Annotations to Karl Marx’s ‘Capital’

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- **8.** Constant Capital and Variable Capital

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Preface to the Annotations

These Annotations discuss Marx’s *Capital* paragraph by paragraph and, if necessary, even sentence by sentence. They consist of a new translation of Marx’s text, printed in parallel with the German, and interspersed with comments. They attempt an interpretation of the micro-logical development of Marx’s argument that makes even those steps explicit which Marx himself only indicated through his terminology, or which were, for other reasons, not directly explained at that point.

This interpretation of Marx is deeply indebted to Critical Realism, a philosophical current founded by Roy Bhaskar which, in my view, is the best systematic development of Marx’s methodology available today. Critical Realism arose from modern philosophical critiques of positivism, and furnishes a derivation from first principles of many themes that are present
in Marx’s reasoning, but which are rarely explained by Marx himself.

Marx himself used a method inspired by Hegel, in which he tried to sink his thoughts into the subject-matter so deeply that he could see the subject-matter not from the point of view of an alien consciousness but through its own logic. His derivations look therefore like a priori constructions but they are not; he is attuned to the subject matter in such a way that the inner logic of the environment in which Marx has immersed himself, shows itself as his spontaneous thinking. Critical realism does not require this immersion; its frame of reference creates a scaffolding which allows us to see the structure of the society from the outside. It allows us to make all those things explicit which Marx himself left implicit but which nevertheless directed his thinking. This is why the explanations given in these Annotations are different from Marx’s own explanations but they can nevertheless make sense of Marx’s development at every step. I do not think that I am inventing a new basis for Marx but I am merely pulling his thought processes out into the open. It is a more pedestrian approach than Marx’s own, but breaks a path which can be traveled by many and therefore allows discussion at a level which was formerly unprecedented.

A major purpose of these Annotations is therefore to make Marx more accessible. They are written for everyone, whether lay person or expert, who is interested in understanding
Preface to the Annotations

Marx’s *Capital*. Marx’s *Capital* is an important but difficult philosophical work. A modern reader who is trying to work through it alone is likely to miss important aspects of it. The reading of *Capital* has to be taught. On the other hand, anyone making the effort to understand how Marx argues in *Capital*, acquires tools which allow a better understanding of modern capitalist society itself.

These Annotations are freely available as pdf files. In their electronic version they contain thousands of live links which enable the reader to quickly switch from one part of the text to related passages elsewhere. They are part of a collection of pdf files with annotations to other economic writings of Marx. The comparison of different versions of the same argument is often useful for a better understanding of the argument itself. This collection also includes a glossary, which gives an overview how certain philosophical terms are used by Marx, and which I hope will help in the difficult task of translating Marx. Again, this glossary takes full advantage of the capability of the pdf readers to follow live links.

A special version of these Annotations is used as textbook for an on-line class which I regularly teach at the University of Utah. This class edition only uses excerpts of the full text, but has hundreds of study questions and additional material added. I owe many thanks to the students in these classes, whose insights and misunderstandings have helped me to
refine my interpretation of Marx’s text.

Page references to Capital refer to the Vintage resp. Penguin edition [Mar76]. The German text also displays the corresponding page number in the German Marx Engels Werke [Mar62], which is a reprint of the Fourth German edition. Karl Dietz Verlag gave me kind permission to use the page numbers and the translations of the footnotes from MEW. Along with the page numbers, also a count of the paragraphs is given. Capital I, 164:3/o means: the third paragraph starting on p. 164 in the Vintage edition. The “/o” indicates that this paragraph is going over to the next page.

Grundrisse, 94:1 denotes a passage in Grundrisse, Marx’s first draft of Capital, which is reproduced in Volumes 28 and 29 of the Marx Engels Collected Works [Mar86] and [Mar87b], and which is also separately available in a Vintage/Penguin edition [Mar73]. This latter page number is the one used here, and the German page numbers come from [Mar74]. I also often refer to Marx’s Contribution to the Critique of Political Economy, which is an earlier published version of the first part of Capital I. The English page numbers come from Volume 29 of the Collected Works [Mar87b], and the German page numbers from [Mar71].

Here are some of the other sources used: Marx’s manuscript Results of the Immediate Process of Production is referred to in the translation included as appendix to the Vintage
Preface to the Annotations

dition of Capital I [Mar76]. Sometimes I also refer to the French translation of Capital, which was done under Marx’s close supervision, and about which Marx commented in the preface of Capital I, 105:3, that certain passages were clearer than the German. I have been using the MEGA edition [Mar89]. I am also using MEGA for the German text of the first edition [Mar83].

These Annotations here are one of a collection of interlinked pdf files; an overview of the other files is available in overview.pdf.

The new translation contained in these Annotations has the purpose to make the precise meaning of Marx’s text better intelligible to the English-speaking audience. I consulted the translations in [Mar76], [Mar70], and also the excellent translation [Mar30]. I did not try to reproduce all ambiguities of the German text. If the German can be understood in two different ways, and interpretation a is, in my view, clearly right while interpretation b is wrong, then my translation will only try to bring out interpretation a. Notes about the translations are typeset in small print in three columns.

In the translation, I sometimes translated Marx’s examples in British currency into a decimal currency (dollars), at the exchange rate £1=$4.80. £1 consists of 20 shillings, therefore 1 shilling=24 cents, and 1 shilling consists of 12 pence, therefore 1 penny=2 cents.
For the sake of this commentary, some chapters are divided into more sections and subsections than the division made by Marx himself. The newly introduced subtitles are given in square brackets.

These Annotations are under constant revision, but you will always find the current up-to-date version at the web site of the Economics Department of the University of Utah http://www.econ.utah.edu/ehrbar/akmc.htm. Hans is committed to keeping this work freely available and eventually the \LaTeX\ source code will also be published.

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Preface to the First Edition of ‘Capital’

This is the text of the preface to the first edition as it was included in the fourth edition. The original text of the first edition is available as a separate file first.pdf.

This preface begins with a few remarks about the connection between Capital and Marx’s earlier work A Contribution to the Critique of Political Economy (which is also included in this collection as a separate file akmcq.pdf).

89:1 This work, whose first volume I now submit to the public, forms the continuation of my book Zur Kritik der Politischen

11:1 Das Werk, dessen ersten Band ich dem Publikum übergebe, bildet die Fortsetzung meiner 1859 veröffentlichten Schrift:
Oekonomie, published in 1859. The long pause between the first part and the continuation is due to an illness of many years’ duration, which interrupted my work again and again.

89:2 The substance of that earlier work is summarized in the first chapter of this volume. This is done not merely for the sake of connectedness and completeness. The presentation is improved. As far as circumstances in any way permit, many points only hinted at in the earlier book are here worked out more fully, while, conversely, points worked out fully there are only touched upon in this volume. The sections on the history of the theories of value and of money are now, of course, left out altogether. How-

„Zur Kritik der Politischen Oekonomie“. Die lange Pause zwischen Anfang und Fortsetzung ist einer langjährigen Krankheit geschuldet, die meine Arbeit wieder und wieder unterbrach.

Preface to the First Edition of ‘Capital’

ever, the reader of the earlier work will find new sources relating to the history of those theories in the notes to the first chapter.

Next come some interesting methodological remarks. First Marx explains why he starts with the commodity:

89:3/o Beginnings are always difficult in all sciences. The understanding of the first chapter, especially the section that contains the analysis of commodities, will therefore present the greatest difficulty. I have popularized the passages concerning the substance of value and the magnitude of value as much as possible.¹

The foreword to the first edition contains now a passage which says that the analysis of the form of value is so difficult that Marx wrote a special appendix in which this analysis was explained in a more didactic manner. Beginning with the second edition, this appendix was worked into the main text, and therefore the passage in the foreword explaining this
appendix was omitted. Despite this omission, it seems that Marx considered the analysis of the form of value, i.e., Section 1.3, to be the most difficult, because the most abstract, part of the book.

The value-form, whose fully developed shape is the money-form, is very simple and slight in content. Nevertheless, the human mind has sought in vain for more than 2,000 years to get to the bottom of it, while on the other hand there has been at least an approximation to a successful analysis of forms which are much richer in content and more complex. Why? Because the complete body is easier to study than its cells.

1 This seems the more necessary, in that even the section of Ferdinand Lassalle’s work against Schulze-Delitzsch in which he professes to give ‘the intellectual quintessence’ of my explana-


1 Es schien dies um so nötiger, als selbst der Abschnitt von F. Lassalles Schrift gegen Schulze-Delitzsch, worin er „die geistige Quintessenz“ meiner Entwicklung über jene Themata zu geben...
tions on these matters contains important mistakes. If Ferdinand Lassalle has borrowed almost literally from my writings, and without any acknowledgement, all the general theoretical propositions in his economic works, for example those on the historical character of capital, on the connection between the relations of production and the mode of production, etc., etc., even down to the terminology created by me, this may perhaps be due to purposes of propaganda. I am of course not speaking here of his detailed working-out and application of these propositions, which I have nothing to do with.

Moreover, in the analysis of economic forms neither microscopes nor chemical reagents are of assistance. The power of abstraction must replace both.

[Marx compares abstraction with a microscope or the setup of a chemical experiment.]
Abstraction is therefore not the process which leads us from the empirical surface phenomena to the underlying forces, but abstraction allows us to look at the surface phenomena in the right way (stripping off inessential contaminations, or cutting down to the simplest phenomena eschewing the too highly developed forms) so that conclusions about the underlying driving forces can be drawn.

But for bourgeois society, the commodity-form of the product of labor, or the value-form of the commodity, is the economic cell-form. To the uneducated observer, the analysis of these forms seems to turn upon minutiae. It does in fact deal with minutiae, but so similarly does microscopic anatomy.

The "commodity form of the product of labor" is not the same as the "value form of the commodity." Their relationship is explained in 153:2/o. Both forms share the honor of being called here the economic "cell form" of capitalist society. I.e., capitalist society is not only...
Preface to the First Edition of ‘Capital’

based on every product of labor being produced as a commodity, but also on the agents on
the surface of the economy treating the labor in these commodities as objective properties of
the products.

90:1 With the exception of the section on
the form of value, therefore, this volume
cannot stand accused on the score of diffi-
culty. I assume, of course, a reader who is
willing to learn something new and there-
fore to think for himself.

Although Marx uses England as his main illustration, which had at his time the most
highly developed and purest capitalism, his study was also relevant for those countries where
capitalism was not yet developed as much, such as Germany:

90:2 The physicist observes natural pro-
cesses either in situations where they appear
in the clearest form with the least contam-
ination by disturbing influences, or, where-
ever possible, he makes experiments un-

12:1 Mit Ausnahme des Abschnitts über
die Wertform wird man daher dies Buch
nicht wegen Schwerverständlichkeit ankla-
gen können. Ich unterstelle natürlich Leser,
die etwas Neues lernen, also auch selbst den-
ken wollen.

12:2 Der Physiker beobachtet Naturpro-
zeesse entweder dort, wo sie in der prägnante-
sten Form und von störenden Einflüssen min-
dest getrübt erscheinen, oder, wo möglich,
macht er Experimente unter Bedingungen,
der conditions which ensure that the process will occur in its pure state. What I have to examine in this work is the capitalist mode of production, and the relations of production and forms of intercourse that correspond to it. Until now, their locus classicus has been England. This is the reason why England is used as the main illustration of the theoretical developments I make. If, however, the German reader pharisaically shrugs his shoulders at the condition of the English industrial and agricultural workers, or optimistically comforts himself with the thought that in Germany things are not nearly so bad, I must plainly tell him: De te fabula narratur!

The things which Marx says here are generally valid for all sciences, not only political
economy but also for physics. The subject of scientific inquiry are not the phenomena per se, not even the degree to which the underlying forces have generated social antagonisms, but these underlying forces themselves, which are as inexorably at work in Germany as they are in England. Germany will eventually look like England:

90:3/o Intrinsically, it is not a question of the higher or lower degree of development of the social antagonisms that spring from the natural laws of capitalist production. It is a question of these laws themselves, of these tendencies winning their way through and working themselves out with iron necessity. The country that is more developed industrially only shows, to the less developed, the image of its own future.

Marx’s remarks about the scientific method in general are very similar to Bhaskar’s approach in [Bha78], with one difference: in his *Realist Theory of Science*, Bhaskar does not talk about the development of the generative forces studied by the scientist. Only much later,
in [Bha93], does Bhaskar say that his *Realist Theory of Science* must be dialecticized.

This said, Marx makes nevertheless some remarks about the situation in Germany.

91:1 But in any case, and apart from all this, where capitalist production has made itself fully at home amongst us, for instance in the factories properly so called, the situation is much worse than in England, because the counterpoise of the Factory Acts is absent. In all other spheres, and just like the rest of Continental Western Europe, we suffer not only from the development of capitalist production, but also from the incompleteness of that development. Alongside the modern evils, we are oppressed by a whole series of inherited evils, arising from the passive survival of archaic and outmoded modes of production, with their
accompanying train of anachronistic social and political relations. We suffer not only from the living, but from the dead. Le mort saisit le vif!

91:2 The social statistics of Germany and the rest of Continental Western Europe are, in comparison with those of England, quite wretched. But they raise the veil just enough to let us catch a glimpse of the Medusa’s head behind it. We should be appalled at our own circumstances if, as in England, our governments and parliaments periodically appointed commissions of inquiry into economic conditions; if these commissions were armed with the same plenary powers to get at the truth; if it were possible to find for this purpose men as competent, as free from tischen Verhältnissen. Wir leiden nicht nur von den Lebenden, sondern auch von den Toten. Le mort saisit le vif!

