Limitations

Marx's theory of capitalist development has some limitations. They are :-

1) Materialistic interpretation of history is partial truth. Marx has minimised the importance of other non economic factor like ethical, ideological, religio

cultural & the political conditions which greatly influenced the history.

2) Theory of surplus value is unreal. The whole marxian theory is based on the theory of surplus value. In real world we are not concerned with values but with real tangible ~~price~~ crisis. Thus marx has created an abstract & unreal world which has made it difficult & cumberson to understand the proper working of capitalism.

3) Falling tendency of profit is not correct – According to marx as development ~~process~~ proceeds, there is an increase in the organic composition of capital which brings decline in the rate of profit. But it is wrong opinion becoz as develop-ment proceeds capital output ratio falls & so output increases & profit also increase. 4) Analysis of crisis is outdated – Marx considered the business cycle as a integral part of capitalist development but it lacks precission.