Marx’s New and Different Concept of Class

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(Working paper for presentation September 29, 2015, Economics Department, University of Massachusetts, Amherst. Not for circulation, quotation, or duplication.)

1. Concepts of Class

   The concept of class poses profound problems for theory and practice. This is true across the academic disciplines and in the confused incoherence around "class issues" when concepts of class surface in economic, political and cultural discourses. Since 1945, the Cold War and its lingering effects prevented many discussions of social trends, events, and crises from considering their class causes, components or consequences. For many, loyalty to capitalism and/or hostility toward its critics took the form of refusing to use concepts like class. The very idea of class when applied to the US or advanced capitalism anywhere was rejected with claims that it was outdated (since modern capitalism homogenized nearly everyone into a vast “middle class”). Many dismissed class analysis because it was “tainted by a lack of objectivity” (a quality that they located in the concepts they used instead of class). Only quite recently, following the 2008 global capitalist crash, have concepts of class resurfaced in many minds and therefore in much public discussion.

   What might be called the return of the repressed discourse of class is problematic because there is no one concept of class. The word, like the concept, entails multiple, significantly different meanings among those who think and communicate using it. Only a small minority of users explicitly identifies and justifies which meaning it prefers. Most users think, speak, and write as if the particular concept of class they use is the universally agreed concept. Because that is not the case, discourses using class categories are often confused and misunderstood. When the relation between class and social change arises as a practical matter, the problematic nature of class as a concept becomes historically urgent.
At least as far back as Ancient Greece people analyzed their own and others' societies by dividing populations into social sub-groups according to their wealth and/or incomes. Much as they classified populations for some purposes according to gender, height, weight, and age, for other purposes, such as understanding social conflicts, they could and did classify by wealth or income. Classes were the nouns applied to the subgroups derived from applying the verb to classify. Economic classifications generated the rich and the poor, the two polar classes. It was then a small step to subdivide populations into further subgroups located in the middle between the rich and the poor. Such subgroups – middle classes - held more wealth and/or received more income than those designated poor but less than those designated rich. Classifications into rich and poor presupposed some notion of private property to provide a boundary between one person's wealth and/or income and another's (much as age classifications presupposed some accepted way to measure and thereby differentiate each individual's age).

Ever since ancient Greece, many people analyzing societies have used that concept of class defined in terms of owned wealth and/or income to think, speak or write about social problems and to undertake actions for their solutions. Thus, for example, citizens, leaders, observers, and so on might say that a society suffers from tension and conflict because of its particular divisions among rich, poor, and middle classes. They might offer solutions entailing changed modes of distributing wealth and/or income or perhaps redistributing them after an initial distribution. Their class analyses and class-focused solutions – defined in terms of class qua property - represented what they believed to be useful, effective contributions to social betterment.

Another, equally ancient but quite different concept of class also still in wide usage defines it in terms of power wielded over others. People using this concept classify populations they scrutinize into those who give orders to others and those who take and follow orders from
others. One is the powerful class while the other is the powerless class: the ruling class and the ruled. As with the property-based concepts of class, those who used power definitions of class also interspersed middle classes, members of society who both took orders from some while giving orders to others. Now as for thousands of years many people make sense of the structures, changes, problems and solutions for societies by examining what they take to be their class structures: their organization into subgroups with more or less power over one another.

With two different concepts of class, class analyses could and did yield different understandings when applied to actual societies. Classifying populations according to who has and does not have property, including middle classes, yields different subgroupings from those resulting from classifications according to the power wielded (or not) over others. The social distribution of property is not identical to the social distribution of power. In any society, the individuals and subgroups who own the most property may or may not wield the most power, and so on. When thinkers and writers used the same term, "class analysis," while defining it differently, confusion could set in. When they were unaware of definitional differences and so did not acknowledge, identify or justify which definition they used, confusion was certain.