15:1 Im Vergleich zur englischen ist die soziale Statistik Deutschlands und des übrigen kontinentalen Westeuropas elend. Dennoch läßt sie den Schleier grade genug, um hinter demselben ein Medusenhaupt ahnen zu lassen. Wir würden vor unsren eignen Zuständen erschrecken, wenn unsre Regierungen und Parlamente, wie in England, periodische Untersuchungskommissionen über die ökonomischen Verhältnisse bestallten, wenn diese Kommissionen mit der selben Machtvollkommenheit, wie in England, zur Erforschung der Wahrheit aus-
partisanship and respect of persons as are England’s factory inspectors, her medical reporters on public health, her commissioners of inquiry into the exploitation of women and children, into conditions of housing and nourishment, and so on. Perseus wore a magic cap so that the monsters he hunted down might not see him. We draw the magic cap down over our own eyes and ears so as to deny that there are any monsters.

Now some important remarks about the purpose of this theoretical analysis: Marx thought that the social processes which lead to the abolition of capitalism were well under way already in 1872:

91:3/o Let us not deceive ourselves about

15:2/o Man muß sich nicht darüber täuschen.
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this. Just as in the eighteenth century the American War of Independence sounded the tocsin for the European middle class, so in the nineteenth century the American Civil War did the same for the European working class. In England the process of transformation is palpably evident. When it has reached a certain point, it must react on the Continent. There it will take a form more brutal or more humane, according to the degree of development of the working class itself.

The novel development in England is described as follows:

Apart from any higher motives, then, the most basic interests of the present ruling classes dictate to them that they clear out of the way all legally removable obstacles to

Von höheren Motiven abgesehen, gebietet also den jetzt herrschenden Klassen ihr eigenstes Interesse die Wegräumung aller gesetzlich kontrollierbaren Hindernisse, welche die Ent-
the development of the working class. For this reason, among others, I have devoted a great deal of space in this volume to the history, the details, and the results of the English factory legislation.

↑ Capitalists do not act altruistically but in their own most selfish interest if they make room for the development of the working class. Why? Because the interests of the working class allow the capitalist mode of production to flourish better than the narrow class interests of the capitalists. Marx says something similar in 408:2/0.

One nation can and should learn from others. Even when a society has begun to track down the natural laws of its movement—and it is the ultimate aim of this work to reveal the economic law of motion of modern society—it can neither leap over the natural phases of its development nor remove them by decree. But it can shorten and lessen the
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birth-pangs. dekretieren. Aber sie kann die Geburtswehen abkürzen und mildern.

↑ This is against voluntarism. (Marx discusses voluntarism also in 184:3/oo.)

⇓ Finally, Marx emphasizes that the target of his critique is the social structure, not the individuals themselves.

92:1 To prevent possible misunderstandings, let me say this. I do not by any means depict the capitalist and the landowner in rosy colours. But individuals are dealt with here only in so far as they are the personifications of economic categories, the bearers of particular class-relations and interests. My standpoint, which views the development of the economic formation of society as a process of natural history, can less than any other make the individual responsible for relations whose creature he remains so-

cially, however much he may subjectively raise himself above them.

If the development of the social structure is a process of natural history, this means it cannot be explained by the attitudes of the individuals living today. Marx says here that one cannot blame today’s individuals for capitalism, because we all are the products of our society (despite the fact that some may subjectively rise themselves far above this).

Now some remarks about the sociology of economics:

92:2/o In the domain of political economy, free scientific inquiry does not merely meet the same enemies as in all other domains. The peculiar nature of the material it deals with summons into the fray on the opposing side the most violent, sordid and malignant passions of the human breast, the Furies of private interest. The Established Church, for instance, will more read-

16:2 Auf dem Gebiete der politischen Ökonomie begegnet die freie wissenschaftliche Forschung nicht nur demselben Feinde wie auf allen anderen Gebieten. Die eigentümliche Natur des Stoffes, den sie behandelt, ruft wider sie die heftigsten, kleinlichsten und gehässigsten Leidenschaften der menschlichen Brust, die Furien des Privatinteresses, auf den Kampfplatz. Die englische Hochkir-
ily pardon an attack on thirty-eight of its thirty-nine articles than on one thirty-ninth of its income. Nowadays atheism itself is a culpa levis, as compared with the criticism of existing property relations. Nevertheless, even here there is an unmistakable advance. I refer, as an example, to the Blue Book published within the last few weeks: ‘Correspondence with Her Majesty’s Missions Abroad, Regarding Industrial Questions and Trades’ Unions’. There the representatives of the English Crown in foreign countries declare in plain language that in Germany, in France, in short in all the civilized states of the European Continent, a radical change in the existing relations between capital and labor is as evident and in-

evitable as in England. At the same time, on the other side of the Atlantic Ocean, Mr. Wade, Vice-President of the United States, has declared in public meetings that, after the abolition of slavery, a radical transformation in the existing relations of capital and landed property is on the agenda. These are signs of the times, not to be hidden by purple mantles or black cassocks. They do not signify that tomorrow a miracle will occur. They do show that, within the ruling classes themselves, the foreboding is emerging that the present society is no solid crystal, but an organism capable of change, and constantly engaged in a process of change.


Now a summary of the different volumes Marx was planning to write:
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93:1 The second volume of this work will deal with the process of the circulation of capital (Book II) and the various forms of the process of capital in its totality (Book III), while the third and last volume (Book IV) will deal with the history of the theory.

93:2 I welcome every opinion based on scientific criticism. As to the prejudices of so-called public opinion, to which I have never made concessions, now, as ever, my maxim is that of the great Florentine:

‘Segui il tuo corso, e lascia dir le genti.’

93:3 Karl Marx

93:4 London, 25 July 1867

17:1 Der zweite Band dieser Schrift wird den Zirkulationsprozeß des Kapitals (Buch II) und die Gestaltungen des Gesamtprozesses (Buch III), der abschließende dritte (Buch IV) die Geschichte der Theorie behandeln.

17:2 Jedes Urteil wissenschaftlicher Kritik ist mir willkommen. Gegenüber den Vorurteilen der sog. öffentlichen Meinung, der ich nie Konzessionen gemacht habe, gilt mir nach wie vor der Wahlspruch des großen Florentiners:

Segui il tuo corso, e lascia dir le genti!

17:3 London, 25. Juli 1867
17:4 Karl Marx
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At the present time, only the second half of this postscript is included here, in which Marx discusses his method.

99:2 That the method employed in Capital has been little understood is shown by the various mutually contradictory conceptions that have been formed of it.

99:3/o Thus the Paris Revue Positiviste reproaches me for, on the one hand, treating economics metaphysically, and, on the other hand imagine this!—confining myself

25:1 Die im „Kapital“ angewandte Methode ist wenig verstanden worden, wie schon die einander widersprechenden Auffassungen derselben beweisen.

25:2–3 So wirft mir die Pariser „Revue Positiviste“ vor, einerseits, ich behandle die Ökonomie metaphysisch, andererseits—man rate!—, ich beschränke mich auf bloß kriti-
merely to the critical analysis of the actual facts, instead of writing recipes (Comtist ones?) for the cook-shops of the future. Professor Sieber has already given the answer to the reproach about metaphysics:

‘In so far as it deals with actual theory, the method of Marx is the deductive method of the whole English school, a school whose failings and virtues are common to the best theoretical economists.’

Mr M. Block—in Les Théoriciens du socialisme en Allemagne. Extrait du Journal des Economistes, Juillet et Aout 1872—makes the discovery that my method is analytic, and says:

‘With this work, M. Marx can be ranged among the most eminent analytical thinkers.’

Sche Zergliederung des Gegebenen, statt Rezepte (comtistische?) für die Garküche der Zukunft zu verschreiben. Gegen den Vorwurf der Metaphysik bemerkt Prof. Sieber:

„Soweit es sich um die eigentliche Theorie handelt, ist die Methode von Marx die deduktive Methode der ganzen englischen Schule, deren Mängel und Vorzüge den besten theoretischen Ökonomisten gemein sind.“


„Par cet ouvrage M. Marx se classe parmi les esprits analytiques les plus éminents.“
The German reviewers, of course, cry out against my ‘Hegelian sophistry’. The European Messenger (Vyestnik Evropy) of St. Petersburg, in an article dealing exclusively with the method of Capital (May 1872 issue, pp. 427–36), finds my method of inquiry strictly realistic, but my method of presentation, unfortunately, German-dialectical. It says:

‘At first sight, if the judgement is made on the basis of the external form of the presentation, Marx is the most idealist of philosophers, and indeed in the German, i.e. the bad sense of the word. But in point of fact he is infinitely more realist than all his predecessors in the business of economic critique . . . He can in no sense be called an idealist.’


„Auf den ersten Blick, wenn man nach der äußern Form der Darstellung urteilt, ist Marx der größte Idealphilosoph, und zwar im deutschen, d.h. schlechten Sinn des Wortes. In der Tat aber ist er unendlich mehr Realist als alle seine Vorgänger im Geschäft der ökonomischen Kritik . . . Man kann ihn in keiner Weise einen Idealisten nennen.“
I cannot answer the writer of this review in any better way than by quoting a few extracts from his own criticism, which may, apart from this, interest some of my readers for whom the Russian original is inaccessible.

After a quotation from the preface to my Zur Kritik der Politischen Ökonomie, Berlin, 1850, p. iv–vii, where I have discussed the materialist basis of my method, the reviewer goes on:

‘The one thing which is important for Marx is to find the law of the phenomena with whose investigation he is concerned; and it is not only the law which governs these phenomena, in so far as they have a definite form and mutual connection within a given historical period, that is important to him. Of still greater
importance to him is the law of their variation, of their development, i.e. of their transition from one form into another, from one series of connections into a different one. Once he has discovered this law, he investigates in detail the effects with which it manifests itself in social life . . .

⇑ So far, Kaufman has characterized Marx as a developmental depth realist: Marx is interested in (1) the law of the phenomena, (2) the law of the change and development of these laws, and (3) the manifestations of this law. ⇘ The next passage is more epistemological:

Consequently, Marx only concerns himself with one thing: to show, by an exact scientific investigation, the necessity of successive determinate orders of social relations, and to establish, as impeccably as possible, the facts from which he starts out and on which he depends. For this it is quite enough, if he proves, at the same time, both the necessity . . .

Demzufolge bemüht sich Marx nur um eins: durch genaue wissenschaftliche Untersuchung die Notwendigkeit bestimmter Ordnungen der gesellschaftlichen Verhältnisse nachzuweisen und soviel als möglich untadelhaft die Tatsachen zu konstatieren, die ihm zu Ausgangspunkten dienen. Hierzu ist vollständig hinreichend, wenn er mit der Notwendigkeit der . . .
of the present order of things, and the necessity of another order into which the first must inevitably pass over; and it is a matter of indifference whether men believe or do not believe it, whether they are conscious of it or not. Marx treats the social movement as a process of natural history, governed by laws not only independent of human will, consciousness and intelligence, but rather, on the contrary, determining that will, consciousness and intelligence . . .

⇑ Kaufman does not say how Marx proves these necessities which are independent of the intentions and consciousness of the agents, although he refers to empirical facts as points of departure and support. The missing concept here is that of second-order arguments. ⇐ The next passage discusses the role of human consciousness:

If the conscious element plays such a subordinate part in the history of civilization, it is self-gegenwärtigen Ordnung zugleich die Notwendigkeit einer andren Ordnung nachweist, worin die erste unvermeidlich übergehn muß, ganz gleichgültig, ob die Menschen das glauben oder nicht glauben, ob sie sich dessen bewußt oder nicht bewußt sind. Marx betrachtet die gesellschaftliche Bewegung als einen naturgeschichtlichen Prozeß, den Gesetze lenken, die nicht nur von dem Willen, dem Bewußtsein und der Absicht der Menschen unabhängig sind, sondern vielmehr umgekehrt deren Wollen, Bewußtsein und Absichten bestimmen . . .

Wenn das bewußte Element in der Kulturgeschichte eine so untergeordnete Rolle spielt,
evident that a critique whose object is civiliza-
tion itself can, less than anything else, have for its basis any form or any result of consciousness. This means that it is not the idea but only its external manifestation which can serve as the starting-point. A critique of this kind will confine itself to the confrontation and comparison of a fact, not with ideas, but with another fact. The only things of importance for this inquiry are that the facts be investigated as accurately as possible, and that they actually form different aspects of development vis-a-vis each other. But most important of all is the precise analysis of the series of successions, of the sequences and links within which the different stages of development present themselves.

Now Kaufman turns to the historical dimension of Marx’s method:
It will be said, against this, that the general laws of economic life are one and the same, no matter whether they are applied to the present or the past. But this is exactly what Marx denies. According to him, such abstract laws do not exist . . . On the contrary, in his opinion, every historical period possesses its own laws . . . As soon as life has passed through a given period of development, and is passing over from one given stage to another, it begins to be subject also to other laws. In short, economic life offers us a phenomenon analogous to the history of evolution in other branches of biology . . .

