the 'Ricardian' socialists (Cf Marx, 1971, p.263) it was argued so emphatically against productiveness of capital that Marx points out: 'he (Hodgskin) seems to oppose or to reject the importance of past labour, or of its product for the reproduction process as a creation of new labour.' "Theories of Surplus Value" (Marx, 1971, p. 275).
a fundamental difference between the 'Ricardian Socialists' and Smith and Ricardo in their approaches to question of distribution and necessarily thus to the concept of wages. Granted that capital is barren and 'labour produces all', the former's interest in distribution was in regard to 'how it ought to be'. However, this does not mean that the 'Ricardian Socialists' did not concern themselves with the problem of distribution and wages within the capitalist system of their own time. In fact to build the 'future' on the basis of the destruction of the present system, one is bound to devote one's attention to the 'present' as well as, in fact, did Marx and Engels. The whole question is, rather that unlike Ricardo and Smith, the 'Ricardian Socialists' did not hold an analytically scientific approach towards the capitalist relations of production and improvements of the productive forces. They followed the class based approach to distribution initiated by Smith (a method adopted in subsequent political economy) which led them to arrive at the same conclusion as Smith and Ricardo arrived at with a 'surplus value approach'¹⁴ and therefrom a 'subsistence wage theory' under the capitalist mode of production. Yet unlike Smith and Ricardo they reached it not

¹⁴ Although Smith believed in capital creating value, he however, saw the process of the creation of surplus value (profits and rent) as owing to labour. This is one of the manifestations of his 'dual views' on value and distribution.
through a systematic analysis of capitalism, but rather partly from 'morality' based reasoning and partly by using statistical figures regarding the annual wealth produced, and the 'money wages' received by the labourers in a particular year. In other words, they never discussed the theory of profit rigorously, nor of rent nor of interest. They just worked at 'circulation' and whatever was 'visible' and given. Their only endeavour regarding the present system was to back 'labour' and therefore, to show that whatever 'value' was produced was due to labour and in doing so eliminate profit, rent and interest and render all to 'labour'. In the process, they reduced Smith's 'labour commanded' (for a capitalist mode of production) and Ricardo's 'labour embodied' theory of value to crude simplified versions of the labour theory of value expressed as 'the right of labourer to the whole produce of his labour'.

VIII.4.3 However, the main point which draws a clear line between the 'Ricardian Socialists' and Smith on the one hand and at the same time, puts Ricardo together with the 'Ricardian Socialists' on the other hand, is the similarity of conclusions drawn by both Ricardo and 'Ricardian Socialists' from their 'labour based approach to value' as distinguished from the 'adding up' theory of value of Smith.
We are referring here, to the inverse relation between profit and wages. It is, in fact, what in the ultimate analysis gives this group of four socialists the attributes of 'Ricardians'. It has however, to be noted that they arrive at that same conclusion differently. The 'Ricardian Socialists' talked of an inverse relation between profit and wages, in a sense, from 'above', i.e. as the capital does not rightly belong to capitalists (Bray) and since it is used in the process of production as 'a means of obtaining command over labour' (Hodgskin) hence 'labour' (that creates all) comes into confrontation with 'capital' and thus 'wages' with 'profit'. In contrast, Ricardo arrives at this conclusion from 'within' i.e. from an analytically objective study of the mechanism of the capitalist system, and in the course of attempting to determine the rate of profit. (See above, II.5.3. pp. 49-50).

VIII.4.4 Hodgskin, in particular was, however, much closer to Ricardo and Marx as, unlike the rest of the 'Ricardian Socialists', he was much less superficial in his approach to the problems of 'value' and 'capital'. Dividing capital into 'fixed' and 'circulating' capital, he tried to

15 Hodgskin like Ricardo divided capital into 'fixed' and 'circulating' capital, and like Ricardo he meant this albeit intuitively to be in a manner similar to Marx's division of capital into 'constant' capital and 'variable' capital. Writing 'on machinery', Ricardo defines 'fixed capital' as 'buildings, implements etc, etc', while 'circulating capital' as wages
analytically show that both were the products of labour and thus whatever profit was claimed over the 'fixed capital' was, in reality, paid out of labour. In other words, as Marx said about Hodgskin's pamphlet (Labour Defended Against the Claims of Capital) Hodgskin arrived at "the inevitable consequence of Ricardo's presentation - that Capital is unproductive". (Marx, 1971, p. 266, emphasis in the original).

