

COMMENT ON  
“MARXIST VIEW ON GLOBAL POLITICAL ECONOMY AND NEW  
MARKET TRENDS”

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Zhang and Xiao (2023) have skillfully dealt with a complex and intricate topic. The new market trends, such as laissez-faire and free market economy, and their role in global political economy with a Marxist view, were juxtaposed so elegantly. However, no work is without its flaws and weaknesses; this work is no exception. First and foremost, the writers have reiterated the same old mantra of ‘capitalism is evil.’ Even from the start of the abstract, the writers have mainly focused on the so-called defects of the capitalist system. They should have taken a middle ground and criticized this system from a vantage point of impartiality and with zero bias. Second, in the introduction, the writers reiterated trite and cliched quotes from Marx about Capital and its adverse effects on and for society. This lopsided view gives the readers the impression that the writers have a tilt toward one particular point of view. Third, the writers have failed to show a Marxist theory of emerging market economy trends. They would have been better placed if they had given due

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importance to modern Marxist approaches to these new economic trends and their relevance in the twenty-first century. Fourth, the writers' criticism that Marx's view on the unbridled forces of the economy was misplaced. These are not uncontrolled forces. This is called a free market economy wherein the business trends determine the price allocation and capping of the goods and other merchandise, which is not unfair to the buyer. Almost invariably, the free market economy delivers affordable goods to consumers, which is a positive step. The free market economy has contributed significantly to the prosperity of the world. Fifth, the writers have not sufficiently addressed the relevance of Marxist political and economic perspectives regarding new market trends that currently have their currency around the globe.

It has been abundantly clear from the beginning that capitalism is a deceitful type of business. On the other hand, capitalism has been connected to a significant increase in wealth. As it was already said, capitalism has been associated with exploitation, widening income disparities, economic crises and interstate hostilities. Political economists have long researched the interactions between the two facets of capitalism. Some anti-capitalists assert that the only way to stop capitalism is by reducing or eradicating it. The most significant influence on the outcome of this circumstance will come from the theory. Economists believe that when evaluating and rewarding economic contributions to society, markets are places where everyone is treated fairly. The root cause of societal and personal issues is an individual deficit, not market supremacy. The key to coming to a sound conclusion concerning the end of the current order is the Marxian thesis that production relations form the basis of every society. In other words, political, cultural and intellectual institutions are supported by class systems. It follows that a post-capitalist organization can only develop as new production relations, or more specifically, class (or rather, "no class" links), emerge (ANDERSON, 1980).

In the same way that new economic relationships emerged over time, as Europe transitioned from a feudal system to industrial capitalism, and a contemporary society was built on top of these systems, new manifestations of massive production growth will emerge in the ensuing generations so that the human species experiences fewer times of economic crisis. Late in 2007, the world economy quickly crashed, forcing banks to declare bankruptcy and need government bailouts. The main misconception of market economies that they are naturally self-regulatory has been disproved. The disaster provided a chance for individuals to reevaluate long-standing issues that had remained unsolved

because it challenged preconceived notions. According to bookshops around the globe, Marx's seminal work "Capital" had a dramatic rise in sales following the crisis. In some ways, Marxism seems to be making a comeback. Due to the critical tradition he created, which spans the humanities and social sciences, Marxism cannot be adequately understood within a 19th-century framework. Marx was able to influence the water we drink and the air we breathe, even in locations where he was shunned. Marxism is pervasive, as the first two decades of the twenty-first century have demonstrated. As long as they serve as catalysts for the welfare and development of society, contemporary economic tendencies, like entrepreneurship and free enterprise, are not discouraged by modern Marxism (ARTHUR *et al.*, 1998).

Until Adam Smith, businesses could profit by abusing their customers by utilizing guaranteed monopolistic powers. Regardless of how much money the landowning class fritters away due to their inefficiency and laziness, surplus funds can be distributed to the merchant class (and the state) and the nation, benefiting both ones. The individuals on the periphery of society could only benefit from an excess of riches during times of war or economic crises brought on by trade disruption due to natural, political, or military events. If state policies based on the commercial and colonial systems are to succeed, they must be modified for the capitalist system (MARX, 1991, p. 120).

Adam Smith made two significant contributions to civilization. First, he contended that rather than being the outcome of forced expropriation of capital, the surplus was caused by an expansion in the division of labor and an increase in its productive application. On the other hand, he believed that business collaboration was a condition everyone benefits from (KEYNESIANISM, 1988, p. 10).