⇓ Now the depth dimension of economic laws:

The old economists misunderstood the nature of economic laws when they likened them to the laws of physics and chemistry. A more
thorough analysis of the phenomena shows that social organisms differ among themselves as fundamentally as plants or animals. Indeed, one and the same phenomenon falls under quite different laws in consequence of the different general structure of these organisms, the variations of their individual organs, and the different conditions in which those organs function. Marx denies, for example, that the law of population is the same at all times and in all places. He asserts, on the contrary, that every stage of development has its own law of population ... With the varying degrees of development of productive power, social conditions and the laws governing them vary too. While Marx sets himself the task of following and explaining the capitalist economic order from this point of view, he is only formulating, in a strictly scientific manner, the aim that ... Eine tiefere Analyse der Erscheinungen bewies, daß soziale Organismen sich voneinander ebenso gründlich unterscheiden als Pflanzen- und Tierorganismen ... Ja, eine und dieselbe Erscheinung unterliegt ganz und gar verschiednen Gesetzen infolge des verschiednen Gesamtaus jener Organismen, der Abweichung ihrer einzelnen Organe, des Unterschieds der Bedingungen, worin sie funktionieren usw. Marx leugnet z.B., daß das Bevölkerungsgesetz dasselbe ist zu allen Zeiten und an allen Orten. Er versichert im Gegenteil, daß jede Entwicklungsstufe ihr eignes Bevölkerungsgesetz hat ... Mit der verschiednen Entwicklung der Produktivkraft ändern sich die Verhältnisse und die sie regelnden Gesetze. Indem sich Marx das Ziel stellt, von diesem Gesichtspunkt aus die kapitalistische Wirtschaftsordnung zu erforschen und zu erklären, formuliert er nur streng
every accurate investigation into economic life must have ... The scientific value of such an inquiry lies in the illumination of the special laws that regulate the origin, existence, development and death of a given social organism and its replacement by another, higher one. And in fact this is the value of Marx’s book.’

102:1 Here the reviewer pictures what he takes to be my own actual method, in a striking and, as far as concerns my own application of it, generous way. But what else is he depicting but the dialectical method?

Marx differentiates between the mode of inquiry and the mode of representation of the results of this inquiry:

102:2 Of course the method of presentation...
tation must differ in form from that of inquiry. The latter has to appropriate the material in detail, to analyse its different forms of development and to track down their inner connection. Only after this work has been done can the real movement be appropriately presented. If this is done successfully, if the life of the subject-matter is now reflected back in the ideas, then it may appear as if we have before us an a priori construction.

Marx’s methodological Introduction to Grundrisse, [mecw28]37:2–38:1, illustrates this distinction between research and representation in much more detail.

The remark about a priori constructions refers to Hegel and his followers. Marx adds some important remarks about the relation between his method and Hegel:

102:3 My dialectical method is, in its foundations, not only different from the...
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Hegelian, but exactly opposite to it. For Hegel, the process of thinking, which he even transforms into an independent subject, under the name of ‘the Idea’, is the creator of the real world, and the real world is only the external appearance of the idea. With me the reverse is true: the ideal is nothing but the material world reflected in the mind of man, and translated into forms of thought.

102:4/o I criticized the mystificatory side of the Hegelian dialectic nearly thirty years ago, at a time when it was still the fashion. But just when I was working at the first volume of Capital, the ill humoured, arrogant and mediocre epigones who now talk large in educated German circles be-


27:4 Die mystifizierende Seite der Hegel-schen Dialektik habe ich vor beinah 30 Jahren, zu einer Zeit kritisiert, wo sie noch Ta- gesmode war. Aber grade als ich den er-sten Band des „Kapital“ ausarbeitete, gefiel sich das verdrießliche, anmaßliche und mit-telmäßige Epigonentum, welches jetzt im ge-
gan to take pleasure in treating Hegel in the same way as the good Moses Mendelssohn treated Spinoza in Lessing’s time, namely as a ‘dead dog’. I therefore openly avowed myself the pupil of that mighty thinker, and even, here and there in the chapter on the theory of value, coquetted with the mode of expression peculiar to him. The mystification which the dialectic suffers in Hegel’s hands by no means prevents him from being the first to present its general forms of motion in a comprehensive and conscious manner. With him it is standing on its head. It must be inverted, in order to discover the rational kernel within the mystical shell.

In its mystified form, the dialectic became the fashion in Germany, because it seemed to transfigure and glorify what exists. In its rational form it is a scandal and an abomination to the bourgeoisie and its doctrinaire spokesmen, because it includes in its positive understanding of what exists a simultaneous recognition of its negation, its inevitable destruction; because it regards every historically developed form as being in a fluid state, in motion, and therefore grasps its transient aspect as well; and because it does not let itself be impressed by anything, being in its very essence critical and revolutionary.

Marx emphasizes here that dialectics not only looks at what is, but also at what is not,
at the absences. It explores how things negate themselves and how they must be criticized.

Finally, from dialectic in general Marx goes over to dialectical contradictions:

103:2 The fact that the movement of capitalist society is full of contradictions impresses itself most strikingly on the practical bourgeois in the changes of the periodic cycle through which modern industry passes, the summit of which is the general crisis. That crisis is once again approaching, although as yet it is only in its preliminary stages, and by the universality of its field of action and the intensity of its impact it will drum dialectics even into the heads of the upstarts in charge of the new Holy Prussian-German empire.

Karl Marx
London, 24 January 1873


Karl Marx
London, 24. Januar 1873
Postface to the Second Edition
Part I.

Commodities and Money
1. The Commodity

Moore and Aveling translate the chapter title “Die Ware” as “Commodities.” The plural is unfortunate, since it announces a discussion of the outward behavior of commodities, rather than one of the inner structure of the commodity. Our translation “the commodity” is the same as Fowkes’s translation.

Chapters One, Two, and Three of the first volume of Capital are grouped into part One. They discuss commodities and money, but not yet capital.
1.1. The Two Factors of a Commodity: Use-Value and Value (Substance of Value, Magnitude of Value)

According to the title of section 1.1, the two factors of the commodity are use-value and value. In the first unpublished draft version of this title in [Mar87a, p. 1], the factors had been use-value and exchange-value—more about this in 152:1. The parentheses in the title indicate that value is considered here under the aspect of substance and magnitude. The third aspect of value, its form, will be analyzed later, in section 1.3.

Although Marx does not subdivide section 1.1 into subsections, the present Annotations divide it into four subsections, numbered 1.1.a – 1.1.d, and use additional unnumbered subtitles in the first of these subsections.

Subsection 1.1.a (125–126:1) briefly surveys the use-value of things.

Subsection 1.1.b (126:2–127:1) begins with the observation that in addition to use-value, the commodity has “exchange-value”—in other words, instead of using a commodity the owner also has the option to exchange it. Then Marx takes a closer look at the exchange relations between commodities, in order to conclude that the commodities’ ability to be exchanged, i.e., their exchange-value, is the manifestation of a deeper-lying property of
1. The Commodity

commodities, called “value.”

In subsection 1.1.c (127:2–128:3), Marx focuses on the question: “what is value?” Just as a detective makes inferences about what actually happened from the traces left at the scene of the crime, so will Marx make inferences about the “substance” of value from the “forms” under which the economic agents deal with value. This so-called retroductive argument leads to the conclusion that the substance of value is congealed abstract labor.

Subsection 1.1.d (128:4–131:1) discusses a different aspect of value: not its substance but its magnitude; not why products must enter the market and be exchanged, but how the exchange proportions are determined which the market generates for them.

Section 1.2 concentrates once more on the substance of value, which plays a pivotal role in Marx’s theory. Section 1.3 takes a closer look at the form of value. Section 1.4 represents a switch in the level of the discourse: Marx points out a certain incongruity between content and form and asks “why this content takes that form” 173:1/oo.

1.1.a. [The Commodity as Natural Object and Use-Value]
[The Commodity Form of Wealth]
1.1. Use-Value and Value

125:1 The wealth of those societies, in which the capitalist mode of production reigns, presents itself as an “immense heap of commodities.”

1 Karl Marx, Zur Kritik der Politischen Oekonomie, Berlin 1859, p. 3.

⇑ This reference is 269:1.

49:1 Der Reichtum der Gesellschaften, in welchen kapitalistische Produktionsweise herrscht, erscheint als eine „ungeheure Warenansammlung“, 1 …

1 Karl Marx, „Zur Kritik der Politischen Oekonomie“, Berlin 1859, pag. 3.

Ben Fowkes, the translator in [Mar76], translates “Warensammlung” as “collection of commodities.” This is unfortunate, since “collection” connotes a systematic purposeful act. Marx does not want to imply that people are collecting commodities. His starting point is the observation that all elements of wealth are commodities. He uses the word “Sammlung” as synonymous to “Ansammlung.” The Moore-Aveling translation “accumulation” is better here. The adjective “ungeheure,” which is colloquial German, underlines the informal meaning of this sentence. Our translation mixes the levels of formality as well: it uses the more formal “immense” (immeasurably large) alongside the informal “heap.”

We will discuss this sentence word for word, first “wealth,” then “capitalist mode of production,” “reigns,” “commodity,” and “presents itself.”
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**Wealth:** “Wealth” is anything that enhances human life. Marx means here *material* wealth, i.e., *things* which enhance human life.

Nowadays one often reads that the subject of economics is scarcity. Marx differs in two respects: he does not call it “economics” but “political economy,” and he does not begin with scarcity but with wealth. In *Grundrisse*, the first draft of *Capital*, he says on p. 852:1/o: Political economy has to do with the specific social forms of wealth, or rather of the production of wealth.

A similar point of view is implied by the title of Adam Smith’s book [Smi65] *An Inquiry into the Nature and Causes of the Wealth of Nations*. This title announces the topic of the book as the wealth of *nations*. Here in the first sentence of *Capital*, Marx speaks not of the wealth of nations but the wealth of *societies*.

One usually thinks of wealth as the wealth of individuals, as the amount of things owned by an individual. This is a superficial view. Wealth is intrinsically social:

- Certain aspects of wealth can not be attached to individuals. Public parks or beaches, clean air, lack of noise or crime, a livable city layout, are all elements of wealth which
1.1. Use-Value and Value

either everybody in society has, or nobody has.

- Even private wealth, which only benefits one or few individuals, has a social dimension. A rich person not only has access to things but, more importantly, has the ability to make others work for him or her. See 764:1/o. Someone must produce the things a wealthy person consumes.

Marx uses the word “wealth” not only for the abundance or extravagance of things enhancing human life; anything which enhances human life, however modest it may be, is part of society’s wealth.

**Capitalist Mode of Production:** At this point, the phrase ‘capitalist mode of production’ is only a name for the topic to be investigated. This name, however, already indicates that capitalist society is characterized by its organization of production. It is one of the basic tenets of Marx’s theory of society that the organization of production has a profound influence on all the other social relations.

Marx’s *Capital* therefore offers an explanation of those aspects of capitalism which pertain to the economy: money, wage-labor, economic growth, globalization, the business cycle,
1. The Commodity

the coexistence of wealth and poverty, the persistence of economic underdevelopment, etc. Marx’s *Capital* does not give an explanation of capitalist democracy, international political relations, or the recurrence of wars. Occasionally it is possible to draw inferences from the economic structure about the political structures necessary to maintain this economic structure, compare 158:5/o, 178:1/o, 270:3/o. This information about the requirements which the state must meet in order to sustain capitalist economic relations does not yet constitute a theory of the state itself.

The phrase ‘capitalist mode of production’ in the first sentence also indicates that the subject of this chapter is not some historical “simple commodity production” or some utopian “fair and equitable” society, but capitalism. Marx’s *Capital* is not a blueprint for a socialist economy. It is an attempt to gain a thorough understanding of *capitalism*. It is necessary to understand capitalism in order to overcome it.

Reigns: The word “reigns” has two meanings. One the one hand it simply means: where the capitalist mode of production prevails, where it is the main form of production. However, Marx’s word is not “vorherrscht” (prevails) but the shorter and stronger “herrscht,” whose principal meaning is “to rule.” Perhaps Marx wanted to express one of the following points
1.1. Use-Value and Value

with this:

- All relations of production, whether capitalist or not, can be said to “rule”, because of the fundamental role which all relations of *production* known today play among the broader social relations.

- If the capitalist mode of production comes in contact with other modes of production, it tends to corrode them and supplant them by capitalist relations.

The French edition says “reigns,” while the Moore-Aveling translation says “prevails.” In a letter to Engels on April 2, 1858, Marx uses the unambiguous transitive verb “dominates” *(beherrscht)*, but the subject is not capitalism but exchange: “presupposes . . . the elimination . . . of all undeveloped, pre-bourgeois modes of production, which are not dominated to their full extent by exchange.” [mecw40]298:5/o

**Commodity:** A commodity is *something produced for sale or exchange*. This is what the reader needs to know about the commodity in order to follow the argument. In English business parlance, the word ‘commodities’ is used for products which are available from many suppliers, and which are standardized, so that there is no reason, apart from price, for
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the buyer to prefer one supplier over another. Marx does not mean it this way. For him, a commodity is everything, whether raw material or finished good, whether a specialized brand name article or a staple, that is produced for sale.

Presents Itself as an Immense Heap of Commodities: Two different assertions are woven together in this clause:

- In capitalist society, wealth takes the form of commodities, i.e., almost all the things which make up the riches of capitalist society are produced for and traded on markets. They are produced not because they constitute wealth, but because they can be sold at favorable prices. “Even during a famine, corn is imported because the corn-merchant thereby makes money, and not because the nation is starving.” (Marx quoting Ricardo in *Contribution*, 389/o.)

- This is obvious, everyone is aware of it, and the members of capitalist society handle commodities and purposefully treat them as commodities every day. (We will see later that many other important aspects of capitalist social relations do not enter general awareness and arise “behind the back” of purposeful activity.)
The word that is translated here as “presents itself” is in German “erscheint,” i.e., literally, “appears.” Marx conscientiously uses the word “appear” whenever he discusses the manifestation of some invisible background on an accessible stage. Here this invisible background is social wealth. Much of what is done in any society has to do with the production and disposition of wealth. In capitalism, this wealth confronts the practical activity of the individuals mainly in the form of commodities.