Periodically in human history, social revolutions took "class" seriously. Revolutionaries then undertook to change a society’s class structure as a key, necessary component of the social transformation they sought. These transformations can be summarized as establishing equality and democracy. Revolutionaries committed to class-qua-property concepts focused on redistributing wealth and income or reorganizing how they were distributed initially. Their goal was a much more egalitarian distribution of wealth and income. In contrast, revolutionaries who conceived of class in terms of power rather than property focused on redistributing power and/or
reorganizing how power was distributed initially. Their goal was a much more democratic
distribution of power.

Not infrequently, class analyses worked with both property and power concepts although
rarely with much self-consciousness about the problems raised by two different definitions. So,
for example, property theorists of class made the simplifying presumption that altering the social
distribution of wealth and income would necessarily and correspondingly alter the social
distribution of power. Similarly, power theorists of class could run the same determinist
argument in the reverse direction: changing power distributions would necessarily alter the
social distribution of property. Sometimes, analyses and activists made another, related and
simplifying assumption, namely that those with wealth would acquire power too and those
lacking either would likely lack the other too.

Across thousands of years of European history, class analyses rose and fell in their
popularity and use for understanding social structures, changes, problems and solutions.
Likewise the two basic definitions of class alternated in terms of which prevailed or, sometimes,
how they were combined into composite definitions. Yet a certain insufficiency and failure
dogged the class revolutions that punctuated European history even when they “succeeded” in
the sense that revolutionary forces defeated those who wished to avoid revolutionary change.

Despite the progress they achieved, their goals of egalitarian distributions of wealth and
income and/or democratic distributions of power were never reached. For many, those failures
provoked a fatalism that held the goals themselves as beyond human reach. Others turned to
question the thinking that had guided the revolutions. They asked whether something had been
missed or misunderstood about social structures, changes, problems and solutions by
successive revolutionary movements. If rectified, might that something enable revolutionaries
finally to achieve their twin goals of equality and democracy?
2. Marx’s New Concept of Class

Marx was one who asked such questions. In producing his answer Marx generated another new and different concept of class even as he also made frequent use of the ancient property and power concepts of class inherited from previous generations of revolutionaries. Marx believed that those generations had not achieved their basic goals of equality and democracy because they had not understood a basic process in all societies that had worked to undermine their revolutionary projects. Because they did not understand and transform that process, their revolutionary projects failed. Even when their revolutions did achieve significant and socially progressive changes in property and power distributions, those did not progress to the levels of equality and democracy they had hoped and worked for. Often, the progressive changes they achieved could not be sustained beyond a few years. For Marx, the personally transformative example of such limitedly successful revolutions was the French Revolution. It overthrew feudalism but its goals of *liberte, egalite, fraternite* were not achieved.

Marx’s *Capital* presented his analysis of the missed social process – basically the production and distribution of the surplus as we shall show below. *Capital* explained how this class-qua-surplus process helped to shape the social distributions of property and power. The failures of previous revolutions (such as the French) to achieve genuine, sustainable equality and democracy (*liberte, egalite, fraternite*) emerge as consequences of their not recognizing, understanding, and transforming this class-qua-surplus process.

Even thought Marx devoted much of his life to the research and exposition of his new surplus conception of class, many readers and followers since have missed the originality of his new and different concept. They read his work instead as if it were an important new application of the old property and power concepts of class to analyzing capitalism. That is indeed one of Marx’s contributions. However, to see only that misses the crucial importance of his new class-
qua-surplus concept both to understanding and getting beyond capitalism. Marx’s focus on the surplus thus carries over into our time too as a key component of critical social analysis demanding recognition and application.

In *Capital, volume 1*, Marx identifies his new notion of class early. He defines it as a distinct social process that occurs together with the physical labor process within the activity known as production. In production, workers labor – men and women use brains and muscle – to transform naturally occurring objects into useful products. They labor with raw material inputs, tools, equipment, buildings, etc. that constitute their means of production. But the labor process is not the same thing as the class process. The class process refers to a different connection among the people engaged in production than the labor connection where they collaborate to produce a specific product.

