

the moral and ideological opposition to Washington's imperial policies by obscuring the oppression involved.

The economic situation at the time, as described by Schirmer, provides a more general explanation for the movement's decline. In the 30 years from 1870 to 1900, the value of manufacturing capital rose from about \$1.7 to \$9.8 billions. This was accompanied by recurrent market gluts and consequent crises. Half the 25 years between 1873 and 1898 were marked by depression, and in 1898 the nation had just climbed out of a prolonged period of economic prostration. Burgeoning business organizations and the trusts were clamoring for government policies to aid them in acquiring foreign markets to eliminate recurrent gluts and to provide profitable avenues for use of an enormous capital accumulation. Conquest of the Philippines was widely proclaimed to be an essential step toward capture of the Chinese market, as well as providing a secure territory for profitable exploitation.

Initially, fear of the expanding power of monopoly and the consequent threat to the nation's peace aided the anti-imperialists in their effort to develop opposition to Washington's annexationist wars. But the lure of continued prosperity blunted the antiwar tendencies of the middle classes and labor, while the venerable Brahmin leaders who had sparked the antiwar movement were eliminated through death or the infirmities of age. Expanding racism and rampant chauvinism associated with the rise of the U.S. as a major world power also tended to sap the movement.

Schirmer's study describes graphically both the rise and the decline of anti-imperialism, as gleaned from researches chiefly in New England sources, including business publications, newspapers and the personal papers of prominent Boston figures on both sides of the struggle. As Schirmer notes, antiwar sentiment was particularly intense in the West and South, which suggests that similar studies of the movement in those areas could also be rewarding.

*New York City*

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*Radical Political Economy: Capitalism and Socialism from a Marxist-Humanist Perspective*, by Howard Sherman. New York: Basic Books, \$12.50. Pp. 431.

According to its flap, this book is the "first systematic attempt to present a unified radical political economy of capitalism and socialism." Its author is both a "leading spokesman of the New Left" and a profes-

sional economist, who tries to incorporate into his "nondogmatic" Marxism "the best tools and findings of non-Marxist social science." The great bulk of the book, however, comprises no more than a rather pedestrian presentation of the better-known tenets of Marxism, such as may be found in numerous other expositions. Here these can largely be left aside, except where they are affected by Sherman's particular interpretations. Sherman, who describes himself as a former Stalinist who, as a result of Krushchev's revelations and the Polish and Hungarian revolutions, lost his "theological faith," is now ready "to participate in the renaissance of Marxist thought that has taken place since that time," that is, in the "humanizing" of Marxism via a merging of socialist and capitalist concepts and institutions, which is supposed to issue into a new synthesis of "democratic communism."

Marx's aim, according to Sherman (quoting Erich Fromm), was the "spiritual emancipation of man." According to Marx himself, it was his recognition of the laws of motion of capitalism, as well as their historical limitation, that led him to foresee the advent of a proletarian revolution as the precondition for a nonexploitative classless society. However, Marx's aims and theoretical findings are not of first importance to Sherman, for in his view, which agrees with that of Georg Lukacs, "orthodoxy in questions of Marxism refers exclusively to method"—as if it were possible to separate the method from the subject matter it concerns itself with. Sherman's methodological principles—as, for instance, that of the interconnection of all things—appear even to himself as "simple platitudes," but they serve him nonetheless to reject "dogmatic Marxism," which sees "the relation of the economic base to the political superstructure as one-sided and absolute." This kind of "vulgar economic determinism," he writes, leads to such wrong conclusions as that "if a person earns more than the average wage, then he is automatically assumed to be corrupted by the system and a supporter of the status quo." Even more seriously, it gives rise to the idea "that the capitalist state is so absolutely dominated by the capitalist class, . . . that no real reforms are possible, and all reforms are a deception rather than any aid to the working class." This type of "Neo-Marxism" would better be called Neo-Reformism, rehashing, as it does, the old Revisionist arguments current at the turn of the century. It is not surprising that the book is lauded by left-wing Keynesians bent on reforming the capitalist system in order to save it.

Sherman refers to the regrettable fact that there is not only harmony but also conflict in society, and particularly with regard to the division of the social product. This necessitates an economic analysis of capitalism and a discussion of the differences between bourgeois and Marxist

economic theories. In this endeavor, however, Sherman's lack of "dogmatism" reveals itself not so much as the operation of an independent spirit as a lack of comprehension of both bourgeois and Marxist theories. This is to some extent covered up by his assuming the air of an objective observer, describing one or another theory without directly committing himself to any particular one. Most of the time, in fact, he does not seem to have opinions of his own, although he displays a certain fondness for the findings of such writers as Baran and Sweezy.

Just as it was propounded at the time of the great Revisionist debates, so does Sherman declare today that the bourgeois and Marxist economic theories "are not necessarily contradictory." Radicals may consider, he writes, "that neo-classical price and allocation theory is a useful adjunct to the broader Marxist view of the political-economic evolution of capitalism. Yet we may still recognize that Marx's own statements on price theory represent a special and limited case within neo-classical price theory." Sherman finds the latter applicable to both capitalism and socialism because "it studies the economic maximization of output from given resources," a necessary requirement of either social system.