Fowkes translates “erscheint” with “appears,” i.e., he, like Marx himself, emphasizes the first aspect; by contrast, the Moore-Aveling translation (“presents itself”) and the French translation (“s’annonce comme”) emphasize the second aspect. Earlier versions of this sentence in Marx’s other publications or manuscripts separate these two assertions more clearly than the very condensed formulation here in Capital. Compare Contribution, 269:1 and Grundrisse, 881:2.

[Invitation to Begin the Analysis of Capitalism with the Commodity]

All this was a discussion of the first sentence only. It is time to go on:
The single commodity appears as the elementary form of this wealth. … die einzelne Ware als seine Elementarform.
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This means on the one hand that the commodity is a simple or elementary (as in elementary algebra) form of wealth. Indeed, a one-line definition sufficed to define the commodity, a commodity is anything produced for sale or exchange. In the Introduction to Grundrisse, [mecw28]37:2–38:1, Marx says that the mind has to begin with such simple categories in order to assimilate the world, even though these simple categories may not refer to the most fundamental relations in reality. In his Notes on Wagner, [mecw24]545:2 Marx calls the commodity “the simplest economic concretum,” i.e., it is not an abstract concept but something concrete that one can touch, but it is the simplest such thing. Instead of saying that in capitalism, most wealth takes the form of commodities, it would also have been true to say that most labor takes the form of wage-labor—but the definition of wage-labor is not elementary but presupposes the definition of many other economic categories first.

On the other hand, Marx says here that the commodity is the elementary form of wealth, i.e., that other forms of wealth can be reduced to, or are developments of, the commodity form. In the preface to the first edition of Capital, p. 89:3, Marx brings a fitting metaphor: the study of the commodity is just as important for an understanding of the capitalist economy as the study of a single undifferentiated cell is for an understanding of the human body. We cannot yet know at this point whether this is true, i.e., Marx announces here how one
will be able to justify this starting point once the investigation of all social forms of wealth is complete.

The analysis of the commodity will therefore be the starting point of our investigation. 

This sentence has a “therefore” in it, i.e., Marx is drawing an inference from what was just said about the commodity. Regarding the character of this inference, textual evidence is ambiguous.

- The Moore/Aveling translation says that the analysis of the commodity “must the the starting point,” which is stronger than the German “will be the starting point.” We can assume for sure that Marx and Engels knew about and approved the “must” in the English version. This text variant indicates that Marx has convinced himself that the commodity is the necessary starting point, perhaps because it is the elementary form of wealth as just explained, even though he cannot give a full proof of this here.

- In the formulation in the German edition, “will be the starting point,” Marx uses what he just said as grounds to begin his book with the commodity, without claiming that
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this is the only possibility. It can be seen as an invitation: if commodities are so prevalent in capitalist society, then an analysis of the commodity looks like a good place to begin the investigation of capitalism. Therefore let’s do it!

In the debate around “where to begin,” two questions should not be confused. One is whether certain things must be explained before others, for instance, whether it is necessary to explain the commodity before one can explain capital. Marx clearly argues that it is. Reality has different layers, i.e., certain real things are built on top of other things (which are themselves equally real). Somehow, the commodity is “simpler” than money, and money “simpler” than capital. In Grundrisse, 259, Marx writes:

In order to develop the concept of capital, it is necessary to begin not with labor but with value or, more precisely, with the exchange-value already developed in the movement of circulation. It is just as impossible to pass directly from labor to capital as from the different human races directly to the banker, or from nature to the steam engine.

Um den Begriff des Kapitals zu entwickeln, ist es nötig nicht von der Arbeit, sondern vom Wert auszugehen, und zwar von dem schon in der Bewegung der Zirkulation entwickelten Tauschwert. Es ist ebenso unmöglich, direkt von der Arbeit zum Kapital überzugehen, als von den verschiedenen Menschenrassen direkt zum Bankier oder von der Natur zur Dampf-
The other question is whether it is necessary to furnish a proof, already at the beginning, that this is where one should begin. This is impossible and also unnecessary. In order to know what a good starting point is one must have results, but we are just at the beginning, i.e., we do not yet have any results. As long as the reader cannot take issue with the content of the writer’s arguments, he or she should therefore not interrupt the writer at the beginning with the question “why do you begin here?”

After Marx’s two-sentence justification why one should begin with the commodity, the analysis of the commodity begins without further ado. It will take up the whole chapter One.

[Every Commodity is a Useful Thing]

In his *Notes to Wagner*, [mecw24]544:6/o, Marx writes that his point of departure is the “form of appearance” of the commodity, i.e., the form in which the commodity enters the practical activity of the economic agents. Let us therefore imagine that Marx is interviewing someone living in a capitalist society. Marx gives this person a commodity and says:
“Here is a commodity. I would like to know what this commodity is for you. Please describe to me what you see.” The first answer Marx is likely to get is: “Oh, I see a useful object.”

The commodity is at first an exterior object, a thing, which by its properties satisfies human wants of one sort or another. Die Ware ist zunächst ein äußerer Gegenstand, ein Ding, das durch seine Eigenschaften menschliche Bedürfnisse irgendeiner Art befriedigt.

Fowkes translates this sentence as: “The commodity is, first of all, an external object, a thing which through its qualities satisfies human needs of whatever kind.” The formulation “first of all” can be misunderstood to mean that this is the main property of the commodity, that the other properties of the commodity are secondary. It is not Marx’s intention to say this. Even if one interprets the formulation “first of all” as a matter of order in the representation, not a matter of importance, it wrongly evokes the image that we could say many things about the commodity, but this is what we choose to say first. However we do not have this choice: the other things cannot be said without saying this thing first, they should therefore not be imagined to be coexistent with this first thing. The “all” of which this is the “first” do not yet exist.

And looking at the end of the sentence, Fowkes’s formulation “of whatever kind” collapses two steps into one: (1) the commodity satisfies some want, and (2) it does not matter which want it satisfies. Step (2), the indifference towards the kind of want, comes only in the next sentence. But in defense of Fowkes one could say that the French translation, which was closely edited by Marx himself, collapses these two steps as well.
1.1. Use-Value and Value

The Moore-Aveling translation is: “The commodity is, in the first place, an object outside us, a thing which by its properties satisfies human wants of some sort or another.” The formulation “in the first place” makes this first step too static: it gives it a permanent “place” instead of formulating it as a transient point of entry, which one has to pass through in order to get to the other things. And calling the commodity “an object outside us” adds the interpretation to the text that this is what the commodity is for us, the reader, although I think Marx is describing here what the commodity is for those handling the commodity.

The commodity is called an “exterior” object because it exists outside humans. Despite its independent existence, this object “satisfies human wants of one sort or another.” This has important implications. In order to survive, humans must consume exterior things which they must produce socially with the help of other exterior things. If the social control over these things is such that one part of society is forced to work for another part of society, this is called “exploitation.” Marx is therefore very aware of the exterior character of these useful things. He addresses it in his Introduction to Grundrisse [mew28]31:2/o with respect to the finished product, and in his Critique of the Gotha Programme immediate[mew19]15:3 with respect to the means of production. In Capital itself, he takes up this theme in chapter Two, p. 181:3/o, and chapter Nineteen, p. 675:3.

Although a commodity is more than just a useful object—the reader should think of it as
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a useful object produced for the exchange—the first thing the practical agents notice when they hold a commodity in their hands is that it is such a useful object. This is the place where one has to start if one wants to know what the commodities are for the practical agents and what they, therefore, do with the commodities. Despite its familiarity, the concept of a useful object it is not entirely trivial. Marx is using almost a page to elaborate on it. The remainder of the current paragraph clarifies what “useful” means, the next paragraph will say a few things about “exterior objects,” and the paragraph after this asks how such exterior objects can be useful.

Die Natur dieser Bedürfnisse, ob sie z.B. dem Magen oder der Phantasie entspringen, ändert nichts an der Sache.\(^2\)

“Phantasie” is translated here with imagination. A commodity which has no use whatever, but people think it does, has a use-value.

Marx does not mean to say here that all human wants are equal. He merely says that the nature of the want which a commodity satisfies has no bearing on its economic role as a commodity. Market relations do not ask whether a product is socially desirable or not. They
do not distinguish whether it satisfies some basic needs, or whether it is not immediately necessary for human survival. The only thing that matters is whether it can be sold at a favorable price.

Because of this indifference, the commodity form can become the general form of wealth only in societies which have achieved material abundance. Productivity must be quite high for society to be able to “afford” a social form of wealth which is indifferent towards the use-value. Marx says something to this effect in his *Introduction* manuscript, p. [mecw28] 41:2–42:0. Even today, some branches of production are exempted from the commodity form because the commodity form has socially undesirable ramifications: education, roads. Increases in wealth and productivity allow more and more of such services to be “privatized.”

This indifference makes it possible that some people are undernourished and homeless in the midst of great wealth and waste. However this indifference is also a liberation from the mediocrity and boredom of a strictly needs-based production.

In footnote 2, Marx cites someone who, in his enthusiasm about the liberation from a pre-determined circle of needs, denies that there are any differences between different types of wants:

2 “Desire implies want; it is the appetite of the
1. The Commodity

mind, and as natural as hunger to the body …
The greatest number (of things) have their value from supplying the wants of the mind.” Nicholas Barbon [Bar96, pp. 2, 3]

By proclaiming the equality of all wants as an eternal truth, Barbon gives legitimation to emerging capitalism, in which production is determined only by the buying power of the consumers, not by the hierarchy of their needs.

The next sentence in the main text clarifies that also producer goods satisfy human wants: they do so indirectly.

Nor does it matter here how the object satisfies these human wants, whether directly as object of consumption, or indirectly as means of production.

In the Moore/Aveling translation, this last sentence begins with “neither are we here concerned to know how” instead of “nor does it matter here.” Also the French edition has the word “savoir” (to know) in this sentence. This reference to “our concerns to know” is out
of place. Marx is discussing here the social properties of commodities: although they are inanimate things they harness human activity. The commodities’ practical usefulness acts like a lense which focuses the diffuse activities of those human individuals who deal with them. This focusing power is so strong that it is no longer correct to say that the commodities are the objects of individual actions; instead, the actions of the individuals handling the commodities must be seen as the effects of the social power located in the commodity. It is not the commodity owners who act, but the commodities act through their owners.

The commodity’s ability to focus human activity is the same whether the commodity satisfies the needs of the stomach or the needs of human imagination, whether it satisfies them directly as means of consumption or indirectly as means of production. This is relevant information about capitalist society. It is a statement about the real world, not an announcement of the topics Marx chooses to discuss here. In other words, it is meant as an ontological statement, whereas the Moore/Aveling translation converts it into an epistemological statement. This transposition of ontological into epistemological facts is called the “epistemic fallacy.” It is a form of irrealism, since it shifts all the activity into the head and does not see the activity in the world. Fowkes’s translation has it right this time, but similar errors appears many times in both translations.
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From the indifference of the social powers of the commodity towards the nature of the use-values follows that the key to an understanding of the commodity cannot be found in the wants it satisfies! This is the point where Marx parts ways with all of utility theory. Had Marx foreseen how entrenched the “subjective” concept of value would become (which does derive the value of a thing from the wants it satisfies), he would probably have said more about it at this point. The only place where he addresses the subjective concept of value is a brief remark about the disutility of labor in footnote 16 paragraph 137:1 in section 1.2. Also Marx’s criticisms of Jeremias Bentham (see for instance footnote 63 to paragraph 758:1/oo in chapter Twenty-Four) are criticisms of the foundations of modern neoclassical utility theory.

Although Marx is right to emphasize here, at the very beginning of the investigation, that the social powers of commodities have nothing to do with their use-values, we will get to know later several important cases in which the use-value does have economic implications. The use-value of gold mimics the social properties of value (this is why gold became the money commodity) 183:2/0, the use-value of labor-power is the value which it creates 270:1, the use-value aspects of production give rise to the economic categories of constant capital and fixed capital, etc.
1.1. Use-Value and Value

Every useful thing, such as iron, paper, etc., is to be looked at under two aspects: *quality* and *quantity*.

By “quality of a thing” Marx means those characteristics which distinguish different kinds of things. Such qualitative differences have a deep significance for commodities; if all commodities were qualitatively equal, there would be no need for exchange. But even if the qualities are the same, things can still differ quantitatively. Quantities play an important role for commodities as well; in order to exchange different kinds of commodities, the quantities must be adjusted accordingly. Marx is therefore discussing here the foundations, the basic alphabet, from which commodity relations are constructed. He discusses quality first:

Every such thing is an assemblage of many properties, and can therefore be useful in various ways. The discovery of the different aspects of things and therefore of their manifold uses is a historical deed. How can a thing have properties which are not obvious but must be discovered? The
1. *The Commodity*

answer lies in a throwaway remark Marx makes in 149:2/o, according to which the properties of things manifest themselves in their relations with other things. This is a secret critique of Hegel’s *Logic*. In Hegel’s system, the properties of things are more basic than the things themselves. For Marx, the existence of the things is the primary given. The properties slumber inside the things and must be awakened through practical interaction with them.

The example in footnote 3 shows how important this historical process of discovery is:

3 “Things have an intrinsick vertue” (this is Barbon’s special term for use-value) “which in all places have the same vertue; as the loadstone to attract iron” [Bar96, p. 6]. The property which the magnet possesses of attracting iron, became of use only after discovery, by means of that property, of the polarity of the magnet.