Class, for Marx, refers to how, in production, a surplus gets produced. All human societies produce such surpluses. However, societies differ in how they organize the production and distribution of this surplus. In Marx’s view, there have always been subsets of populations in communities (from families through villages to whole nations) that have performed labor in the production of goods and services. Those subsets have always produced more output than they themselves consumed: the “surplus” output or simply the surplus. That surplus has then been distributed to other persons inside or outside the community.

The class structure of a community or society is then its distinct organization of the production and distribution of surplus. Specific individuals are designated, consciously or unconsciously, by custom or deliberation, to produce the surplus. Those same or other individuals receive the surplus and distribute some or all of it to still others whom we can call recipients of distributed shares of the surplus. Each community or society designates which individuals can receive distributed shares of the surplus, consume them, and thereby live
without themselves doing any work to produce the surplus. Likewise, other people are
designated to do work that does not itself produce a surplus but rather provides conditions for
the labor of the workers who do produce the surplus. Such enablers of surplus production by
others need to receive a distribution of the surplus produced by those others: that distribution
provides the enablers with their own consumption and with the means for performing their
enabling functions. For example, a person who keeps the necessary records of what surplus-
producing laborers do is such an enabler; so too are the persons who clean up residues of
production, who make sure the surplus-producers keep to their tasks, etc. Marx differentiated
between “productive” workers (those who directly produced surpluses) and “unproductive”
workers (the enablers who provided needed conditions for surplus production). Both productive
and unproductive workers were needed for any class structure to exist and persist, but their
relationship to surplus production was crucially different. One kind of worker produced the
surplus while the other, the enabler, lived off distributions of that surplus.

The earlier pre-Marxian concepts of class (qua property or power distributions) had no
place for such a surplus concept of class. When those pre-Marxian concepts were applied to
understand and/or transform societies, the results were class analyses that did not recognize,
know, or use the surplus concept. Their social analyses and prescriptions did not take into
account how the societies they scrutinized organized the production and distribution of
surpluses. They were, in effect, blind to the existence and social effects of society’s class (qua
surplus) structure.

Marx’s *Capital* introduced the class-qua-surplus analysis and advocated using it to
transform society. He did so in the belief that past revolutionary projects for social equality,
democracy, and liberty, limited to pre-Marxian concepts of class, could have done better and
gone further had they also understood and applied the class qua surplus concept. Marx saw his own contribution to theory and revolutionary practice as precisely enabling that application.

Such application meant that revolutionary projects had henceforth to address and change how society organized the production and distribution of its surpluses. If the society’s class-qua-surplus structure were not transformed, then even the egalitarian, democratic and other reforms won by revolutionary struggles would be insecure, would eventually be undone by the unchanged class-qua-surplus structure. To cite a modern example, the transformations of property and power distributions achieved by the 1917 revolution in Russia were eventually undone by the unchanged organization of the surplus across the production sites of the Soviet Union.²

In *Capital*, Marx spelled out the change he sought in societies’ class-qua-surplus structures, the change required to surpass the limitations of past revolutions. That change was from the past’s exploitative class-qua-surplus class structures to the non-exploitative class structure Marx advocated. By exploitative, Marx explicitly explained a class structure in which the people who produced the surplus were different from the people who appropriated and distributed that surplus. In slave economic systems, slaves produced while masters appropriated and distributed surpluses. In feudal economic systems, serfs produced the surpluses appropriated and distributed by lords.

Marx’s *Capital* explained that in capitalism, laborers in production – those whose brains and muscles directly converted raw materials and means of production into finished products – thereby added value to the values embodied in the raw materials and means of production used up in production. The “value added” by the direct laborers plus the value of used-up means of
production equal the value of the output. “Value” is the metric because, in the capitalist
economy Marx was analyzing, products took the form of commodities, products that passed
from their producers to their consumers by means of exchanges in markets. Exchange is what
attaches value to the products of human labor if and when they pass from their producers to
their consumers by way of market exchange.

