



JOURNAL OF
Markets & Morality

Volume 8, Number 2 • Fall 2005 (Logout - lgeubank@isp.com)



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A Critical Inquiry into the Case Against Capital

by *Lawrence Eubank*

Lincoln, Nebraska: Author's Choice, 2005 (480 pages)

Lawrence Eubank makes his debut as an author with his deeply reasoned, *A Critical Inquiry into the Case Against Capital*. He offers a detailed, philosophical rebuttal of Karl Marx's *Das Kapital*, clearly fulfilling his objective. As he states it, "The purpose of the present book is to show that Marx's central accusation against capitalism—that it enriches capitalists only via their exploitation of laborers, through the extraction of unpaid 'surplus value' from them—is a fallacy."

The author has developed a flowing, readable style, presented in a confident and convincing approach. Reading the 480 pages is thus made a pleasant experience except for two unforgivable defects, which this writer will attempt to portray.

The author is not an economist, surprisingly so, for he admirably undertakes, in the guise of another young David slaying the giant Goliath, to show that the master ideologue of the nineteenth century was a fraud, that his mammoth work was not true science but rather a snow job that violates the rules of consistency and logic. He does this quite convincingly as in argument after argument, he destroys the Marxian pretensions.

However, Eubank does not state to whom he has directed his study. Perhaps if it were to be addressed to profound scholars of Marxism (and it is presumed that some of these are still extant), it would resound quite favorably, as deep theorists might well appreciate the continuous, detailed, logical pounding that he offers, downing Marx on page after page, never omitting a single angle of each and every assertion. They would applaud his persistent, relentless refutation

of argument after argument. They would revel in his blow-by-blow description of use value versus exchange value, of labor power versus labor, and in the fact that he never fails to exult with resounding huzzahs over each single defeat of Marx, which peel on practically every page of the book.

For the reader, like the present author, who has but a skirting knowledge of Marx, our author seems unequipped for the monumental task that he has designed for himself. He appears unaware of practically all of the previous scholarship on the subject. He barely mentions the great authors who have preceded him. Eugen von Böhm-Bawerk, who authored the first devastating critique of Marx in *Capital and Interest*, is briefly mentioned but once; likewise so with Ludwig von Mises, the century-long refuter of socialism. There is not a word on the world-renowned debate between Mises-Hayek and Pole Oskar Lange, a debate in which most of the world bet on Lange, but for which the final verdict after 1989 was undoubtedly in favor of the two Austrians. Nor is there mention of the plaudit given by Lange to Mises, that there should be erected in every socialist town a statue in honor of Mises, for having shown the socialists that without prices socialism was impossible.

Eubank does a commendable job comparing Marx with Adam Smith, but his version of theory seems to stop with Smith. He obliquely refers on occasion to economic theory, but he derails it after 1776, a century before Marx. He does not mention the marginal revolution or how Alfred Marshall perfected the content of classical economics by including the insights of Menger (Austria), Jevons (England), and Walras (Switzerland). That is a serious weakness.

Our author does not seem to have mastered the vocabulary of economics, either. He beats around the bush, trying to describe what the word subjective clearly implies, without using that word. Similarly, he frequently classifies Marx as dialectical, in the sense of being argumentative, without reference to the social transformations that the word implies, especially its being the essence of Marxian dialectical and historical materialism. He gropes with the concept of acting people—“economics is ‘something people do’”—with no inkling of Mises’ masterful setting of “Human Action” as the foundation of all economic analysis. He errs in holding (repeatedly) that values in an exchange are equal.

He claims that his work is philosophical, but he writes off any touch of metaphysics, which he derides as much as he does Marx. He casts aside Thomas and the Scholastics as sterile deductionists. Although he occasionally applauds Aristotle, it seems that he unknowingly erases

much of the Greek's thought along with that of the Scholastics. For Eubank, economic science must be akin to natural science, an unconscionable error, as Mises showed in *Theory and History*. As far as Eubank's decision to debate Marx philosophically, it is interesting to note Mises's contention: "In so far as 'scientific' Socialism is metaphysics, a chiliastic promise of salvation, it would be vain and superfluous to argue scientifically against it. It serves no useful purpose to fight mystical dogmas with reason. There is no teaching fanatics" (*Socialismo*, [1979], 255).

Thus, the ordinary economist feels defrauded because of these omissions and defects in Eubank's presentation. If we turn to the lay reader, who would be after some initial insights into Marxism, there is no hope. He will rile against the unending repetition of already rehashed arguments. Instead of clearly stating what correct modern theory holds, the author exasperates the reader with endless arguments showing how what is false is false. The ordinary reader will thus be discouraged by what he would consider unbearable minutiae and would cast aside the book after the second chapter.

This writer does hope, however, that Eubank will not abandon his evident talent for polemic writing. He should well become a master at scorching the falsities of the modern world (and there are many of them waiting to be vilified). It is sincerely hoped that he will persevere in this calling—but on the condition that he first become up-to-date on the material he is to present, and then that he organize his theme with all the brevity that a complete trouncing of his adversary would demand.

—Joseph Keckeissen

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