⇑ Marx does not agree with Barbon that the use-value of something is always the same. The magnet’s ability to attract iron, which has been known for centuries, for a long time remained a mere curiosity. The main use of magnets was not their ability to attract iron, but the compass (there is no iron at the North Pole, and the North Pole does not attract the compass needle, it only turns it). Only after scientists, in their attempts to explain these
magnetic phenomena, discovered the electromagnetic field (Marx calls it “magnetic polarity”), did electromagnetic phenomena obtain a major impact on human life (electric lights, telegraph, radio waves).

Things which have the same quality can still differ quantitatively. From this, Hegel concludes that a quantity is a determination of the thing which does not define the thing. Even if you change the quantity of a thing you still have the same thing. However if this was the whole truth then one would find everything in all quantities. But elephants are always big and mice always small. To do justice to this, Hegel introduces the concept of “measure” for the right quantity for a given quality.

In Marx’s paradigm, qualities must first be actualized by placing the thing in relation with other things. Therefore quantities become relative as well.

So is also the establishment of social measures for the quantities of these useful objects.
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Fowkes’s “socially recognized standards of measurement” is imprecise. On the one hand, social recognition is only one part of sociality. On the other, Marx distinguishes between Maß and Maßstab. The main historical deed is not the finding of a unit of measurement but to discover qualitatively how something should be measured.

Since the qualities are different, also the measurements for the different use-values are different. In Contribution, 269:2, Marx gives examples:

Different use-values have different measures appropriate to their different characteristics; for example, a bushel of wheat, a quire of paper, a yard of linen.

These examples show that not only the measuring units themselves, but also the question whether the object is measured by its weight, volume, length, energy content, etc., are determined socially. Some things have more than one measure. For instance, wages can be measured in several different ways, see 683:4/o.

Marx concludes his brief discussion of quantity with the observation that the quantitative measures are only in part determined by the qualities of those things; in part, they depend on social convention—for instance, the measuring units:
The diversity of these measures of commodities originates in part from the diverse nature of the objects to be measured, and in part from convention.

After these general considerations about the nature of things Marx goes into more detail how these things can be useful.

126:1 The utility of a thing makes it a *use-value*.\(^4\)

This introduction of the term “use-value” sounds like a tautology—but it is not. For a correct understanding of this sentence, it is necessary to clarify the difference between the *properties* of a thing, its *usefulness*, and its *use-value*:

- Properties are intrinsic to a thing. One should consider them as something dormant, the thing’s potential. These properties wake up and manifest themselves only when the thing is placed in a *relation* with other things.

- The usefulness of a thing (in the first edition of *Capital*, 18:2, Marx writes more explicitly: usefulness for human life) is the manifestation of its properties in one particu-
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lar relation, namely, in its relation to humans. The usefulness of a thing is therefore not intrinsic to the thing itself, but it is a relationship between the thing’s properties and human needs. It depends not only on the thing but also on humans. “A sheep would hardly consider it to be one of its ‘useful’ qualities that it can be eaten by human beings” [mecw24]538:6/o. A thing is useful if its properties are able to serve human needs. Since human needs depend on social factors, such as fashions, technology, and customs, usefulness inherits this dependence.

The “usefulness of a thing” in this sentence is not the same as its “utility” as in the modern “utility function.” Marx’s concept designates the menu of possible uses of these properties, while the modern utility function measures the satisfaction which the consumer derives from these useful properties. The usefulness of different things, as Marx uses the word, cannot be compared or measured numerically.

- The sentence “the usefulness of a thing makes it a use-value” is the definition of “use-value.” The use-value of a thing is its usefulness—which, as was just explained, is a relative concept—considered as a property of the thing itself. The use-value of a thing is therefore not a property of the thing, but a relationship between the thing and
human wants which is attributed to the thing as if it was a property of the thing.

There are many other examples of such relative “properties”; beauty is perhaps the most familiar one. It is, strictly speaking, not a property of a thing to be “beautiful.” Rather, “beauty” is a relationship between the properties of the thing and the human senses and feelings, which is nevertheless attributed to the thing alone. The proverb “beauty is in the eye of the beholder” reminds us of the relative character of the concept.

Things which are useful for human life are given special names, they are called “goods” or “articles,” because people are practically appropriating them in the production process and also have to haggle with others over these things. This is why they first practically and then theoretically distinguish the things which are useful to them from all other things. All this is explained in Marx’s notes on Wagner, beginning with [mecw24]538:6/o.

The attribution of the usefulness to the thing itself is not just a theoretical exercise but it reflects social reality. There is a subtle difference between saying: “I am using the thing” and: “the thing has use-value for me.” In the first phrase, the human is the agent in control, in the second phrase, the human has become the consumer of the beneficial properties of the thing. The individual’s ability to use external things to serve his or her needs has become a power of the thing itself. Marx’s statement that commodities have use-value is a statement
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about how commodity-producing society relates to things: things are viewed as imbued with powers.

Locke’s definition of use-value (which he calls “natural worth”) in footnote 4 is in full accord with Marx’s: it vividly describes how a relative concept (“fitness for human life”) becomes an attribute of the thing itself.

4 “The natural worth of anything consists in its fitness to supply the necessities, or serve the conveniences of human life.” John Locke, [Loc77, p. 28].

In the remainder of the footnote, Marx argues that “natural worth” should be interpreted as “use-value” instead of “value:”

4 In English writers of the 17th century we frequently find “worth” in the sense of use-value, and “value” in the sense of exchange-value. This is quite in accordance with the spirit of a language that likes to use a Teutonic word for the immediate thing, and a Romance word for the re-

4 Im 17. Jahrhundert finden wir noch häufig bei englischen Schriftstellern „Worth“ für Gebrauchswert und „Value“ für Tauschwert, ganz im Geist einer Sprache, die es liebt, die unmittelbare Sache germanisch und die reflektierte Sache romanisch auszudrücken.
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The translation “the actual thing” versus “its reflection” is misleading, since it denies that the reflected thing is actual too.

The practical mind does not notice the difference between the use-value of a thing and its properties, because one needs possession of the thing in order to be able to take advantage of its usefulness. Marx formulates this as follows:

But this usefulness does not dangle in mid-air. Conditioned by the physical properties of the body of the commodity, it has no existence apart from the latter.

The translation “derived” is wrong. The usefulness of a thing cannot be derived from its physical properties; one also needs to consider the humans involved, both physically and socially. Marx means “conditioned” mainly in an enabling sense here, although the modern meaning emphasizes more its restrictive dimension.
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The terminology “body of the commodity” shows that for Marx, the thing which physically makes up a commodity cannot be identified with the commodity itself—just as a person cannot be identified with his or her body. (The social “soul” of a commodity, its value, will be discussed shortly.)

To paraphrase Marx’s argument: what people really want is the use-value of the things, not the things themselves, but they can only benefit from these use-values when they have possession of the things themselves. This is the basis for the social rules in a commodity society regulating who can have access to which things.

Some products have a use-value which does not require the presence of the original product but which can be conveyed by simple copies of the product. Often, capitalism has created institutions (patents and copyrights) which mimic the basic relationship described here that the use-value is only available if the unique original product is present. While capitalism extends commodification in some areas, it also restricts it in others. Things which according to their use-values are perfectly capable of being traded as commodities, do not take commodity form for overriding social reasons: the use of roads, public education, radio/TV, certain banking services, etc.

Finally it may be worth pointing out that the formulation “does not dangle in mid-air” is
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again a critique of Hegel and of all idealist philosophy. For Plato and Hegel, the properties of things were dangling in the air, they had their separate existence as ideals.

After having introduced, ever so briefly, the relationship between use-value and the properties of the commodity, and the distinction between the commodity and the body of the commodity, Marx obtains permission from the reader to simplify his wording by calling the body of the commodity “a use-value.”
The body itself of the commodity, such as iron, wheat, diamond, etc., is therefore a use-value or a good.

This sentence cannot be understood in the Moore-Aveling translation: “A commodity, such as iron, corn, or a diamond, is useful.”

The version of this sentence in the First Edition of Capital, 18:2, leaves no doubt that this is a terminological convention:

For the sake of brevity, the useful thing itself Abkürzend nennen wir das nützliche Ding
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or, in other words, the body of the commodity, such as iron, wheat, diamond, etc., will be called a use-value, good, article.

In the later editions, it is still a terminological convention, but since Marx furnishes a better logical justification for it, and at the same time uses a terser formulation, it has become more difficult to see that it is merely a convention. The argument is: In order to avail oneself of the use-value of a commodity, nothing more nor less is necessary than its physical presence. Therefore it is justified, when speaking about the body of the commodity, to simply call it “a use-value.” The word is therefore used in two meanings, which do not conflict with each other.

Use-value can also be attached to the absence of things: the absence of illness, crime, pollution, etc. Since these use-values cannot be commodified as readily, they are neglected in a commodity society.

After saying that for the enjoyment of the use-value the physical presence of the commodity is needed, Marx emphasizes that this is all that is needed.

This characteristic of a commodity does not depend on whether appropriating its useful...
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properties costs more or less labor.

It is the physical properties of the good and only those that convey its use-value. The labor producing the product is no longer there. It has disappeared into the product; it is sublated (aufgehoben) in its result. About Aufhebung compare Hegel’s Logic, [Heg69a, pp. 106–108].

⇓ The usefulness of a commodity not only depends on its properties with reference to human needs (its use-value), but also on its quantity. One milligram of milk will not do for the baby. This is the reason why society does not abstract from the quantities of the use-values—they play an important part in exchange relations. Our theoretical discourse about economic relations has to follow suit:

When examining use-values, we always assume to be dealing with well-defined quantities, such as dozens of watches, yards of linen, or tons of iron.

This is all Marx says about use-value here. Since the commodity form is (at first) in-
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different towards the kinds of use-values, any closer consideration of the particularities of use-values cannot enlighten us about the character of social and economic relations in capitalism. Of course, this does not mean that use-values are irrelevant for practical life:

The use-values of commodities furnish the material for a special branch of knowledge, whose textbooks are the commercial product manuals.  

5 In bourgeois societies the legal fiction prevails that every one, as a buyer, possesses an encyclopedic knowledge of commodities.

⇑ This knowledge is not taught in schools but passed on informally: hardware is a popular conversation topic.

Transition to Exchange-Value

The remainder of the paragraph paves the ground for the discussion of the next major topic, the *exchange-value*. 

5 In der bürgerlichen Gesellschaft herrscht die fictio juris, daß jeder Mensch als Warenkäufer eine enzyklopädische Warenkenntnis besitzt.
Use-value actualizes itself only by use or consumption.

The Moore-Aveling translation has a colon between this sentence and the next. I replaced it with a period, as in the German and also the Fowkes translation. I see no reason for a colon here.

The distinction between a use-value and its actualization is a special case of the distinction, in critical realism, between the real and the actual. Things must have certain properties that are useful for humans in order for people to be able to use them. If a person uses something, this act not only presupposes his or her decision to use this thing, but it also presupposes that the thing itself is amenable to such a use.

The above sentence also clarifies the terminology: if one exchanges things, or also if one collects them in the basement in the hope that they will appreciate, one does not use them. “Use” is seen here in contradistinction to exchange.

Use-values constitute *the material content of wealth*, whatever its *social form* may be.
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A thing which has properties useful for human life, considered from the point of view of its possible uses by humans, is called “use-value.” People handle and depend on use-values every day. This is true in every society. The available use-values constitute the material wealth of a society. But in capitalism, useful things have an additional specific social power: they can be traded or sold on the market.

In the form of society we are about to consider, they are, in addition, the material carriers of—exchange-value.

I avoided translating “stoffliche Träger” with “material depository.” The emphasis is not on someone or something depositing exchange-value in the article, but that any commodity whose use-value is intact has the additional power of being exchangeable.

Exchange-value is that social relation or social custom which allows commodities to be traded for each other or for money. Marx’s short sentence introducing the exchange-value makes the following implicit claims:

• Exchange-value is social, not individual. If two individuals decide to exchange things which are commonly not exchanged, this does not give these things exchange-value.
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- Exchange-value resides in the commodities themselves. The exchange of commodities is not embedded in a bigger social ritual (as the exchange of wedding rings is embedded in the marriage ceremony), but the things themselves are exchangeable (if they are commodities). Exchange-value is also not attributed to the commodity owner, but the commodity itself. Although the commodity owner is the one who names the exchange proportions and decides on the exchange, these exchange proportions are considered to belong to the commodity, not its owner.

- Exchange-value cannot be derived from the use-values involved. Rather, commodities have a second quality, separate from their use-values, which allows them to be traded on the market.

Marx characterizes the relation between use-value and exchange-value with the words: use-values are the material “carriers” of exchange-value. What does this mean? If a commodity loses its use-value then it also loses its exchange-value. Nevertheless the use-value is not the source of the exchange-value: if a certain use-value becomes freely available to all (bread growing on wild trees) then it still is a use-value but no longer has exchange-value. Marx will elaborate on this relationship in 131:1, after we know better where exchange-value comes
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from.

1.1.b. [From Exchange-Value to Value]

In the practical activity involving commodities, two different aspects of each commodity demand the attention of its owner: on the one hand, its use-value, and on the other, the quality which was just introduced, namely, its exchange-value. This double character of the commodity is so basic that in *Contribution*, 269:1, it is the first thing Marx says about the commodity. In *Capital*, by contrast, these two aspects are introduced sequentially. Marx first gives a brief discussion of use-value and only afterwards introduces exchange-value. Right now we are at the beginning of the discussion of exchange-value. Imagine Marx interviewing the individual in capitalist society, this time asking “tell me about the exchange-value of your commodity.” Here is the most striking practical implication of the exchange-value of a given commodity:

126:2 Exchange-value manifests itself at first as the *quantitative relation*, the proportion, in which use-values of one sort

50:2/o Der Tauschwert erscheint zunächst als das *quantitative Verhältnis*, die Proportion, worin sich Gebrauchswerte einer Art ge-

40
Marx writes here “at first” because (a) on the one hand, the quantitative exchange proportion between two use-values is an important aspect of exchange-value, but (b) on the other hand, the exchange relation between two isolated commodities is by far not a full manifestation of exchange-value. For instance, Marx will show in section 1.3 that the existence of money, the thing that can buy every commodity, is also a manifestation of exchange-value.