For Marx and his value theory, the value of the capitalist product is simply the addition of
two components. The first is the value carried over to – embodied in - the finished product in so
far as production used up a portion of the raw materials, tools and equipment, and relocated
them in the product. The second component is the value added by living labor as it worked on
and transformed those raw materials by means of those tools and equipment. Exploitation exists
in capitalism, Marx showed, because the value added by direct laborers in their labor activity
during production generally exceeds the value paid to the direct laborers for performing their
labor activity.

In other words, a portion of the value added by labor in production is a surplus: the
excess of the value added by their labor over the value of the wage they receive. The capitalist
who appropriates that surplus is the employer in the capitalist system: a person or persons other
than the direct laborers who produce the surplus. The capitalist employer also distributes that
surplus after having appropriated it. Thus the capitalist exploits the direct laborer (proletarian)
much as the master exploited the slave and the lord the serf.

Capitalism did NOT liberate slaves and serfs from exploitation. Rather, it merely
changed the form, the particular social organization of continuing exploitation.

3. Equality and Democracy
Capitalist exploitation negates social movements toward egalitarianism. The exploitation makes production a conflict-ridden tension between the worker and the employer. The former's self-interest leads to demands for higher wages – to enhance and secure his/her standard of living - in exchange for the labor performed. The employer’s self-interest seeks to extract more surplus from the direct laborers and pay the least possible to enablers. Usually, the disparity in resources brought to their conflicts favors the employers over the employees. Surpluses appropriated by employers tend to rise faster than real wages. This growing inequality ramifies throughout capitalist societies undermining whatever egalitarian tendencies might characterize their political and cultural aspects.

Of course, capitalism’s inequality tendencies can interact with its other dimensions (e.g. capitalist cycles) to provoke political and cultural backlashes that reverse capitalism’s inequalities. The reversals prove temporary because they are undone (reversal of the reversal) by capitalism’s underlying inequality tendencies. Thus, for example, the US left in the 1930s (CIO unionization drives, large socialist and communist parties) forced a reversal of the extreme inequality built up in US capitalism before 1929. Although that reversal lasted to the 1970s, it was then undone by the reassertion of capitalism’s usual underlying inequality tendencies. They reasserted themselves precisely because the underlying, exploitative class-qua-surplus structure of US capitalism had not been transformed by the left’s social struggles and reforms of the 1930s or thereafter.

Similarly, capitalism’s organization of the surplus directly contradicts democracy and undermines it too when, temporarily, democratic moments occur. The direct contradiction lies in
the organization of typical capitalist enterprises, large, medium and small. A tiny subset of the persons engaged in and by the enterprise usually owns and directs the enterprise: in corporations, for example, this subset comprises major shareholders and the boards of directors they select. The tiny subset can and virtually always does exclude the mass of employees from any participation in ownership or direction of the enterprise. The democratic logic – that persons affected by decisions have the right to participate in making them – is denied entry into the capitalist enterprise. In the market, one-person, one vote is displaced in favor of the altogether different one dollar, one vote. In the US, the democracy celebrated in the political sphere is banished from the economic sphere of social life.

This absence of democracy from the workplace – where adults spend most of their waking lives – undermines the capacity as well as the desire of individuals for democracy in politics. At the same time, the inequalities generated by capitalism provide employers with the disproportionate financial resources to shape politics and culture to their liking as opposed to that of the largely excluded masses. The results in the US are democratic political forms but little real democratic content of politics. Periodic upsurges of democratic demands and even the occasional achievement of democratic reforms fail to last because the unchanged class-qua-surplus structure of capitalism works systemically against them.

