

Title: Re-implanting Marxian Political Economy

Author: Professor Stanley Bober, Duquesne University, Pittsburgh

ABSTRACT

The literature on Marxian economics encompassing both the critique and defense of his methodology has become a growth industry. For someone who in earlier years studied Marx and the debate surrounding the "transformation problem," I would have thought that matters were pretty much settled. But in recent years there has been an energetic revival of interest in Marx and his relation to modern economic thinking. This paper conveys some initial thoughts as to why I am re-implanting Marx.

The paper points to two reasons for this Marxian revival. One reason has its bases in the Sraffists' (neo-Ricardian) critique of Marx's approach to the explanation of prices of production and the rate of profits. They argue that Marx's "journey" was unnecessary and misleading. This has prompted a spirited defense of Marx led by a viewpoint that the critics are themselves being misled by focusing on his explanation of prices. That indeed an analysis of pricing was not his primary intent, that there is a very rational and necessary reason to begin with "values," and by seemingly making the transformation the whole of Marxist economics we have lost the proper focus in the study of Marx. This may be the explanation as to why one is more likely to find Marx studied in departments of philosophy than in departments of economics. The critics of Marx have, to their satisfaction, not only thrown out the transformation bath water, but seemed to have described the whole of the baby itself. We must step back from such a position and view Marx as being integral to that stream of thought dealing with the social surplus and its distribution, and whose signposts read Ricardo-Marx-Sraffa; and to appreciate the Marxian foundation for Sraffa's work. I do not hold Sraffa's theory to be incompatible with Marx's interpretation of capitalist society.

A second related reason has its basis in the ongoing jettisoning of much of the neoclassical paradigm, both for reasons of descriptive unreality and its modeling apparatus that has in the main been shown to be without sound theoretical foundation. In response to this is the growing post-Keynesian framework, that considers the core of economics to be about reproducibility and growth and not the optimum alteration of "scarce" resources. And this places the emphasis on the origin of the social surplus and its distribution as it relates to the share of profits, and how these elements play upon the rate of accumulation and economic growth. These matters are at the center of Marxian political economy. I would then say that to be a post-Keynesian is, in a basic way, to be a Marxist. We are all Marxists now, after a fashion.