Interestingly, this first manifestation of exchange-value does not fit together with the other things said (or implied) about exchange-value so far. Although exchange-value was originally introduced as something attached to (or “carried” by) a commodity’s use-value, the first manifestation of exchange-value cannot be attributed to any one commodity; rather it is a relation between two commodities.

The first manifestation of exchange-value is relative also in a different sense: exchange-proportions are affected by the circumstances of the exchange. At different times and different places, the same commodities may be exchanged at wildly different proportions. 

—a proportion which constantly changes with time and place.

...—ein Verhältnis, das beständig mit Zeit und Ort wechselt.
The relativity and variability of exchange-proportions are well-known facts. Also the earlier introduction of exchange-value as something anchored in the commodity, as a second property which commodities have in addition to their use-values, accords with the common understanding. But these two paradigms, each of which reflects an aspect of daily experience, do not fit together. If exchange-value is something immanent in the commodity, one should not expect it to manifest itself as a relation between commodities, a relation which is moreover highly variable and dependent on the circumstances?

Hence exchange-value seems to be something accidental and purely relative. A "valeur intrinsèque," i.e. an immanent exchange-value, that resides in the commodities, seems therefore a contradiction in terms.\(^7\)

An "accidental" outcome is an indeterminate outcome which is not subject to an inner necessity. "Purely relative" means: it does not come from the commodities themselves, but only from their relation to each other. For instance, the spacial distance between two commodities, say, the question whether commodity A is located less than a mile away from...
commodity \( B \), is a purely relative question, which has nothing to do with the commodities themselves.

The source of the French quote “valeur intrinsèque” is not clear. Marx possibly refers to the definition of “value” in footnote 6, which was originally given in French (compare footnote 6 to paragraph 18:3 in the first edition).

The word “contradiction” should be taken seriously here. Marx shared the view of many Hegelians of the time that empirical evidence is full of contradictions, although people often do not recognize them as such. Compare Contribution, 275:1/0, and the postface to the Second edition of Capital, p. 103:2. Just as Marx considered it a contradiction that money is at the same time a thing and a social relation, so he also considered it a contradiction that exchange-value is at the same time immanent to the commodities and a relation between commodities.

In a dialectical investigation, the discovery of contradictions is as important as their subsequent resolution. Marx just pinpointed a contradiction in the empirical evidence of commodity-producing economies. Everybody knows from empirical experience that exchange-proportions are relative and variable. This experience contradicts the commonly held understanding, itself justified by empirical facts, that exchange-value is immanent to the com-
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Evidence which is contradictory cannot be used as a basis for logical inferences. What should a scientist do if the evidence is contradictory? Marx’s formulation that the exchange-value “seems” accidental and relative is a hint. The word “seems” stresses the limited character of this inference, which was obtained by looking only at the first manifestation of exchange-value and nothing else. If this limited viewpoint leads to contradictions, then it is necessary to take a more thorough look at the evidence:

Let us consider the matter more closely.

This is a standard formulation of Marx’s when his investigation reaches an impasse (compare e.g. pp. 180:2 and 300:1/o). Such an impasse does not mean that an error has been made, but that it has become necessary to probe into deeper layers of reality. This “closer consideration of the matter” will take up the next two paragraphs, but let us first look at the footnotes to the above paragraph.

In the Preface to the Third edition, p. 108:1, Engels writes that the footnotes document “where, when and by whom an economic idea conceived in the course of development was first clearly enunciated.” The first footnote 6 justifies Marx’s entry point into exchange-value by documenting that the view of exchange-value as mere quantitative proportions can
be found in the literature.

6 “The value consists in the exchange proportion between one thing and another, between this amount of one product and that of another.” Le Trosne [LT46, p. 889]

↑ This point of view reflects the practical concerns of the commodity traders, see footnote 17 to 140:3–141:1, but it is too narrow for a theoretical analysis.

⇓ Footnote 7 shows that also the subsequent step in Marx’s argument, which seems to come to the conclusion that exchange-value cannot be inherent in the commodity, has precedents in the literature.

7 “Nothing can have an intrinsic value” Barbon [Bar96, p. 6] or, as Butler says, “For what is worth in anything but so much money as ’twill bring.”

↑ Marx takes the perceptions of these earlier economists seriously. They almost always have their justification, although the authors themselves often do not place them in the right context.

Now let us turn back to the main text. The “closer consideration” announced by Marx
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at the end of the paragraph we just discussed consists of two thought experiments in which Marx draws out the implications of two additional familiar facts. ↓ The first familiar fact is: one quarter of wheat can not only be exchanged for one other commodity, say a lbs. of iron, but for many different commodities:

127:1 Any given commodity, one quarter of wheat for instance, is exchanged for $x$ shoe polish, or $y$ silk, or $z$ gold, etc.—in short, for other commodities in the *most diverse proportions*.

The evidence of actual exchange-value yields therefore two variabilities. Exchange proportions not only vary with time and place, but also with the nature of the equivalent exchanged. While the first variability is beyond the control of individuals and is considered an irregularity, this second variability is a generally accepted and expected property of exchange-values.

However this second kind of variability makes the explanation implausible which offered itself for the first variability. If we consider only one pair of commodities, say 1 quarter wheat versus $a$ lbs. of iron, then it might be plausible to conjecture that their exchange
relation depends on a special relationship between the wheat owner and the iron owner, or on the circumstances of the exchange, and not on the wheat itself. But if the wheat is exchanged for many other commodities, it is much less plausible to assume that each of these many exchange proportions depends on a special relationship or a special circumstance.

Since this may be an unfamiliar kind of reasoning, I will give here an example where something happened to me personally which prompted me to apply the same logic. Once I was driving my car in the evening hours, and some car facing me in the opposite lane blinked its lights at me. First I thought: this must have been someone who knew me, i.e., I assumed that the reason for the blinking was something between the driver of the other car and myself, something relative. But since it was getting dark I couldn’t make out who was sitting in the other car. Only after other cars blinked their lights at me, too, did I realize I had forgotten to turn on my own headlights. I.e., their blinking did not signal a relationship between them and me, but it signaled something about me alone.

But let’s go back to Marx’s text. Marx did not bring the example with the blinking cars but gave essentially the same argument in terms of a dialectical negation of negation. The present step is the negation of the original “use-values are the material carriers of exchange-value” (with the tacit understanding that each use-value has one exchange-value only):
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Instead of one exchange-value, the wheat has, therefore, a great many.

The negation of the negation uses the fact that shoe-polish, silk, etc., are all received in exchange for wheat. One does not need to be a friend or relative of the owners of shoe-polish or silk to make these exchanges, all that is necessary is that one is an owner of wheat. Therefore each trader who made one of these exchanges could in principle also have made any of the others. This is the meaning of the word “replaceable” in the next sentence:

But since \( x \) shoe polish, as well as \( y \) silk, as well as \( z \) gold, etc., is the exchange-value of one quarter of wheat, \( x \) shoe polish, \( y \) silk, \( z \) gold, etc., must be exchange-values replaceable by each other or equal in magnitude.

This “replaceability” also has the implication that none of these exchanges is inherently more favorable than the others. The trader who exchanged his quarter of wheat against 5 lbs of shoe polish cannot say he got a worse deal than the one who exchanged her quarter of wheat against 1 yard of silk. Had he preferred the silk he could have exchanged his wheat for
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silk instead of shoe polish. But if the exchange-values can be compared with each other quantitatively, they must be based on an equal quality. All the exchange-values of the wheat are therefore just different ways to say the same thing about wheat (just as the different cars blinking their headlights said the same thing about my own headlights).

It follows therefore, firstly: the valid exchange-values of a given commodity express an equal content.

Moore-Aveling and Fowkes both write: express something equal. The word “something” is unfortunate here because it suggests that the equal content is a thing. Marx himself avoids this connotation: instead of writing “die gültigen Tauschwerte derselben Ware drücken etwas” he uses the slightly more awkward formulation “…drücken ein Gleiches aus.” Indeed, right now we only know that all the different exchange-values are the expression of some equal underlying social relation. Only Marx’s second thought experiment will show that this underlying social relation can be reduced to a substance (i.e., a “thing”) inside each commodity. It is therefore important that the translation not already anticipate the result of this second thought experiment, because otherwise the reader will not be able to understand the point of the second thought experiment.

Marx writes here “valid exchange-values” because only those exchange-values are re-
placeable with each other which have general validity, not those coming from special circumstances such as the trader having to make a fire sale or being mis-informed about the exchange-value of his or her product.

So far Marx has argued from the point of view of the individual commodity-owners. These commodity-owners treat the many exchange-values of their commodities as replaceable expressions of the same thing. In a second step, Marx argues now that exchange-values are expressions of the same thing not only in the minds and behaviors of the commodity-owners, but that the social relation “exchange-value” on the surface of the economy is indeed the expression of a deeper social relation located underneath:

But secondly, exchange-value itself cannot be anything other than the mere mode of expression, “form of appearance,” of some content distinguishable from it.

Moore-Aveling has: “secondly, exchange-value, generally, is only the mode of expression, the phenomenal form, of something contained in it, yet distinguishable from it.” This is problematic for the reason already pointed out in the preceding translation note. The word “something contained in it” suggests that exchange-value is reducible to some substance contained in the commodities.
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Although this is true, it will only be derived in the second thought experiment. If this result is already pronounced now, then the purpose of the second thought experiment becomes unintelligible. At the present time we only know that the source of exchange-value does not lie in the sphere of circulation but elsewhere. Nothing is said yet about it that this source is a substance residing in the commodities.

↑ Marx makes the transition from the first to the second conclusion without justifying it. Obviously he does not find it necessary to defend the accuracy of the perceptions and the rationality of the behavior of millions of commodity-owners. Although he is on the lookout for confirmation of his beginning assumptions in the later course of the development, see e.g. 152:2/o, his default assumption is that most such perceptions are accurate. Those exceptional situation in which almost everyone is systematically deceived, by contrast, are always given careful scrutiny—look e.g. at the thorough and tedious argumentation in section about the fetish-like character of the commodity, or in chapter Nineteen.

Although Marx says here only that the content underlying the exchange-value must be different from exchange-value, the understanding is that this content, which drives the exchange-value, does not originate in the sphere of exchange at all but in production. Obviously, the commodity exchange is only the second act in a two-act drama, the first act being the pro-
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duction of the commodities. Production is private, and the market is the only arena through which the producers come in contact with each other and the consumers. These basic facts about our society must be kept in mind to understand the development here. Marx wrote in the *Introduction* to *Grundrisse*, [mecw28]37:2–38:1:

“The subject, society, must always be envisaged ... as the pre-condition of comprehension even when the theoretical method is employed.”

If exchange-value is the form of appearance of some social relation located not in the sphere of circulation itself, this explains the variability of exchange-value with time and place which prompted us to embark on our thought experiment. If exchange-value is the surface-echo of the underlying social relations having to do with the production of wheat, then it is easily possible that this echo is also affected by other circumstances. Marx will comment on this in chapter Three, p. 195:2/o.

This was only the first of two thought experiments constituting Marx’s “closer consideration of the matter.” It explained the variability of exchange proportions. But Marx has not yet explained how something as relative and symmetric as an exchange relation between
two commodities can be attached to one of the two commodities, i.e., can be considered an exchange-value of the wheat. In order to resolve this paradox, Marx makes a second thought experiment:

127:2 Let us furthermore take two commodities, e.g., wheat and iron.

Marx goes back to the exchange relation between two commodities. He picks two commodities which were politically relevant at his time; wheat and iron are a reference to the corn laws. [Cle79]

The proportions in which they are exchangeable, whatever the numbers may be, can always be represented in an equation in which a given quantity of wheat is equated to some quantity of iron, say 1 quarter wheat = x lbs. iron.

In his first thought experiment in the previous paragraph 127:1, Marx had pointed out that not only one, but many different commodities give a signal to the wheat. Their signal is therefore not a private communication between each commodity and the wheat, but the
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reflection of a social property of wheat itself, i.e., of the social relations which govern the production of wheat. He could have made this argument even if the signal between the commodities had not been a relationship as symmetric as an exchange relation (but, for instance, cars blinking their lights). Now Marx takes the additional fact into his argument that the signal sent by the other commodities is the symmetric relationship of exchangeability.

Since exchangeability of wheat for iron also implies exchangeability of iron for wheat, the iron itself possesses that what it attests to the wheat (while, by contrast, the cars blinking their lights at me had most likely not forgotten to turn on their own headlights). In other words, this relationship between wheat and iron is the expression of an equality. It is a different equality than that which had been the focus of the first thought experiment. There, in 127:1, Marx referred to the equality of shoe polish, silk, gold, (and also iron) with each other as expressions of the exchange-value of the wheat. Now he refers to the equality between any one of these expressions, say iron, and the wheat itself.

What does this equation say? | Was besagt diese Gleichung?

This is a surprising question, which seems more appropriate to literature critique than economics. Why is Marx interested in what the surface interactions “say”? Answer: he looks at the surface interactions in order to understand the relations of production that are reflected
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in and mediated by them. By asking what these interactions “say” he is investigating the messages filtering down to the private producers if the commodity traders on the surface routinely exchange their commodities. Although Marx never says it explicitly, his argument seems to indicate on several places that he conceives of the market as something connected to production by the fact that the private producers observe the market outcomes and use this information to make their production decisions.