Across Capital, Marx elaborates his class analysis of capitalism. In the first volume, his goal is to show where capitalism’s production and appropriation of surplus occur. In Capital’s second and third volumes, Marx explores how capitalists distribute the surpluses they appropriate from direct laborers. The surplus distributions are aimed primarily to secure certain conditions for the continuation of class exploitation, to provide means of production and consumption to the range of enablers of capitalist exploitation, its unproductive workers. These
include supervisors who make sure direct laborers do their work, security guards who protect the enterprise, and an army of other enablers such as the secretaries, clerks, various managers, sales and purchasing personnel. This argument is spelled out in detail for the capitalist class process elsewhere.³

Capitalist production of the surplus positions and sustains the producing worker and the appropriating capitalist as its two poles. Capitalists’ surplus distributions to unproductive enablers thereby secure their capitalist positions as the surplus appropriators and distributors. The production of the surplus enables its distribution and vice-versa. For Marx, the class structure of the capitalist system refers to its unique organization of the production and distribution of the surplus.

Of course, the class structure’s reproduction is not assured or self-contained; it depends on all the myriad dimensions of its environment. The appropriators’ surplus distributions merely try to secure the class structure’s conditions of existence and reproduction by shaping as many of those dimensions as it can identify with the surplus available for those distributions. The surplus distributions may or may not succeed. Capitalists may not appropriate enough surplus to distributed the requisite quantities. There may be enough surplus, but the appropriators may divert too much to their own consumption or too little to secure one or another particular condition of existence of the class structure. How the surplus is distributed will shape the evolution of the class structure and thus the amount of surplus it generates. A class structure’s continual changes can and eventually do include its transformation into another, different class structure.

4. The Class Structure of Communism
Aspects of the capitalist class structure and of class-qua-surplus as a concept become clearer when applied to a non-capitalist class structure and, in particular, to the communist class structure as envisioned by Marx. The difference between the two class structures is simple and straightforward. Communist class structures are defined by the absence of exploitation. The producers and appropriators of the surplus in a communist class structure are the exact same people, whereas in the capitalist class structure, they are different people. In an enterprise whose class structure is communist, the productive laborers collectively are also the appropriators of the surpluses they produce. It then follows that they are also the surplus distributors. The productive laborers displace the capitalists who literally disappear from the communist class structure.

Of course, such communist producers/appropriators/distributors of the surplus need to sustain the enablers of the production of the communist surplus, the “unproductive” workers in communist enterprises. The distribution of communist surpluses defines two positions at its poles: the “productive workers” who are also the appropriators and distributors of the surplus, at one pole, and the recipients of distributed shares of the surplus, the “unproductive” workers at the other pole. As in all class structures, the process of distributing the surplus is the object of struggle between distributors and recipients. However, the key difference separating the communist from all exploitative class structures is this: in the latter, the exploiting class interposes itself between the productive and unproductive laborers. In the communist class structured enterprise, the productive and unproductive laborers negotiate directly with one another to determine together both the size and the distribution of the surplus.

The significance of this difference is huge. First, capitalists are in the position of distributing portions of the surplus to themselves (as owners, share holders and/or as top managerial executives). These portions are often and for obvious reasons large. The deep
tendency toward inequality exhibited in and by capitalism is closely linked to who distributes its surpluses. The small minority that decides the distribution in capitalism serves itself and thereby worsens inequalities over time. The distribution of the surplus decided by productive and unproductive workers democratically acting together and without any capitalist would be much less unequal.

Second, consider the example of a technical change in the methods of production available to an enterprise, a change that both enhances profitability but is also ecologically dangerous or toxic. The capitalist enterprise will likely choose to implement the change because the extra profit means more to distribute. The capitalists making the decision are few and can finance escapes from the toxic consequences in terms of their living locations etc. The communist enterprise will likely choose otherwise, since its collective decision-makers (productive and unproductive workers deciding democratically) will weigh the health risks and costs that they, their families and neighbors will have to bear if the toxic technology is used. One cause of ecological damage would be reduced by a class change from capitalist to communist class structures in enterprises.