VIII.4.5 The land question also brings the 'Ricardian Socialists' and Ricardo together. Unlike Smith who confused 'wealth' with 'value' and thus considered rent as one of the original sources of value and hence partially a creator of value, the 'Ricardian Socialists' like Ricardo took land as a 'free gift of nature' the creation of which needed no human labour. From here on, however, Ricardo's analysis of the problem and that of the 'Ricardian Socialists' diverge. While Ricardo tried to adopt a theory of rent under capitalism, the 'Ricardian Socialists' maintained that land was 'common property' and without really analyzing the category of rent, and without really

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which are "... in support of labour" (Ricardo, 1951 A, p. 388). Almost in the same manner Hodgskin meant by 'fixed capital', "the tool, and instruments the labourer works with, the machinery he makes and guides, and the buildings he uses either to facilitate his exertions or to protect their produce" (Hodgskin, 1825, p.52), and by 'circulating capital' meant 'co-existing labour' manifested in wage goods. (See above, IV.2(a).4,p.105).
theory, all of them (except Hodgskin) considered rent unjustifiable, once again, because labour produces all.

VIII.4.6 In brief, the discussions of the 'Ricardian Socialists' on value and distribution is mainly for the purpose of defending labour against the demands of 'unjust' income claims of the landlords and capitalists. That is why even Hodgskin, once he feels that 'the landlords share ... does not keep the labourer poor' (Hodgskin, 1825, p. 31), hesitates to proceed with the analysis and in fact dismisses the problem. Their defence of the labourers' share brings them to the side of Smith and Ricardo (inevitably much closer to Ricardo) and approximates with a 'surplus approach' to the capitalist economy. However, unlike Smith and Ricardo, the 'Ricardian Socialists' were unable to give a 'theory which could explain the distribution of wealth created by labour in capitalism.

VIII.5 The 'Ricardian Socialists', Marx and Engels — An Economic Approach

VIII.5.1 The 'common purpose' of the 'Ricardian socialists' and Marx and Engels in dealing with the capitalist economy

16 The early Hodgskin before the publication of Labour Defended (1825) did pay some attention to rent after the publication of Ricardo's Principles in 1817. However, before long in the belief that rent did not impoverish the labourers as much as profits, Hodgskin turned his attention mainly to capital.
of their period was, mainly, to explain the exploitation based unjust distribution of wealth, and hence to advance the idea of the necessity of its replacement with a 'new system'. To do so, however, unlike Marx and Engels whose main efforts were directed towards a scientific analysis of the capitalist system - to discover the laws of its development - the 'Ricardian Socialists' approach to the system was, somewhat from a different angle. They tried to make a 'logically' (which does not necessarily mean 'scientific') comparative study of the capitalist system with their own 'ideal' ones, and essentially, emphasizing in their study (of the former system), the superficial aspects of the relations between capital, labour and land, and hence between capitalists and labourers and landlords.

17 The fundamental difference between 'Ricardian Socialists' and Marx-Engels regarding the necessity of this replacement lies in the fact that, the former meant it in terms of 'fitting' a new system into the 'old' (to effect the removal of poverty and misery), while the latter saw it in terms of an 'historical necessity' conditioned by the inherent contradictions of the 'old system' (capitalism) which would result in its disintegration. It is out of such disintegration that a 'new system' would come up which would put an end to poverty and misery. Marx says: "We develop new Principles for the world out of the world's own principles". (Marx, 1975, p.144, Emphasis added).
VIII.5.2 Dealing with capital, the 'Ricardian Socialists' had, intuitively, understood (like Marx and Engels) capital to be an expression of a 'social relation'. For, none of the 'Ricardian Socialists' tried to justify the claims of capital (either profit or interest) rather, they tried to prove that 'capital' enables its possessors (i.e. capitalists) to deprive the labourers of a major part of their labour. However, amongst them it was only Hodgskin who could give a clear shape to his understanding of capital as a 'social relation'. He divided capital into 'fixed' and 'circulating' capital in the same manner as Ricardo did; but he concluded that fixed capital "... does not bring its owner a profit because it has been stored up, but because it is a means of obtaining command over labour" (Thomas Hodgskin, Labour Defended, etc, pp.14-15)². "Here at last", said Marx on Hodgskin quoting him as above, "the nature of capital is understood correctly" (Marx, 1971, p. 297). Yet, Hodgskin, partially differed from Marx not only on the issue of the division of capital, but also on the question of the 'productivity' of capital. Marx divided capital into 'constant' and 'variable' capital on the basis of the different roles of these in regard to creation of value in the process of production (i.e. which capital transforms its value and which one creates new value (surplus value)), while Hodgskin divided capital in
of which capital lives a 'longer' and which one a 'shorter life'. Thus, even though Hodgskin approaches Marx in respect of the value of 'circulating capital', he could nevertheless not make the Marxian distinction between 'constant' and 'variable' capital because it was not till Marx that labour-power was discovered as a distinct category.18

Secondly, Hodgskin unlike Marx, as Marx himself also points out, rejects the importance of 'past labour' and it seems that he denies its role 'for the reproduction process as a condition of new labour' (Marx, 1971, p. 275). He attributes the whole process of production to the 'coexisting labour' alone.19

VIII.5.3 In sum then, the 'Ricardian Socialists' approach to capital coincides with Marx and Engels only from a general point of view, i.e. the nature of capital as a whole.20

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18 For a comprehensive discussion, see, Engels, Introduction to Marx's Wage Labour and Capital (Engels, 1968, pp. 64-70).