That in two different things—in 1 quarter of wheat and in \(x\) lbs. of iron—exists a “common something” in the same quantity.

By exchanging their commodities, the market agents act as if their commodities, despite their different use-values, were equal. Since the messages which these exchange relations send down to the producers say that all commodities are equal, Marx concludes that, from the point of view of production, these commodities are indeed equal:

The two things are therefore equal to a third, which is in itself neither the one nor the other.

This step from the surface expressions to the underlying relations is based on the as-
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The assumption that the surface activity on the market is congruent with the structures in the hidden sphere of production. In other words: exchange, in which the commodities are treated as equals, can only then play the important role in the capitalist economy which it does play, if the commodities are already equal before the exchange.

Marx concluded from his first thought experiment that exchange-value is only a form of appearance of some content different from exchange-value, but he left the nature of this content unspecified. All we know about it is that it is some underlying social relation, presumably having to do with the production of the wheat. The second thought experiment allows him to say more about this content: it is some equal substance which the commodities contain already before the exchange. This greatly simplifies the task of understanding the exchange relations. All we need to know is: what is this substance, and how much of it is in each commodity? Marx formulates this idea as follows (and the use of the word “reduce” is significant here):

Each of the two, so far as it is exchange-value, must therefore be reducible to this third.

In the first edition, p. 19:1, and in Value, Price, and Profit, p. [mecw20]121:2, this sen-
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tence contains the additional clause that each must be reducible to this third independently of the other (my emphasis). This makes it clearer what Marx means with the word “reduce” here. It is the reduction of a relation between the things to a substance contained within each of the individual things. In the first edition, 38:1, Marx describes this reduction as follows:

Their social relation consists exclusively in counting for each other as only quantitatively different, but qualitatively equal (and therefore replaceable by one another and exchangeable with another) expressions of that social substance which is theirs.

⇓ The next paragraph brings a metaphor with additional clarification:

127:3 A simple geometrical example may make this clear. In order to determine and compare the areas of polygons, one decomposes them into triangles. Every triangle is then reduced to an expression that is quite different than the triangle’s visible shape,
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namely, half the product of the base times

the altitude \(ba/2\).

The clearest formulation of this polygon example can be found in *Value, Price, and Profit*, p. [mecw20]121:3. Here is my own explanation of the point Marx is trying to make. Polygons (i.e., figures bounded by straight lines) are related with each other in the following way: of two arbitrary polygons the first is either bigger than, smaller than, or equally large as the second. In order to show that polygon \(A\) is bigger than or equally large as polygon \(B\), one might proceed as follows: cut polygon \(A\) into pieces and place these pieces on top of \(B\) in such a way that they completely cover \(B\). But this is often a tricky geometrical exercise, and there is indeed a much simpler procedure. All one has to do is to measure the area of both polygons separately, by decomposing each into triangles and adding the areas of these triangles. These two numbers fully indicate which is bigger and by how much. The existence of such a procedure, which only requires one to look inside each polygon separately in order to know how they relate to each other, is what Marx means by the formulation that, for the purposes of this relation, “each is, independently of the other, reducible to a third.”

After this metaphor, Marx announces what the next step in the derivation must be:

In the same way, it is our task to reduce

Ebenso sind die Tauschwerte der Waren zu
the exchange-values of the commodities to a *common substance* of which they represent a greater or smaller amount.

The identification of what this substance is (a substance which Marx calls “value,” see 128:4), will be the subject of the next passage, called here subsection 1.1.c. If such a substance can be found, this would explain why the exchange proportions between wheat and many other commodities are considered the exchange-value *of* the wheat: because they are reducible, in the sense just explained, to this substance inside the wheat itself. After Marx has found such a substance, his whole study of the value relations will be reduced to the study of this substance. Whenever Marx speaks of the commodity “as values,” he is referring to this substance.

Therefore a resolution can be offered to the contradiction Marx grappled with in the passage called here subsection 1.1.b, that exchange-value seems on the one hand intrinsic to the commodities, and on the other purely relative and accidental. Exchange-value seems intrinsic because it is the expression of a substance *inside* the commodities, and it seems relative because this expression takes the form of a *relation* between different commodities.
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1.1.c. [From Value to Labor]

After spending several paragraphs with the painstaking analysis that exchange-value must be the expression of some common substance inside the commodities, the next paragraph seems to shatter this result again, because by applying similarly precise and subtle arguments to the character of the exchange relations, Marx comes to the conclusion that there can be no such substance inside the physical bodies of the commodities themselves. This conclusion is stated right at the beginning of the paragraph:

127:4–128:1 This common substance cannot be a geometrical, physical, chemical, or any other natural property of the commodities.

This assertion will be proved in three somewhat tedious steps taking up the rest of paragraph 127:4–128:1. (In the MEW edition and the translations, this paragraph is broken up because the Barbon quote was turned into a display quote. But Marx had originally written it as one solid paragraph.) The first edition, p. 19:3, gives the main steps of the argument, and it is useful to read this paragraph before going through the more elaborate version of this argument in the second and later editions. Also Value, Price, and Profit, p. [mecw20]
uses this conclusion, although it does not try to derive it from the character of the exchange-relations, but simply argues that exchange-value is social and therefore has nothing to do with the natural qualities of the things. If you are willing to accept the conclusion you may skip over the rest of this paragraph and continue with 128:2. For those with enough patience, here is the most elaborate version of this argument as it is made in the most recent edition of *Capital*: The first step is the following:

The bodily properties of commodities enter the picture only in so far as they make the commodities useful, i.e., turn them into use-values.

The Moore-Aveling translation says: “Such properties claim our attention only in so far as they affect the utility of those commodities, make them use-values.” It is wrong to speak here about “our” attention. Marx is not explaining why he as a researcher looks at the bodily properties of the commodities, but he investigates how the economic agents themselves relate to their commodities. One might say that the translation turned an ontological question into an epistemological one.

†The bodily properties of a commodity are also relevant for *production*. But this does not
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Concern the commodity traders in the sphere of circulation. For them, the bodily properties are only interesting to the extent that the use-values of the finished products are affected. But these use-values cannot contribute to the common substance which the commodities have as exchange-values, because it is exactly the purpose of exchange to replace one use-value by another. Marx calls this an abstraction:

On the other hand, however, it is exactly the abstraction from the use-values of the commodities which evidently characterizes their exchange relation.

This “abstraction” does not mean that commodity traders disregard use-value when they make their exchanges! In chapter Two, 179:1, Marx will discuss the dilemmas for the commodity traders, who must reconcile their individual need for use-values with the social constraints imposed by the exchange-values. But what matters at the present point in the derivation are the messages which the exchange relations send to the producers, who observe these exchange relations in order to make their production decisions. The role played by the use-values in the individual exchange decisions is not apparent to such an observer of the overall exchange relations. In the French edition, the above sentence has two parts. The first
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half of the sentence speaks about the actions of the commodity traders:

But on the other hand it is evident that one abstracts from the use-value of the commodities when one exchanges them . . .

Mais d’un autre côté il est evident que l’on fait abstraction de la valeur d’usage des marchandises quand on les échange

Again, this cannot mean that the trading partners disregard the use-values, but that the act of exchange itself is an act of abstracting of the use-values, since it replaces one use-value by another. In the second half, Marx makes the transition from the individual acts of exchange to the exchange relations “themselves:”

21:3/o . . . and that every exchange relation itself is characterized by this abstraction.

21:3/o et que tout rapport d’échange est même caractérisé par cette abstraction.

With the formulation “characterized by,” Marx presumably means the information gained by the producers by from analyzing the multitude of exchange acts they observe on the market. All one can see from looking at the exchange relations from afar is that the market allows any two use-values to be exchanged against each other. This is “evident” because of the following simple and well-known fact about the exchange relations:

In this exchange relation, one use-value is
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just as good as another, as long as it is present in the proper quantity.

↑ This short proof of Marx’s subsidiary claim that the exchange-relations are characterized by an abstraction from use-values concludes the proof that use-value cannot enter the “common substance,” and in the First edition, this paragraph ends here. ↓ In the Second edition, the paragraph is made longer. First Marx adds some quotes documenting that this abstraction from use-values has been observed in the literature:

Or, as old *Barbon* says, “One sort of wares are as good as another, if the values be equal. There is no difference or distinction in things of equal value.”

Footnote 8 gives the reference [*Bar96*, p. 53], and adds a different passage from the same source [*Bar96*, p. 7], which again says that exchange relation make abstraction from use-values:

8 “One sort of wares are as good as another, if...
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If the values be equal. There is no difference or distinction in things of equal value ... One hundred pounds worth of lead or iron, is of as great a value as one hundred pounds worth of silver and gold." (N. Barbon, l.c. pp. 53 and 7.)

Marx concludes the paragraph with an alternative short but very abstract proof that the common substance cannot have anything to do with use-value. The connection to the previous argument lies in the fact that commodities are exchanged because their use-values are qualitatively different. So far as they are exchange values, however, commodities can only have quantitative differences. These exchange-values can therefore not derive from their qualitatively different use-values.

As use-values, commodities are, above all, of different qualities; as exchange-values they can only be of different quantities, and consequently do not contain an atom of use-value.

This is an application of the general principle that two things which are quantitatively
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different must be qualitatively equal—since one cannot compare apples and oranges.

This is again an impasse: the commodities must contain something equal, but this equal thing cannot have anything to do with their use-values. Marx resolves this with the bold assertion that there is only one other thing which the commodities have in common:

128:2 If we then disregard the use-value of commodities, they have only one property left, that of being products of labor.

52:3 Sieht man nun vom Gebrauchswert der Warenkörper ab, so bleibt ihnen nur noch eine Eigenschaft, die von Arbeitsprodukten.

This is formulated as if one could reach this conclusion through a purely deductive thought process, i.e., as if abstraction from use-value would lead one immediately to labor as the only property left. In Contribution and in the first edition of Capital, however, Marx does not make the sweeping claim that labor is the only property left. In Contribution, 270:3/o, Marx uses the following dual character of the use-values traded as commodities: on the one hand, they are means to support human life, and on the other, they are also the products of human life. While the first aspect does not give commonality to the commodities, the second aspect does. In the first edition, 19:5, Marx first says that the common substance must be something social since it is not natural, and then he introduces labor—with a dash, and without the claim that this is the only possibility.
While the second and later editions of *Capital* formulate the transition to labor as if it was a logical necessity, they make even fewer efforts than the first edition or *Contribution* to give a proof. Obviously, the second and later editions do not bring all the possible arguments in favor of this conclusion. The transition to labor must therefore be considered an additional judgment about commodity producing societies, which is related to the earlier judgments, but cannot be derived from them. Although it is possible to read off the surface relations that exchange-value must be a form of appearance of something (which Marx calls value) located in a different sphere, these surface relations by themselves do not allow us to deduce where value is located and how it originates.

Since it was generally accepted in classical theory (the economic mainstream when Marx wrote) that there was a link between value and labor, Marx apparently did not find it necessary to bring more arguments that such a link exists. In *Contribution*, 275:1/o, Marx writes: Everybody understands more or less clearly that the relations of commodities as exchange-values are rather the relations of the persons to the productive activities of one another. Es schwebt allen mehr oder minder vor, daß das Verhältnis der Waren als Tauschwerte vielmehr Verhältnis der Personen zu ihrer wechselseitigen produktiven Tätigkeit ist.
This does not mean that the labor theory of value itself was part of common consciousness. But as long as the labor theory of value was the consensus view among economic theorists, the pre-scientific reflection that labor must matter for the exchange-values of the goods had become common sense. Marx would probably have made a more forceful defense of the link between labor and value had he foreseen that such a link would become deeply discredited.

Instead of spending many words on defending the labor theory of value, Marx builds on it. He emphasizes one aspect of it which the classical economists had ignored, namely, the quality of the labor which is reflected in value. The argument which follows next is Marx’s own; it cannot be found in the earlier versions of the labor theory of value in classical political economy.

However, the product of labor has already undergone a change in our hands.

French edition, p. 22:1: “Mais déjà le produit de travail lui-même est métamorphosé à notre insu.”

Fowkes: “Even the product of labor has already been transformed in our hands.” Moore-Aveling has an “itself” which is not in the German, but in the French.

The phrase “in our hands” makes it clear that Marx is not yet talking about quality of
the labor in production, but still about the products of labor on the surface. Of course, these products themselves are not changed because the surface activity makes abstraction of their use-values. The change Marx is talking about here is one between the products of labor as seen by the surface agents, and the signals which the handling of these products on the surface sends to the private producers. But instead of saying: if abstraction is made from this and this on the market, then only that and that remains visible to the producers who take their cues from the market, Marx uses the metaphor of us, the readers, picking up the product with our hands and looking at it with a look that abstracts from its use-value, and the product itself changing because we look at it (as if our abstract glare had set it on fire).

⇓ The next several sentences explain therefore how the product of labor changes, one might say mutates before our very eyes, as soon as we make abstraction from its use-value. Marx proceeds slowly and thoroughly, first going from the use-value of the product of labor to its bodily forms:

If we abstract from the use-value of the product of labor, then we abstract at the same time from the bodily constituents and forms that make it a use-value.
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↑ If the handling of the products of labor by the commodity traders makes abstraction of their use-values (this is a relationship between the commodity and its owner handling it on the surface) then this means for the products of labor themselves that their bodily shapes and components have become irrelevant (this is the implication of this relationship for the commodity itself). The switch from the use-value to the bodily character of the thing seems pedantic—after all, in 126:1 Marx had obtained permission to ignore this distinction—but here it is necessary because it is a switch from the perspective of the consumers, who look at the commodities as use-values, to the perspective of the producers, for whom the commodities are things with certain bodily properties which the production process has to bestow on them.