Third, consider the example of moving production from a relatively high-wage to a relatively low-wage location. Capitalists have been doing that in large numbers for nearly half a century, leaving north America, western Europe and Japan for China, India, Brazil and so on. Capitalists made those choices for their enterprises because relocation enabled them to extract more surpluses. They used those additional surpluses to better secure their conditions of existence but also to pay themselves higher salaries, dividends, etc. Had their enterprises been instead organized as communist class structured enterprises, their decision-makers (their productive and unproductive workers together democratically) would have evaluated relocation differently in terms of its impacts on them and their communities. The alternative class structures with their different sets of decision-makers would have identified, counted, and weighed costs and benefits differently and so reached different conclusions and decisions. The
massive relocation of capitalist enterprises since the 1960s would have been far, far less of a
social phenomenon had communist class structures of enterprise played larger roles in our
economies.

On a more general level, inside a capitalist enterprise, its governance – the process of
defining and choosing among alternative courses of action in and by the enterprise – is
undemocratic. In the corporate form of capitalist enterprise – the major form in our time – the
board of directors makes the basic decisions of what, how and where to produce and what to do
with the net revenues and the profits. Boards of directors typically include 12-20 individuals
elected by shareholders, or more accurately, by the few major shareholders (since elections
assign one vote per share and share ownership is highly concentrated). The hundreds or
thousands of corporate employees – the vast majority of persons working in those enterprises -
are excluded from participating in the decisions made by the board of directors. Those
employees depend on and live with the consequences of board decisions but have no role in
making them.

The opposite is the case in a communist enterprise. There, the combined productive and
unproductive workers collectively and democratically make the decisions assigned to boards of
directors in capitalist enterprises. The democracy of enterprise governance intrinsic to the
communist class structure supports and reinforces democracy in the governance of residence
communities. Democratizing the enterprise – in class terms, converting it from a capitalist into a
communist class structure – is a way of converting formal into real political democracy.

5. The Varieties of Class Analyses
The basic logic of class-qua-surplus analysis entails asking the same basic question wherever and whenever production occurs in any society. If, at any site in a society, human beings are using their brains and muscles to transform objects given in nature into what they or other human beings deem useful objects, then production is happening there. The following question then applies: is a surplus being produced at that site? If the answer is yes, class analysis follows. That is, the specifics of the production and distribution of the surplus are investigated to determine how they participate in shaping the economic, political and cultural aspects of the society in which the production occurs.

We can answer the class analytical question with a simple “no.” Production can occur without the production of a surplus being involved. When someone walks through the woods and carves a piece of wood into a figurine the carver gives to a nearby child, no surplus – and hence no class process – is involved. If, however, the carving in the woods is by a wage-receiving carver with a knife and raw wood provided by an employer who receives and sells the resulting figurines, a surplus is involved. Class analysis does then apply.

So far – and in the tradition of most economic analyses – we have limited discussion to the enterprise as the social site of production. Now we can relax that limit. Production occurs at other social sites such as the household and the state, among others.

In households over the last two centuries, as capitalist class structures have spread across enterprises, capitalist class structures have NOT similarly prevailed among households. Households certainly are sites of production. Raw foods are transformed by labor, tools and equipment into finished meals; unclean rooms and clothing are transformed into neat and clean residences and outfits, and so on. Moreover, the direct performers of the labors of cooking, cleaning, etc. produce more output than they themselves consume, a household surplus. It is
possible to identify the appropriator and distributor of that surplus and hence to pinpoint the class structure of the household.

Across most US history, the traditional household displayed an internal class structure quite different from the capitalist class structure of most enterprises. Inside households, no wages or market exchanges or profits existed. Rather, elaborate customs and traditions, often sanctified by religious doctrines and rituals, specified who produced the surplus, when, where and how, and likewise who appropriated it. Traditional rules of home and family life likewise governed to whom (to which enablers) the appropriator distributed what portions of the household surplus to secure the conditions of existence of the household’s class structure.

