

8
SYDNEY STUDIES IN POLITICS: 5

MARX, ENGELS
and
AUSTRALIA

Henry Mayer



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General Editor: R. N. SPANN

Professor of Government, University of Sydney

Associate Editor: HENRY MAYER

Associate Professor of Political Theory, University of Sydney

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APPENDIX I

MARX'S SOURCES ON AUSTRALIA

The "private letters from Port Phillip" mentioned by Marx seem to be journalistic licence. Marx's information, except in special cases such as his reliance on the *Argus* for Eureka, came from the daily press and *The Economist*. He cites the following works in connection with references to Australia:

Henry Brougham, *An Inquiry into the Colonial Policy of the European Powers*, Vol. II, Edinburgh, 1803; *Capital* (Kerr), I, 883.

C. Gavan Duffy, *Guide to the Land Law of Victoria*, London, 1862; *Capital*, I, 848.

Government School of Mines and Sciences Applied to the Arts: *Lectures on Gold* for the instruction of emigrants about to proceed to Australia. Delivered at the Museum of Practical Geology, London, 1852. This is cited for technical details on the properties and production of gold. *K.P.E.* (Draft), 93-95, 884, 896-97.

William Howitt, *Colonization and Christianity*: a popular history of the treatment of the natives by the Europeans in all their colonies, London, 1838. *Capital*, I, 824.

Herman Merivale, *Lectures on Colonization and Colonies*. Delivered before the University of Oxford in 1839, 1840 and 1841. 2 vols. London, 1841-42. Marx read and extracted this work in London, about August-September 1851, *K.P.E.* (Draft), 717-18, cf. 966, and refers to it in *Capital*, I, 695, 844.

The Marx-Chronik mentions, without detail, that Marx read three articles on Australia in 1880. (Marx-Engels-Lenin Institut, *Karl Marx*: Chronik seines Lebens in Einzeldaten, Moscow, 1934, 375.) These were:

Richard Bennett, "Some Account of Central Australia", *The Victorian Review*, 1(3) January 1880, 423-26; 1(4) February, 587-92; 1(6) April, 928-34. Part I is a geographical sketch, stressing that with irrigation the region can be cultivated and support a large population. Part II is a plea for the substitution of artesian wells for the common shaft well. Part III describes the aborigines.

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The Editor (H. M. Franklyn), "The Commercial Future of Australia", *ibid.*, 1(4) February 1880, 660-73; 1(5) March, 893-98. Criticises the view that Australia should grow more wheat and corn and cultivate less beef and mutton; makes comparisons with the U.S.A.

Carl A. Feilberg, "The Future of North-Eastern Australia", *ibid.*, 1(5) March, 699-711. White men in tropical regions will endeavour to do without coloured labour, there is no reason why they should lose their energy in the tropics.

Marx was then working on the second volume of *Capital*, but it is unlikely that he wanted to make any major reference to Australia. In 1880-81 he intended rather to study the industrial development of California and use the results in that volume (Marx to Sorge, 5 November 1880; Marx to Danielson, 19 February 1881). He may have read the Bennett article in connection with his work on Lewis Morgan, which took place in 1880. By 1880 Marx was aware that he would not finish the second and third volume of *Capital* and read widely as a form of escape.

APPENDIX II

MARX ON EDWARD GIBBON WAKEFIELD

The best-known reference to Australia by Marx is his discussion of E. G. Wakefield's theory of colonization, in Chapter 33 of the first volume of *Capital*. This has been adequately analysed by H. O. Pappé, in his "Wakefield and Marx" (*Economic History Review*, 2nd series, 4, 1951, 88-97). It is less well-known that Marx's interest in Wakefield dates back to 1851. Historians of economic thought might be interested in a note which brings together Marx's marginal comments on Wakefield and shows the use Marx made of his works.