For a transaction to be effective, all parties involved must stand to gain anything from it; otherwise, they won't participate. An individual will always choose the trade option that will bring them the most significant benefit when a variety of trade options are provided to that individual. This includes exchanges between capitalists and workers (BAUMOL, 1974, p. 51). These two ideas state that trade restrictions restrict the capacity of, at least, one party to profit from a transaction. The potential for greater capital utilization within the economy and an improvement in general well-being are two further advantages of the trade. Monopoly power may be advantageous to the monopolist, but it is detrimental to the entire country. The wealth of the country will increase as a result of the colonial and commercial systems,

disputes and commercial crises being eliminated. The problems of capitalism are not caused by capitalism itself; instead, they are caused by human greed and foolishness, which has allowed the monopolistic system to continue (BARKER, 1991, p. 204).

Adam Smith's economic theory is based on the notion that trading and production are unrelated. The workers' hard work, dexterity, job specialization and mechanization, as well as the fertile soil they worked in, all contributed to their increased production (KEYNESIANISM, 2000, p. 45). All three of the sources of production – land, labour and capital – could contribute to the overall output of the economy, according to influential thinker Jean-Baptiste Say. Say developed this idea after being influenced by the Physiocrats. The division of labor was permitted to thrive because of the free market, which led to a growth in the wealth of the nation and the number of people it could support. Even so, the distribution of finances among the numerous industrial components was hardly affected by commerce (BARAN, 2008, p. 60).

People believed that resource distribution was the only purpose of trading. This theory proposes that changes in pricing led to a change in how labor and capital were allocated. These adjustments were made in line with the broad trend of the nation toward revenue parity across all industry segments. To put it another way, in a free market, factor owners' revenues were in balance with their productive efforts (DIETZ, 1975, p. 142). In order to ensure that salaries accurately reflected productivity contributions at the predetermined pace of economic expansion, the exchange rate just operated as a purely technical mechanism. Uncontrolled competition slowed the equilibration process, causing income to be lost by their original owners and transferred to other parties. You cannot be taken advantage of because monopoly power prevents competition from levelling the playing field (BRENNER, 1977, p. 25).

Money solely serves practical purposes, in Smith's view. Monetarists and mercantilists argue that it is false to believe that wealth can only be acquired via the use of money. These people share this opinion. David Hume's contention that money is only a medium of exchange served as the basis for Smith's position. For Smith, money served only as a means of exchange for goods. In the long run, hoarding money and keeping it out of circulation do not help the owner financially; rather, they inhibit the owner from being able to increase his wealth by putting his resources to productive use, which results in a loss of gain (AGNEW, 1979, p. 99). Unless such riches are tied to monopolistic power, accumulating financial wealth does not give its owner

any special economic rights because the pressure of competition limits the power of money (BURNHAM, 1991, p.73).

Money hoards are utilized to establish a reserve fund to prevent the collapse of the economy. A person's ability to exchange money for other currencies increases with their overall wealth; therefore, having more money makes sense. Because of this, a change in the money supply can only impact the level of prices overall and has no bearing on the goods produced or traded during a particular period. Smith, therefore, created the idea of a conceptual division between natural and monetary systems comparable to the concept of separating production from the exchange (BARAN; SWEEZY, 1966, p. 258).

Adam Smith's evolution of this concept is challenging because of the various inconsistencies throughout his writings. Its fundamental concepts have served as the foundation for political economy and economics. This so-called science asserts that it is possible to create a perfect capitalist system utilizing capitalist Smithian principles. This model can be used to gauge how effectively existing capitalist systems operate. It follows that the model seems to represent the essence of capitalism and that any problems in natural capitalism are caused by institutional and human limits (BARRY; SLATER, 2002, p. 285). Because they are unskilled, greedy and stupid, those who use the system are to blame for its flaws rather than the system itself. There was an increase in these secular faiths during the early stages of capitalism.

The inclusion of capital expands our understanding of production and trade. The direct producer no longer has control over the production process. As long as the means and the methods of production are maintained distinct, direct producers may only be employed by and supervised by one individual: the capitalist. The primary goal of a capitalist is to create value and surplus value, not to create use values. These ones must be created in order to produce sub-side values in capitalism. To put it another way, using manufacturing machinery to make useful things is no longer necessary for capitalism to function. The means of production are employed by the worker rather than the other way around, as opposed to the capital employing the worker (THOMAS, 2014).

As a result of the "technical and observable actuality of the item above them," workers should not be considered as a technical process in the labor process that is accompanied by equipment. In this instance, as in many others, gaining social influence requires the development of specialized social ties.

Only a tiny percentage of the power of capital may be used on the machines that employees use. The ability of capitalists to hire e workers by acquiring surplus value comes from the use of alienated labor. As a result, capitalism is a system that prioritizes producers over products, dead labor over living labor, and things above people. In a capitalist labor process, the value-creation process is the only process that affects the production process. An independent commodities producer still uses people in some parts of the labor process. The sole criteria used in the capitalist labor process are attempts to shorten the amount of workdays. In a capitalist economy, productivity is fully subject to profit and surplus value. Production is a never-ending fight over the length of the working day, the intensity of labor, and the degradation and dehumanization of workers rather than a cooperative technological arena for producing valuable goods. Production trade is characterized by the independence and equitable treatment of all participants, in contrast to the inherent exploitation of employees in the capitalist system (O'HARA; MARX, 2001, p. 13).