In traditional US households, the adult wife produced the household surplus, often helped by children once they were old enough to work. The husband appropriated the surplus and distributed it to others inside and outside the household in ways likewise sanctioned by traditions and religions. In these households, the surplus-performing wives were not the slaves of their husbands, nor their wage-earning employees. The wives were not equals in a communist class structured household sharing the surplus producing but also surplus appropriating positions inside households. Rather, the typical household class structure in the US most resembles the feudal class structure of medieval Europe.4

It follows that modern “capitalist societies” have a much more complex and variegated class structure than economic analyses and the adjective “capitalist” have recognized. Their households have often been the sites of very different, non-capitalist class structures. That means that individuals in those societies were engaged with, participated in and were shaped in part by multiple, different class structures. Class-qua-surplus analysis generates a much more complex, nuanced analysis of individuals and groups than merely locating them in relation to
property and power distributions or merely locating them in relation to the particular surplus organization of enterprises.

The state may also be a social site of production and class. This occurs, for example, if and when officials of the state establish – as their state function – productive organizations in which surplus are produced, appropriated and distributed. Popular language has often depicted these organizations as “state enterprises” precisely because they do what enterprises outside the state do. Thus state enterprises have become differentiated from “private” enterprises in recognitions of what we here describe as production and class occurring in the state. In the US, for example, state governments own and operate state institutions of higher learning that produce and sell college and university credits to students; the federal government sells postal services and train services to the public; local governments sell transport services; and so on. In such state institutions, surpluses get produced, appropriated, and distributed. Such institutions include productive and unproductive workers. Unlike households, the class structures at the site of the state – in state enterprises - do largely replicate the capitalist structure found in private enterprises.

Class-qua-surplus analyses of the state have some provocative implications. For example, increasing the size and productive role of state enterprises – say at the expense of private enterprises – has nothing to do with any change in the society’s class structure from capitalist to something non-capitalist, say “socialist.” Such an argument misunderstands what class means or defines it in terms other than the organization of the surplus. Government enterprises can, and in modern times often have been, capitalist in their class structures just as private enterprises have been. More government and less private production merely changes
the site of capitalist class structures; it has not been a displacement of capitalism for an alternative system – at least so far as class-qua-surplus is concerned.

Only if the state enterprises were organized to produce and distribute surpluses in a different, non-capitalist way would the shift from private to state production also entail a shift from capitalist to non-capitalist class structures of production. If state enterprises were required to operate as communist class structures, for example, such that their productive workers would also function, collectively and democratically, as appropriators and distributors of the surpluses they produced, then the shift from private to state would coincide with a shift from capitalist to communist class structures of production.

6. Class and Income

The class-qua-surplus analysis of income is simple and straightforward. An individual obtains income by being a performer of surplus labor (and therefore paid a wage or salary for that performance) and/or by being a recipient of distributions of the surplus. The capitalist is merely a middle-person, someone who appropriates the surplus and then distributes it. Little income accrues to the capitalist per se (indeed, corporate boards of directors typically receive little pay for their services on such boards).

Productive workers who produce surpluses get wages – the non-surplus portion of the value added by their labor. Unproductive laborers also get wages, but those are portions of the surplus appropriated by capitalists from productive laborers. Capitalists then distribute such portions to unproductive laborers for securing certain conditions of existence of capitalist production. Class-qua-surplus analysis thus differentiates productive from unproductive wages. These are different payments for very different things: either producing surplus or else enabling others to produce surplus. Productive and unproductive laborers may or may not recognize, be conscious of their differences. They may think of themselves as nearly identical, say by focusing
on their shared experience of being paid wages. Or they may differentiate themselves by the specific tasks they do such as white collar versus blue collar.

Class-qua-surplus analysis differentiates them otherwise, according to their very different relationship to the organization of the surplus. One produces it while the other enables that production in exchange for a distributed portion of the surplus. From the standpoint of class-qua-surplus analysis, concepts such as “the wage-earning class” or “the working class” are problematic. All wage-earners or workers are not occupants of the same class position. They divide into two different class positions likely to generate different perspectives on how the economy and society function, different notions of what is to be done to improve and change the economy, and different social change strategies.

