When Karl Marx sat down to construct his critique of political economy as he knew it, the world was in a period of flux. Capitalism was taking hold in the world’s biggest economies and proving to be an effective driver of growth in these countries. But Marx had a problem with this system. He had a problem with how it came about, how it manifested in the economies of his time, and what it meant for long-term economic prospects. Namely, he felt that this system of Capitalism was a product of conditions in society leading up to his time in history and these economic, political and cultural conditions could provide a stepping stone for a critique of this political economy he found himself in. Overall, he rejected the inevitability of capitalism and lamented the way in which capitalism had changed the structure of production for the common man.

There are two arguments as to how capitalism came to be the predominant economic system in the world economy. The first stems from the works of Adam Smith and the thought that the rise of capitalism is inevitable. Smith, sometimes called the father of modern economics, published his masterpiece, *The Wealth of Nations* in 1776. He directly contrasted the argument of the French Physiocrats and Mercantilists who saw value in singular terms and the role of the system was to create more of it. Rather, Smith saw the rise of capitalism as the natural consequence of people’s proclivity to “truck and barter”. He argued that through the “Social Division of Labor”, productivity and output would increase, giving rise to world markets and spurring economic growth, thus increasing the wealth of nations. He saw economic growth as people acting out of self interest and that it was human nature that would continue to drive this growth in productivity and output. This drive of human nature would give rise to capitalism in the long run, and because you can’t change human nature, Capitalism was inevitable.

Joyce Appleby from UCLA had a contrasting view of how capitalism came to be when she says in her book, *The Relentless Revolution,* “The roles of culture, contingency, and coercion, so critically important in the history of capitalism should not be obscured”. She saw capitalism as a story of contingency of many factors and conditions coming together to allow capitalism to flourish. For Marx in the mid-19th century, he looked around and saw the political, cultural, and economic structures of the past and present all converging and directly leading to capitalism and ultimately his critique of it.

Before looking at the political conditions that led to capitalism and his critique of it, one must first understand the overall society he lived in. Marx looked around in the mid-19th century and saw the rise of power of corporations and industrialization. This directly impacted the politics of the time as it started to change the political landscape and threw the problem of Big Business into the ideal of democracy. He says in his letter commonly titled “For a Ruthless Criticism of Everything Existing”, “By showing the superiority of the representative system over the corporative system, the critic affects the practical interests of a large party.” He saw the degradation of the representative system due to the rise of big business as troublesome and sought to form a critique. But why is this rise in big business so troublesome to Marx? Because this detached people from their labor and production, and threw them into the capitalist society as just a cog with no real production of their own to speak of.

On a different level, the cultural or theoretical conditions leading to capitalism is very philosophical in nature. Marx started in his youth as a philosopher, following some of the great German thinkers of the time. His years as a young philosopher shaped his view on society and other issues long after he devoted himself to economic work. In his youth, he was a follower of the philosopher Hegel, who wrote famously on the phenomenology of the mind and his concern with the noumenon of society. In other words, Marx was interested in the unobservable side of society that drives its’ identity, called its’ “consciousness” by him. Marx asserted that society needed to find its’ own consciousness, the essence of who they are. In this view were embodied the teachings his other former philosophic mentor, Ludwig Feuerbach, of how Christianity was a false consciousness of society. Marx wanted to change the consciousness of the time and get it in line with his overall view of worldwide reform. He felt that material existence determines the culture of the time, and aimed to incorporate that into his critique, which is articulated later in *Capital*. He says in his “ Ruthless Criticism” letter that, “Our motto must therefore be: Reform of consciousness not through dogmas, but through analyzing the mystical consciousness, the consciousness which is unclear to itself, whether it appears in religious or political form.” He saw the consciousness of the culture as giving rise to Capitalism, therefore forming a pillar from which to build his critique.

The economic conditions of the period leading to the rise of capitalism are the most persuading in the case of how Marx arrived at his critique of political economy. Positioned in mid-19th century economy in the middle of a great economic boom, Marx had a unique perspective to the industrialization and the social movements happening. There was a great movement from the country side into the cities to fill the demand for labor in the factories. People became part of the industrialist machine, an expendable and easily replaceable ingredient in the industrial behemoth. They were stripped of the personal side production that had defined generations of farmers who put love and care into their crops. This industrialization (and later Industrial Revolution) was a product of Capitalism and Marx found that to be the most troubling. He says in *The German Ideology* that “The nature of individuals thus depends on the material conditions determining their production.” Production of goods is not of upmost importance in his mind, at least not as much as how the goods were produced.

Marx’s critique of political economy has a few defining characteristics and some are evident even in the first three chapters of his masterpiece work, *Capital*. He starts at the most basic of levels, the commodity, because he wants to start the critique of political economy and *Wealth of Nations* often and early. The *Wealth of Nations* was just a study of an immense amount of commodities, all sitting in a market and trying to find their optimal or “equilibrium” price and quantity. He also starts at the commodity because this is where, in a simpler economy, the fruits of one’s labor production is stored. Marx’s partner, Frederick Engels, wrote in a letter to Joseph Bloch in 1890 that, “The ultimately determining element in history is the production and reproduction of real life”. Marx feels that this real life resides in the concept of the commodity at this time in history and ultimately condemns the capitalist “fetishism of commodities” as a distortion to that real life. Overall, his initial steps in Capital follow logically from his thoughts on production and the problem he sees in the economic world he lives in.

To say Karl Marx wasn’t a big fan of Capitalism is quite an understatement. He devoted his life and wrote many books debunking these theories he felt were false and driving the world economy in the wrong direction. He looked around and saw political, economic, and cultural scenes that de-valued the human element of work and the overall production coming from that work. He was troubled with how people became small pieces in large factories in even larger corporations that were gaining power exponentially. In the end, he sat down and wrote a critique, attacking the economic norms of the time and trying to set up a new system. For as Marx said, “The philosophers have only interpreted the world in various ways. The point is to change it.”