At the end of 1850 Marx resumed his economic studies. In 1851 he read and made extensive extracts on subjects such as ground rent and money; population and means of subsistence; and colonies, i.e., Wakefield and Merivale. In August 1852 he attempted, without success, to interest the German editor Brockhaus in a projected review of English literature from 1830-52, which was to cover general works, population, colonies, banks, protection and free trade.¹

About February-March 1851, Marx began to extract Wakefield's notes in the latter's edition of Volumes I and III of Adam Smith.² By August-September, Marx was extracting from *A View of the Art of Colonization*.³ His opinion of Wakefield as an economist was high, for in 1852 he refers to him, with eight others, as "the masterminds among the economists of Europe..."⁴ But Marx was critical of the theory of colonization from the start. In 1853 he calls it "crazy"⁵ and two years later he writes:

Molesworth belongs to Wakefield's school of colonization. Its principle is to make the land in the colonies artificially more expensive while making labor artificially cheaper, in order to reach the "necessary combination of productive forces". The experimental application of this theory in Canada drove the inhabitants away and to the United States and Australia.⁶

Marx used some of the extracts of the 1851 notebooks in his rough draft of the *Critique of Political Economy* (1857-58), his 1859 draft plan for a chapter in the *Critique*, his 1861-63 manuscripts published as *Theories of Surplus Value*, and, in a minor way, for the first volume of *Capital*.

1. Wakefield notes correctly that economists have never properly developed the (positive) aspects of free competition. *K.P.E.* (Draft), 317, cf. Wakefield, Smith notes, "A Note on Chapters VIII and IX, Book I", Vol. I, 244-46.

2. Wakefield's note on Ricardo (Smith notes, I, 230-31, note) is cited in 1857-58 and noted again in the 1859 outline. *K.P.E.* (Draft), 476, 979. It is then cited in *Capital* (Kerr), I, 587, n.2, and again in *Mehrwert* (1959), 395-96.

3. Wakefield's comment on the relative productivity of slaves and freemen (Smith notes, III, 18n.) is cited; mentioned in Marx's index to his notebooks; and noted in his 1859 outline under "Division of Labour", *K.P.E.* (Draft), 509, 961, 972.

4. Wakefield is cited: "In countries where land remains very cheap, either all the people are in a state of barbarism, or some of them are in a state of slavery." (Smith notes, III, 20n.) *K.P.E.* (Draft), 509.

5. Wakefield is cited: "It is the infinite variety of wants, and of the kinds of commodities necessary to their gratification, which alone renders the passion for wealth indefinite and insatiable." (Smith notes, I, 64n.) *K.P.E.* (Draft), 665. This point is linked with the relation of surplus value to foreign trade (*Mehrwert*, III (1921), 300-301; *Mehrwert* (1962), 252. cf. also the allusion in

a discussion of the connection between the division of labor and the differentiation of commodities (*Mehrwert* (1962), 286).

6. Wakefield is cited at length on the difficulties of securing the "constancy" of labor in the colonies; on the prerequisites of capitalist production in them; and on the need of securing a "sufficient" price for waste land. *Art of Colonization*, 168-69, 170, 332, 338, 339) *K.P.E.* (Draft), 457, 959, c. 953.

Marx adds some comments. He states that Wakefield's notion of a "sufficient" price for waste land, a price which will accomplish its object (*Art of Colonization*, 338) means that the object is "to make the labourer into a non-landowner". *K.P.E.* (Draft), 458. Wakefield's point belongs to the material on the necessary separation of the labourer from the prerequisites of property (*ibid.*, 459). His concept of the "constancy" of labour must be mentioned as a factor in the process of production (*ibid.*, 959).

7. In discussing "constancy", Wakefield also deals with co-operation. Marx cites this passage in *K.P.E.* (Draft), 458, and in *Capital*, I, 357, n.2.

8. Marx deals with the prerequisites of capitalist production in the colonies, especially with the existence of absolute ground rent on the one hand and that of a class of propertyless labourers on the other, in Ch. 33 of *Capital*, I. One of his formulations, from *Theories of Surplus Value*, which stresses the non-capitalist nature of the mode of production in "colonies proper", is given in the *Chronology*, extract 58. Other relevant formulations are:

(a) On the other hand, if the modern relations of production, i.e., Capital, are fully developed within a society, and that society now takes hold of a new territory, as for example in the colonies, it, that is, its representative, the capitalist, will find that his capital ceases to be capital without wage labour, and that one of the prerequisites of wage labour is not just landed property as such, but modern landed property; landed property which, as capitalized rent, is expensive, and which as such excluded the direct utilization of the soil by individuals. Hence Wakefield's theory of colonization, which has been followed in practice by the English government in Australia. Landed property is here artificially made expensive, so as to transform the labourers into wage workers, to get capital to work as capital, and thus to make the new colony *productive*; to develop wealth within it, instead of using it, as in America, for the temporary supply of wage workers. Wakefield's theory is immensely important for the proper understanding of modern landed property.

K.P.E. (Draft), 189.