Of course, if the goal is to unify productive and unproductive workers into a combined social force, then class-qua-surplus analysis would entail the need to recognize and accommodate their class differences to construct and sustain that unity. Assuming the unity because they are all wage-earners, working class, etc. would not be strategically appropriate or likely very effective. Indeed, to head off such unity, capitalists and their ideological supporters have long stressed other differences among wage-earners (age, gender, race, skills, education, ethnicity, white versus blue collar, etc.). Just as constructing unity among them has required learning to recognize and accommodate the reality of those differences, it also requires doing likewise for their class-qua-surplus differences. Otherwise, efforts to build unity risk failure.

Relatively few individuals become rich from the wage or salary payments they earn as producers of surplus. Wealth accrues chiefly to those in a position to secure large portions of distributed surpluses from the surplus appropriators. Major shareholders thus secure wealth by receiving dividend payments. Top managers secure huge salaries and pay packages that are surplus distributions. Lenders and landlords obtain interest and rentals from appropriators of the surplus who secure access to money and land – conditions of their surplus appropriation – by
distributing such portions of the surpluses they appropriate. Here lies another importance of private property since that is what allows the owners of means of production (land, money, etc.) to withhold it from production. Those owners enable access to their means of production – so production can occur – only if they get interest and rental payments from the surpluses appropriated and distributed in capitalist enterprises.

Because a communist class-qua-surplus structure effectively democratizes the enterprise, the productive laborers appropriate and distribute the surplus they produce. The specific recipients of the surplus and how much of it is distributed to each of them is decided by the collective of both productive and unproductive workers. Theirs will be a far less unequal distribution than what results from the undemocratic surplus distribution decisions of major shareholders and boards of directors (who tend to give themselves the largest distributions).

7. Class Struggles

Marx’s class-qua-surplus analysis crucially differentiates class struggles. First of all, the major focus is upon class as the object of struggle, not its subject. Given the complexities of class analysis discussed above, the notion of a “class” as a social actor is very problematical. Class-qua-surplus as the object of social struggles has a quantitative and a qualitative dimension. The quantitative dimension concerns (1) the size of the surplus produced and appropriated, and (2) the sizes of the portions of the surplus distributed to its various recipients. Social groups struggle over those quantitative dimensions. For example, productive workers struggle with capitalists over the size of the wages paid to them, the length of the working day, and other aspects of the production and appropriation of the capitalist surplus. To take another example, capitalists struggle with governments over the size of the portion of the capitalist surplus delivered to governments as taxes on profits. Class struggles over the quantitative
dimensions of surplus production and distribution are a more or less constant feature of class structures, slave and feudal as well as capitalist.

Sometimes, accumulated political and cultural conflicts coalesce with economic conflicts to provoke struggles over the qualitative dimensions of class-qua-surplus. Then the object of struggle is, for example, a capitalist class structure for enterprises versus a non-capitalist class structure. In the United States today, a social movement embraces worker cooperatives as a preferred alternative to capitalist corporations. Much of that movement does not yet grasp the relationship between such a movement and Marx’s definition of the class differences between these two alternative organizations of enterprises’ production and distribution of surpluses.

Nonetheless, it represents an early stage in a struggle over the qualitative dimensions of class.
Endnotes

1 Revealingly, at the same time applications of class analysis to the USSR were likewise banished there and on parallel grounds: their irrelevance to the post-class structure of Soviet society.
4 See the detailed class analyses of households gathered in Graham Cassano, Ed., *Class Struggle on the Home Front: Work, Conflict, and Exploitation in the Household*. New York: Palgrave Macmillan, 2009. Note that if households were reduced to sites where no production was undertaken, where only consumption occurred, class-qua-surplus analysis would not apply.