As competitiveness and disproportionality grow more entwined, disproportionality seems to be a matter of luck. In the end, the individual moments have been wholly indifferent to one another up to this point; they determine and seek one another out internally, but they may never meet, balance, or correlate with one another. The first condition for the emergence of a paradox is the occurrence of events that are intimately tied yet otherwise unrelated to one another. Examples of CW28 and 340 are two of the most prevalent.

A historical dynamic of capital accumulation that connects production and circulation is the constant struggle capital makes to overcome internal and external barriers to its reproduction. Production and circulation are bound by this historical cycle of capital accumulation. Although capital accumulation tends to enhance production capacity despite market restrictions, the extra output still needs to be sold for forged capital to be realized, which then permits the reproduction of capital. This determines the capacity of the capitalism to penetrate new markets around the globe. Commodities can move freely across nations because productivity varies so greatly among them. This happens due to a market mismatch between investors and money changers. Once industrial production reaches the current level of development, which is the same as finding an equivalent for its output, it needs a global call to find an active demand for its production.

As capital accumulation was a crucial factor in the development of the global market, the urge to accumulate capital is closely tied to the desire to produce more and more with no end in sight. There is little doubt that the underlying characteristics of money will lead to the emergence of a global market. Because capital performs production at every link in the circulation chain, it tends to modify and enlarge the sphere of circulation. An increase in productivity is the primary factor in producing relative surplus value. Existing consumption rises as a result, as do needs, and new requirements and use values appear.

The main driving force behind the dynamic of the capitalism is not market expansion or the creation of new needs, but rather the steadfast will of the capital to battle against its natural tendency to gather and expand out in an imbalanced way. This is due to the dynamic of the capitalist mode of production being formed from the attempts of the capital to combat its propensity to accumulate and develop unevenly. To put it more accurately, market expansion is boosting, not diminishing, the propensity to accumulate riches and generate excessive quantities of commodities. Contrary to what may be expected, this is the exact reverse (PECK, 2012, p. 129).

Credit growth promotes market expansion, which accommodates differences, enables the orderly liquidation of less lucrative capitals, absorbs insolvency and lowers capital accumulation. On the other hand, a global crisis brought on by excessive global capital accumulation can start as a result of excessive global capital accumulation. There were reverberations across the entire system as a result of the downward spiral. When a business declares bankruptcy, a sequence of defaults follows, which leads the market to shrink (PECK; THEODORE, 2007, p. 113). When the entire system is under stress, we refer to the situation as a “systemic crisis.” There is no malignant eruption in the generally peaceful evolution of capitalism. Instead of the most spectacular expression of the constantly crisis-ridden accumulation character, pathological eruptions are just the most severe manifestation of the accumulation character and they are the outcome of capitalists’ subjective ignorance or misjudgment.

If privatization and marketization are allowed to proceed unchecked, it is inevitable that some kind of public banking and producer cooperatives will take over the economy to prevent society from experiencing a catastrophic collapse. To avoid the cataclysmic destruction that would otherwise take place, this will be done. A major objective of the revolutionary movement has always been to topple these institutions. I have held a strong belief in the concept

of “cooperative,” or workers’ democracy, ever since I first read Marxism and other radical philosophies.

Even while Marxists have long advocated for the nationalization of significant industries, a democratically run national sector is nothing more than worker cooperatives on a larger scale and in a political context. This is because worker cooperatives have existed for a very long period. It will be simpler to take on the most powerful corporations in the world as long as people think that democratic administration and ownership models like participatory budgeting, community land trusts and others are still the norms.

If the dire predictions of yet another economic collapse come true, progressives and “radical reformers”, who want a more democratic and cooperative political economy, as well as more traditional progressives, who want to reverse the international austerity regime, will both benefit from the resulting chaos. Because of this, a condition of anarchy will make it simpler to overthrow the global austerity system. Said, it’s difficult to envision how a situation like this could ever be averted. As long as activists fight to restructure production relations at all levels (regional, national and global) to eliminate private profit appropriation as well as authoritarian and exploitative corporate institutions, workers will lay the groundwork for revolutionary changes. In the future, it might be possible to move away from “growth economy” of capitalism, which destroys the environment, people, democracy and society. Marxism has to reorient itself to the needs and demands of the free market economy, which has run the economy of the world successfully for many decades now and in the foreseeable future.

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