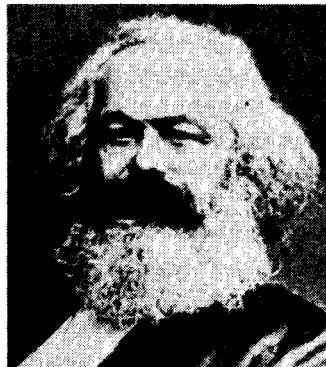


## Marx hated Christian roots of American System

Karl Marx (1818-83) was far from being an opponent of Adam Smith's free trade dogmas, as many people believe today. Marx and his fellow founder of communism, Friedrich Engels, wrote a 30-page tirade in 1844 against Friedrich List, Germany's great Hamiltonian thinker (see page 40). If we strip away all secondary arguments, what unhinged Marx was List's rejection of materialism and locating the "capital of mind" as the true source of wealth, as Hamilton had earlier. Marx and Smith both believed that man was a "soulless materialist," which led Marx to strongly defend Smith and his free trade theory against List. It is not coincidental that Marx supported British and French materialists against the Leibnizian outlook.

In an obvious state of rage, Marx called List an "idealistic-Christian" and a "German philistine," who would constantly talk about protective tariffs and productive forces. List's rejection of the materialistic exchange values, which were considered the source of



wealth by both Marx and Smith, led Marx to attack Christianity as the spiritual source for List's notion of the productive powers. Marx fully recognized that List's understanding of the productive powers consciously fostered by the nation state completely discredited communism, which forced Marx to defend Britain and the free trade school as the highest form of capitalism and civil society against List and the American System:

"That it is just as impossible for him [List] to advance further the political economy exhaustively developed by the English and French as it would be for them [German bourgeoisie] to contribute anything new to the development of philosophy in German. . . . Modern political economy starts out as a social system of competition. Free labor, that is to say, indirect slavery which offers itself for sale, is its principle. Its primary propositions are division of labor and the machine. And this can be given its highest development only in the factories, as modern political economy itself admits. Thus the political economy today starts out from the factories as its creative principle. . . . Hence it does not need to expatiate on 'manufacturing force.' "

In his defense of exchange values, Marx insisted that List's theory of productive forces was not an advance over the already fully "exhausted" capitalism of free competition, but was only an attempt to help the German bourgeoisie against Britain. He repeatedly lied first, that List was making no advance over the British System of free competition and free trade; and second, that the United States was not a crucial proof of superiority of List and the American System over the British System of free trade.

—Lawrence K. Freeman

3d. As many societies of each State as local circumstances permit to be formed by the sub-directing council.

The meeting at Washington to nominate the president and the vice-president, together with four members of each of the councils, who are to complete their own numbers respectively.

Its means:

The diffusion of information. For this purpose not only the newspapers, but pamphlets, must be largely employed, and to do this a fund must be created; five dollars annually, for eight years, to be contributed by each member who can really afford it (taking care not to burthen the less able brethren), may afford a competent fund for a competent term. It is essential to be able to disseminate gratis useful publications. Wherever it can be done, and there is a press, clubs should be formed, to meet once a week, read the newspapers, and prepare essays, papagraphs, etc.

2d. The use of all lawful means in concert to promote the

election of fit men; a lively correspondence must be kept up between the different societies.

3d. The promoting of institutions of charitable and useful nature in the management of Federalists. The populous cities ought particularly to be attended to; perhaps it would be well to institute in such places 1st, societies for the relief of emigrants; 2d, academies, each with one professor, for instructing the different classes of mechanics in the principles of mechanics and the elements of chemistry. The cities have been employed by the Jacobins to give an impulse to the country; and it is believed to be an alarming fact that, while the question of presidential election was pending in the House of Representatives, parties were organizing in several of the cities in the event of there being no election, to cut off the leading Federalists and seize the government.

The foregoing to be the principal engine. . . . This is the general sketch of what has occurred to me. It is at the service of my friends for so much as it may be worth.