These assertions show that Sherman has no idea what the Marxian critique of political economy is all about. He writes, for instance, that "Marx's labor theory of value states that individual prices are proportionate to the labor expended in the product," whereas, according to Marx, individual prices necessarily diverge from the value content of commodities just because the law of value is central to the social production process. For Sherman, however, Marx's value theory is only another price theory, albeit one that is concerned with the "long run." Under competition, he writes, "commodities must sell at their value (including an average amount of profit) because a higher price will tend to increase the supply, while a lower price will tend to decrease the supply, thus bringing price back to value." It is thus the competitive supply and demand mechanism that, in his view, establishes the value exchange, whereas, in Marx's opinion, it is the production of value and surplus-value that determines the competitive supply and demand relations with their corresponding prices.

It is, of course, true that Marx was interested in price formations only to the extent that they revealed their dependency on the underlying value or social production relations. It is not true that neo-classical price theory is able to determine the prices that make for the most economical allocation of scarce resources, for it is not prices, but the accumulation of capital, in exchange-value terms, that determines the allocation process. Although Sherman is aware of Marx's denial of the bourgeois as-

sertion that the price system serves the allocation of scarce resources, he thinks that Marx's attitude was due to a lack of interest in individual price determination, because of his preoccupation with the political-economic problems of the economy as a whole. He feels, however, that those economists who are interested in relative prices will find that, though the Marxian and neoclassical theories are basically compatible, "the neoclassical price theory may be a more useful analytical tool for understanding the narrower issues of how to set prices and allocate resources." Actually, of course, the neoclassical price theory does nothing of the sort, but merely pretends to do so in its function as capitalistic apologetics. It is rather strange to find this self-declared "New Leftist" supporting the bourgeois apologia at a time when neoclassical theory finds itself in an internal crisis because the simple maximization principle, far from elucidating anything, directly prohibits an understanding of the real world of price and market relations.

There is not much point in detailing the various errors and contradictions that flow from Sherman's misapprehension of Marxian economic and social theories and his desire to reconcile them with the bankrupt doctrines of bourgeois economics. He does not, for instance, clearly differentiate the Marxian socially determined concept of use-value from the bourgeois individually determined utility concept of demand theory. He cannot distinguish between the monopoly question as raised by Marx and as it appears in bourgeois economic theory. He misunderstands Marx's reproduction and accumulation theory and its relation to the business cycle, and thus feels himself obliged to produce a crises theory of his own, which, however, consists of no more than a "synthesis" of the equally fallacious though popular theories of underconsumption and overinvestment.

Sherman's crisis theory has nothing in common with the Marx's theory of overaccumulation relative to a given state of exploitation, but concerns itself with the cyclical movements of prices which, on the one hand, reduce the demand and, on the other, raise the costs of production. No attempt is made to relate the crises cycle and the accumulation process to the production relations as value relations, and Marx's law of the falling rate of profit is for Sherman not the necessary expression of capital production but is merely taken over from classical theory as an apparently historical fact. For Sherman, "the trend in the long-run rate of profit is clearly indeterminate in the Marxian system," because "the empirical trend in both the rate of exploitation and the organic composition of capital are subject to change." But even if the prediction of the tendency of the rate of profit to fall should prove "incorrect in the long-run period of monopoly capitalism," he writes, "that should not

lessen any confidence in basic Marxist theory." It escapes him that it would be precisely this which would invalidate Marx's basic theory, as the falling rate of profit is just another manifestation of the value determination of capital production.

From what has been said thus far, one can easily deduce Sherman's attitude to the "political economy of socialism," even without reading the relevant chapters. It never enters his mind that socialism implies the end of "political economy," which is only another term for bourgeois economics. However, as he wishes to merge bourgeois economics with the Marxian *critique* of political economy, he is consistent only in his recommendation of a "decentralized market communism" or, as he writes, an "80 percent communism," finally to be transformed into one of 100 percent, which, however, would "still include a shadow price for capital (the average rate of profit), and would also include a shadow price for each kind of labor (a 'wage' equal to the marginal product of labor derived from an optimal plan)." Because "market socialism," as attempted in Czechoslovakia and practiced in Yugoslavia, is seen as the forerunner of 100 percent communism, Sherman favors these systems over the socialism prevailing in Russia. It may finally be pointed out that the book is dedicated to the "people of Czechoslovakia," who tried to build "socialism with a human face," and also to Ho Chi Minh and the people of Vietnam, who, either by inclination or force of circumstances, applauded the Russian invasion of Czechoslovakia.

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*Selected Political Writings of Rosa Luxemburg*, edited and introduced by Dick Howard. New York: Monthly Review Press, 1971. \$11.50. Paper, \$3.95. Pp. 441.

Until a few years ago it was almost impossible to find any of Rosa Luxemburg's political writings in print in English translation. The European Social Democratic and Labor parties were anxious to remove any lingering association which they may have had with Marxism and with such an uncomfortable figure as Rosa. The voluminous output of the Foreign Languages Publishing House in Moscow included nothing by a heroine of the revolution lauded on anniversaries in the Communist press. Only recently has a complete edition of her works been published in the German Democratic Republic. Most people on the left knew that Rosa Luxemburg had died as a martyr, but if they knew anything about her theo-