19 This was a tough problem to resolve: How should 'past' (or 'hoarded' or 'antiquated' or 'dead') labour be reckoned with the present. Marx was to pose the paradox about the antagonism that emerges between dead and living labour. This was reflected in Ricardo's 'machinery problem'. Hodgskin partly understood the nature of this conflict.

20 1. Capital as a 'social relation'; 2. Capital as a means of exploitation under capitalist production relations.
Otherwise in particular respects, e.g. dealing analytically with related theoretical problems; they differed substantially as, except Hodgskin, the rest made no analytical distinction between the two kinds of capital and even appear not to have recognized them.

VIII.5.4 On the question of 'value' and its 'measurement' the 'Ricardian Socialists' were also in some respects close to Marx and Engels and in some others, far from them. Like Marx and Engels, they also, in general argued that 'labour' produces value and 'labour time' measures it. In particular, however, since they did not have a clear idea about a concept of 'abstract labour', the Ricardian Socialists, could not say which 'labour' creates value and thus measured it on the basis of 'individual labour time', rather than 'socially necessary labour time' as Marx and Engels did.

VIII.5.5 However, the one-sidedness of the 'Ricardian Socialists' regarding both their understanding of capital as only a means of production and 'labour' in its only form of 'concrete labour' resulted in some confusion in their analytical study of capitalism. On the one hand, it directed their whole attention from 'capital' (and land) to 'labour' and its 'productivity'. It led them not only to believe (correctly) that surplus value was produced in the
process of production only by labour, but also, on the other hand to believe (incorrectly) that value was generated only by labour. Thus, this 'onesidedness' while it enabled the 'Ricardian Socialists' to closely brush past the source of surplus value, still (unlike with Marx later). This prevented them from recognizing the distinction between 'labour' and 'labour-power' and so resulted in their inability to formulate a scientific theory of surplus value. Hence, their close approach to the source of surplus value turned out to be only a 'verbal' explanation of surplus value based on observation of the unjust distribution of wealth amongst the three classes, labourers, capitalists and landlords. Marx on the other hand, by separating 'concrete labour' from 'abstract labour' and 'labour' itself from 'labour power' [(See, Engels' Introduction to Marx's Wage Labour and Capital, p. 64, ff)], converted 'individual labour time' as measures of value into that of 'socially necessary labour time' as well as their 'verbal' explanation of surplus value into a scientific theory of surplus value.

VIII.5.5 Conclusions drawn by the 'Ricardian Socialists' from the labour theory of value, namely the conflict between capital and labour manifested in the inverse relation
between profit and wages, and also of wages being kept at the subsistence level so that profit could be maximised, however reflect certain similarities with Marx. But there is still a difference between the 'Ricardian Socialists' understanding of subsistence wages and that of Marx's. The 'Ricardian Socialists' believed in a concept of subsistence wages, which was determined by the needs of reproduction while Marx had in mind a culturally, historically determined subsistence wage level.

VIII.5.? The reason for aforesaid similarity is that both the 'Ricardian Socialists' and Marx had the same explanations that 'private property' and its accumulation were the starting points for the exploitation of man by man. In this regard Bray is quoted by Marx as saying: "...all the wrongs and woes which man has ever committed or endured, may be traced to the assumption of a right in the soil, by certain individuals and classes, to the exclusion of other individuals and classes ... the next step which man has ever taken, after having claimed property in land, has been to claim property in man..." (Marx, 1971, p.319). Having had the same attitude towards 'private property' still they could not give comprehensive theoretical arguments; but principally they did follow the same path, that, as profits and rents are direct deductions from the value of labour, out of any given value produced, higher rent
and profit appropriations would result in lower wages. Stated thus, their conclusion is essentially correct. However it is based on intuitive arguments, and the nature of the insights they offer are limited.

VIII.5.8 Thus believing in a 'common ownership of means of production' and opposing 'private property' in capital (and land), brought the 'Ricardian Socialists' in certain respects quite close to Marx and Engels. In the main, however, their one-sided understanding of the labour theory of value and its related problems as well as their lack of an understanding of the dynamics of history and class societies particularly, set them apart from Marx and Engels - in the ultimate analysis as a group of Utopian Socialist economists.