(b) A comment, just before the discussion of the "mode of production in colonies proper" (*Chronology*, extract 58), that Wakefield sees "very well" that developed capitalist production is a prerequisite of absolute ground rent.

Mebrwert (1959), 291; (1921), II/2, 70.

Marx's other references to Wakefield are concerned with his views on the falling rate of profit and his relation to other economists.

9. In a discussion of the relation between the rate of surplus value and the rate of profit, Marx argues that followers of Ricardo avoided the issue of the falling rate of profit. Some "solved" it by simply dropping the problem:

Other economists as, for example, Wakefield, flee to a consideration of the field of employment for growing capital. This belongs to the analysis of competition and is in reality the difficulty of capital of realizing the increasing profit; hence a denial of the immanent tendency towards a decline in the rate of profit. But the necessity of finding an ever more extended field of employment for capital is in turn again a result. One cannot put Wakefield and similar ones amongst those who have put the question as such. (It is, so to speak, a reproduction of the views of A. Smith.)

K.P.E. (Draft), 640, cf. 959, 964. cf. also Marx's reference to money which, in order to become capital must pass for a "field of employment" *ibid.*, 515, and cf. *Art of Colonization*, 76.

10. The prerequisites of absolute rent are briefly discussed, with reference to Wakefield's and Chalmers' explanation of the fall in the rate of profit. *Mebrwert* (1959), 232; (1921), II/2, 9.

11. Various minor allusions: (a) Wakefield's criticism of Ricardo (*Mebrwert* (1959), 395-96; (1921), II/1, 70). (b) Wakefield, James Mill, and the theory of value (*Mebrwert* (1962), 91; (1921), III, 109). (c) Wakefield's comments on Ricardo's theory of the "value of labour" and on ground rent (*Mebrwert* (1962), 189; (1921), III, 226-28). (d) In a discussion of H. C. Carey's theory of rent, Marx notes that American and Australian "prairies" disprove the theory and that Carey's contrast between "dissemination" and "association" is "completely copied from Wakefield". (Marx to Engels, 26 November 1869, *Bru.*, 4, 298).

12. Wakefield's notes on Adam Smith, and his *Art of Colonization* are cited once each in *Capital*. But the main citations are from Wakefield's *England and America*.⁷ Apart from the general discussion in Ch. 33, Vol. I, the references (in the Kerr edition) are: I, 295, 638, 742; cf. 790; III, 878, 894.

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13. In 1872 Marx noted that it was apparently Wakefield who first used the term "easy classes" or "classes in easy circumstances" to refer to the really rich section of the possessing class, while he called the middle classes "the uneasy class". (*Werke*, 18; 91, 111; cf. *England and America*, I, London, 1833, 185).

REFERENCES TO APPENDIX II

- 1 M. Rubel, "Les Cahiers de Lecture de Karl Marx, I, 1840-1853", *International Review of Social History*, 2 (3), 1957, 392-420, esp. 405, 409-11, 417 n.4.
- 2 *An Inquiry into the Nature and Causes of the Wealth of Nations*, by Adam Smith, L.D., with notes from Ricardo, McCulloch, Chalmers and Other Eminent Political Economists. Edited by Edward Gibbon Wakefield, Esq., with Life of the Author, by Dugald Stewart. A new edition in four volumes, London, 1843.
- 3 *A View of the Art of Colonization*, with present reference to the British Empire; in letters between a statesman and a colonist. Edited by (one of the writers) Edward Gibbon Wakefield, London, 1849.
- 4 Marx to Weydemeyer, 5 March 1852, *L.Arn.*, 45.
- 5 *N.Y.T.*, 28 January 1853, 3 DE.
- 6 *N.O.Z.*, 26 July 1855; *Werke*, 11; 377.
- 7 *England and America*. A comparison of the Social and Political State of both Nations, 2 vols., London, 1833.

APPENDIX III

AUSTRALIAN MIGRANTS KNOWN TO MARX AND ENGELS

No research seems to have been done on when the work of Marx and Engels first became known in Australia. It has long been realized that men such as W. G. Higgs, editor of *The Worker*, and W. A. Holman knew about Marx by 1891 and 1893 respectively.¹ In 1893 the *Communist Manifesto* was published by *The Worker*, though in a somewhat mangled version.²

But it is clear that some knowledge of Marx must have existed long before the 1890s. Casual browsing soon turns up an 1883 obituary.³ The chapter above on the D.A.V. pushes back the date to 1872, if not 1871. It is highly likely that some Australians must have heard about Marx as early as 1852 or even 1851, through