Economist Karl Marx

[Name of the Writer]

 [Name of the Institution]

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**Background:**

Karl Marx was a German philosopher, economist, politician, and sociologist. He was born on May 5th, 1818. He belonged to a Jewish family. He took early education from his father who was a lawyer by profession. Later he attended Trier high school. In 1835, he got admission in the University of Bonn where he showed interest in studying literature and philosophy. However, his father wanted him to choose law for the future profession. In the university, Marx joined various clubs and engaged in a dispute which was serious. Due to several disputes, his father was forced to transfer him to the University of Berlin even after getting good greats in the University of Bonn. With the passage of time, Marx got serious about his study however, he always found philosophy more fascinating than law. He started writing both fiction, non-fiction short novels and lots of love poems. In 1842, Marx became a journalist where he expressed his view on socialism and economics. He made a criticism of the socialist movement and right-wing European governments(“Karl Marx Biography,” n.d.). In Brussel, Marx wrote, "The German Ideology" in which he presented the theory based on historical materialism. In France, he anticipated the socialist revolution. Later, he got expelled from Germany and France due to his writing. However, he did not stop presenting his view on socialism. In 1867, Marx increased his focus towards economic theory and capitalism where he successfully published the 1st volume of Das Kapital. He spent his remaining life by continuing his work. However, his remaining two volumes were published by Engel due to his death in 1883.

**Marxist schools of thought:**

Karl Marx belonged to the Marxist school of thought. The school of thought was developed on the work presented by Karl Marx in the 19th century. Marxism Most of the work that represents the Marxist school of thought is based on the first volume of Das Kapital. In Das Kapital, Karl Marx explained the theory of the capitalist system, its trends, and dynamism towards self-devastation. The main focus of the school is on the critics of the classical approach of Adam Smith for the wages and productivity through labor's role for economic development. The Marxist school of thought explains that with the growth of population along with the specialization of the labor force, wages go down and that the value of goods and services does not exactly interpret for the actual cost of labor. Most of the Marx work represents the philosophical critique in it. He believed that all the information involves in the critique of idea. He was not empiricist and never relied on developing abstract affirmation for the bundle of the problem(“Karl Marx - Econlib,” n.d.). Instead, he tried to focus on a single problem at a time by relating them with economic, social, political, and historical facts.

**Marx theory and explanation:**

Marx believed that whenever a capitalist has set up the production method, the entire value is made by the labor engaged with the production of whatever is being delivered. Marx anticipated the capitalism fall and development of society toward socialism, in which "the general population" that is, the labor possesses the production means. Therefore, there cannot be any reason to misuse labors for benefit. In reality, 2 events have undermined theories of Marx. First, in communist, centrally arranged economies have demonstrated far less proficiency for the production of goods and services, that is, at producing the best outcome for the maximum number of individual than capitalist frameworks. Second, labors' salaries have actually increased with the passage of time, which undermines the theories that worker is misused for the sake of benefit which means that labors' incomes are increasing. Thus, they are becoming part of the economic growth of the state.

**Major Contribution to the School of Economics**

The contributions of Karl Max played an instrumental role to define the trends economics. As per his dogmas, economic laws change with the passage of time and thus the impediments cannot be reduced in true letter and spirits. His labor theory of value (LTV) delineated the values pertinent to the economic value of services or goods which later laid the foundation of Marxian economics. A wide range of its concepts of the business cycle and capital accumulation is associated with the contemporary capitalist systems. His work primarily lies at the very heart of subsequence economic philosophies and the current comprehension of the relation between labor and capital. Furthermore, one of his profound contributions was the publication of Das Kapital. The first volume was published in 1867 which underpinned a profound account of the political economy. The principle objective of the work is still widely assessed and associated with the contemporary economic developments as the motivating factor for the capitalist forces is the exploitation of labor and their unpaid work essentially fuels the surplus value. A critical appraisal of Marx's work highlights the validity of his ideas with evidence which is apparent in the contemporary states including both the developed and underdeveloped nations. It generated the essential theory that the capitalists are inclined towards generating a significant force of unemployed population to advance the accumulation of capital. The working and capitalist class are critically distinguished and supplemented with an empirical account of the economic context. To conclude, Karl Max is irrefutably deemed one of the founding founders of economic principles which later offered the path to economic assessment and evaluations of the intricate relation between capitalism and the working labor.

**References**

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