It is no longer a table, a house, yarn, or any other useful thing. All its sensual properties are extinguished.

↑ The “it” in this last sentence is the product of labor. Of course, it is still relevant that the thing has some use-value. (But if it has any use-value, the argument is that it can, by exchange, be converted into any other use-value. At the present stage in his derivation Marx does not yet talk about the mechanisms which bring supply and demand in line, but
assumes instead that every use-value is needed.) Next, Marx discusses the implications for production: the abstraction from the bodily shapes and components of the product of labor makes the kind of labor irrelevant whose product it is:

It is therefore no longer the product of carpentry, masonry, spinning, or any other specific kind of productive labor.

Es ist auch nicht länger das Produkt der Tischlerarbeit oder der Bauarbeit oder der Spinnarbeit oder sonst einer bestimmten produktiven Arbeit.

To avoid confusion, the translation stayed away from any composites which have “labor” in them. The choice of labors parallels the sentence before last: “It is no longer a table, a house, yarn.”

Although the question on the table is still: “how did the products of labor change in our hands?” the next long sentence no longer discuss the products of labor but the labor whose products they are. Along with the changes in the products of labor, the labor itself changes as well. This is an extension of Marx’s original metaphor: our abstract glare not only sets the products on fire but also retroactively modifies the labor which produced the products. This extension of the metaphor signifies an extension of Marx’s field of vision: he no longer
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limits himself to looking at the signals which the market sends to the producers, but he also
looks at the producers’ reactions to these signals. If they see that all commodities on the
market are treated as equals, regardless of the bodily shapes and components of these things,
the producers’ reaction must be that they themselves disregard the differences between the
labors producing these different useful things.

Along with the useful characteristics of the
products of labor, the useful characteristics
of the various kinds of labor represented in
them disappear.

⇑ This only tells us what is erased by this abstraction, i.e., it tells us which aspects of
labor do not contribute to the value of the product. ⇘ But what remains? The assumption
is here that something must remain. Exchange relations on the surface are real, they have
causal powers. This causal power cannot come from nothing, there must be some real thing
at the bottom of it. The reduction of the exchange relations on the surface to one common
substance is not merely a way of thinking about these relations, but this common substance
itself is real. It is real, but it is not a physical aspect of the bodies of the commodities.
Instead, it is a physical aspect of the production process of the commodities—an aspect so
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tangible that everybody has first-hand experience of it whenever they work.

To prepare the answer to the question what this tangible (and often smelly) aspect of production is, Marx observes that the useful character of labor is not only what makes it productive of useful things, but it is also that aspect of labor which differentiates one kind of labor from another.

Therefore, also the different concrete forms of these labors disappear.

And since we are not making abstraction of labor altogether, but only of the kind of bodily properties this labor imparts on the product, that which is erased by this abstraction is exactly the differences between these different labors, therefore what remains must be something that deserves the name “equal human labor.”

They no longer differ from each other, but are altogether reduced to equal human labor, human labor in the abstract.

Let us take stock again where we are. If the exchange relations on the surface abstract from the useful qualities of the products of labor, this has an impact on the private producers,
who observe the market relations for their production decisions. It does not lead them to abstract from labor altogether, but it leads them to abstract from the characteristics which differentiate the different labors from each other. In other words, they are led to treat all labors as equal, as one homogeneous mass.

But it is possible for them to do this consistently and successfully only if the labors are indeed a homogeneous mass. The background assumption is here again that the system as a whole fits together, that the surface relations would have modified or discarded if they did not fit together with the underlying production relations. The question arises therefore: what do all the different activities which we call “labor” have in common? Language already anticipates that they have something in common since we are using the same word “labor” for them. (Marx remarks on this in the Introduction to Grundrisse, [mecw28]40:2/o.) At the present point, Marx does not answer this question other than by giving a name to that which is common to all labers. Marx calls it “human labor in the abstract,” which means, labor “indifferent towards the particular form of labor” (Contribution, 271:1).

The paragraph ends a little abruptly here, leaving the reader wondering to what extent all these labors are indeed equal. Marx returns now from the short digression about what happens to the labor itself to his earlier, still unanswered question, namely, what happens to the
product of labor if one abstracts from its use-value. Interspersed in this further development, however, is a brief remark that is relevant for the digression about labor: In the middle of this next step in the derivation, at 128:3, Marx says that all labors are expenditures of human labor-power. This is, in a nutshell, what the labors themselves have in common. The presentation of the French edition of Capital is improved. In French, the term “labor-power” is introduced already at the end of this paragraph here, p. 22:1, where it belongs, with the words:

Only the common character of these labors remains: they are reduced to equal human labor, to an expenditure of human labor-power without consideration of the particular form in which it was spent.

In the French edition, therefore, the brief digression about the character of commodity-producing labor has a more satisfactory conclusion—while in the German and English editions this digression ends before the last step is made, this last step being supplied a little later as a side remark in the further development.

If Marx therefore inferred earlier that the ubiquitous exchanges on the surface must be
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guiding a production structure which keeps track of something equal in the commodities, and that this common substance cannot have anything to do with their use-values, he argues now that this substance must have to do with labor, but it cannot be *useful* labor but must be labor as expenditure of human labor-power.

This explanation of the quality of abstract labor as the expenditure of human labor-power is the deepest insight about value so far, but it is not the end of the current train in Marx’s argument. The next paragraph returns to the original question and tells us how the *product of labor* has changed. (Later, in 142:2, Marx underlines the necessity of this additional step from abstract labor to congealed abstract labor.)

128:3 Let us consider now what remains of the products of labor. Nothing has remained of them except the same ghostlike material, …

This is finally the answer to the question how the products of labor have been mutated in our hands. As exchange-values, the products of labor only count as the ghosts of the labor-power which was consumed during their production. Section 3, 138:2/o, picks up from here and shows that these ghosts will not rest until they find reincarnation in money,
the second form which the commodity needs besides its natural form. And just as a ghost consists of matter which is not of this world—it can be seen but it interpenetrates with earthly matter—so do commodities, as values, consist of a non-physical yet material-like substance which Marx, literally, calls “value materiality” (Wertgegenständlichkeit). The definition of “materiality” (Gegenständlichkeit) as opposed to “material” (Gegenstand) is here: something which is like an object without being an object itself—just as the appellation “your royal highness” (königliche Hoheit) denotes someone who is high without sitting on a mountain. The most precise translation would therefore be “value quasi-material,” but I think in the final draft of these Annotations I will simply call it “value material.” I haven’t decided yet, and presently I am using sometimes “value material,” sometimes “value materiality.”

In the first edition of Capital, 30:1, Marx says

In order to grasp linen as the material expression of mere human labor, one must disregard everything that actually makes it an object. The materiality of human labor that is itself abstract, lacking further quality and content, is, of necessity, an abstract materi-
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ality, a thing made of thought. Thus, cloth woven from flax becomes a phantom spun by the brain.

According to the editors of MEGA in [Mar87a, p. 23*], this colorful formulation raised doubts whether Marx’s analysis was indeed materialist; therefore the later editions of Capital express the same idea in more muted terms:

... a mere congelation of undifferentiated human labor, i.e., of the expenditure of labor-power without regard to the form of its expenditure.

The metaphor “congelation” is significant. A congelation is an immobilized, frozen liquid. This metaphor indicates that the abstract labor spent in producing the commodity is still present as labor. In this respect, the abstract labor differs from the useful labor producing the commodity, which no longer exists as labor, but is objectified in the use-value of the commodity. Here are more details about this:

• The commodity as use-value is produced in a process in which the useful labor is used up. After the production process is finished, the useful labor no longer exists as
labor but is sublated (*aufgehoben*) in its result (Marx uses the terminology that it is now *objectified* labor). In chapter Seven, p. 289:2, Marx gives an example where this process of sublation is incomplete: an inept laborer will remind the user of himself every time the product is used, by the flaws in the product. But the skillful laborer disappears behind the product.

- As value, however, the labor itself lingers on, it is accumulated in the commodity. It is what makes the commodity exchangeable. Marx calls it sometimes “crystallized,” sometimes “congealed.” This terminology indicates that the labor is no longer liquid, but it has also not disappeared into its product, it still exists as labor. The laborer who produced this product still remembers his labor and keeps track of it, because he needs the product as proof that he or she has performed this labor and is therefore entitled to the products of the labors of others. One can get this labor back out of the commodity and convert it into the congelation of a different kind of labor, by exchanging the commodity for some other commodity.

The fact that the abstract labor lives on in the commodity as labor is spelled out most clearly in Marx’s draft manuscript for the second edition of *Capital*, published in [Mar87a,
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p. 32:4]:
What remains is a merely phantastic objectivity—objectivity of abstract human labor, *objective form* of abstract human labor, i.e., human labor, in a congealed state rather than a liquid state, in a state of rest rather than a state of motion.

But let us return to the text of the fourth edition:
These things represent nothing but that in their production human labor-power has been expended, human labor has been accumulated.

Marx does not write here: “the commodity embodies the labor” but “the commodity represents the labor.” Compare 296:3/o. In other words, the commodity still vividly remembers that the expenditure of human labor was necessary to produce it, and it walks around telling everybody, “I am the product of social abstract labor.” However the commodities say it in
the only language they are capable of, by their exchange relations (compare 143:3/o).

As crystals of this social substance which they have all in common they are values—
commodity values.

Two explanations are necessary here.

(1) In the above sentence, abstract labor is called a “social” substance, although from the development so far it would rather seem that it is a physiological substance. The social character of abstract human labor will be thematized in the next step of Marx’s discussion, in 129:2.

(2) Marx does not say that commodities have value, but that they are values “as crystals of abstract human labor.” On many future occasions, for instance in 134:2, Marx says that “as values,” the commodities are crystals of abstract labor, or that in a commodity producing society, individuals treat their products “as values.” Here is an attempt to explain this terminology. Value is a social relation. The typical social relation dictates that specific individuals must have certain kinds of interactions. The social relation “value” has a different implication for individual activity: everybody in society is compelled to act as if commodities, besides their physical body, also had some invisible material-like substance inside them,
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which is equal for all commodities (evidenced, for instance, by the price of the commodity). Value is therefore an object-like social relation, i.e., it has two contradictory aspects: on the one hand it is a social relation, on the other it is an object. If Marx speaks of it under the aspect of it being an object, he calls it “value materiality.”

Marx is not satisfied with saying: “two commodities are exchangeable because both labors producing them are the expenditures of human labor-power.” Instead he says: commodities are exchangeable because they are the congelations of abstract human labor. I.e., he derives that what the commodities do from what the commodities are. This is an important additional step. Value is real. A price tag can be as effective as a brick wall in preventing access. People can, so to say, bump their heads against price tags. They can starve because of them. A price tag must therefore be the expression of something, a nothing cannot be so powerful. This something is abstract human labor, a real aspect of every labor process.

Since the concept of value was introduced in the above paragraph, it should be noted that Marx uses the word “value” in a very specific meaning. It does not refer to a “worth” or “relevance” of something to an individual, that can be defined in any society. It is that social property which makes things exchangeable in a commodity society. If in other societies certain things are generally highly “valued” (in the usual broad understanding of the concept),
but they are not available for sale, Marx would not assign value to them. “Value,” as Marx is using this word, is not derived from worth, but from abstract social labor, and also does not express worth. Perhaps it is better to disregard the fact that Marx uses the word “value” for it, he might as well have used the acronym “CAL,” for “congealed abstract labor.” In other words, prices, for Marx, do not express intrinsic worth. On the contrary, the measurement of everything by abstract labor distorts society’s priorities. This central point of Marx’s theory is often misunderstood.

### 1.1.d. [The Quantity of Value and Individual Differences]

Section 1.1.d (which is the last part of section 1.1) and section 1.2 investigate value independently of its form. The difference between section 1.1.d and section 1.2 is that section 1.1.d discusses commodities of one kind, the quantity of value, and individual differences in skills and dexterity of the workers producing the same kind of product, while section 1.2 discusses commodities which are the products of different kinds of labor, the quality of value, and the reduction of all labors to simple labor.

We are at a turning point in our investigation. Until now we have dug deeper and deeper
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into the hidden structures underlying the exchange of commodities, in order to lay bare the value of a commodity and the substance of which value consists, namely, abstract human labor. From now on, the investigation is focused on value itself, not merely as that which explains the exchange-value, but in its own right. This new beginning is marked by a short summary.

This summary is not present in the first edition or the French edition.

128:4 In the exchange relation of the commodities themselves . . .

↑ Marx writes “of the commodities themselves” to emphasize that we are looking at the exchange relation as a social relation involving the commodities, independent of the goals or preferences of their owners. ↓ Use-values are a relevant factor in the exchange decisions of the individuals trading commodities. But the relations which the many individual exchange decisions establish and maintain between the commodities are independent of their use-values:

. . . their exchange-value appeared to us as . . . erschien uns ihr Tauschwert als etwas von
something quite independent from their use-values.

↑ “Appeared to us” is in the past tense because Marx refers here to his discussion in 127:4–128:1. ↓ The independence of the exchange-values from use-values is a message which the surface activity not only sends to us, the observer, but this same message is also transmitted to the private producers. This message must be congruent with the relations in which the private producers stand (even though they are not necessarily aware of these relations). I.e., the abstraction which is made on the surface (and which the observer of the surface also makes in his mind) must be paralleled by an abstraction in the sphere of production.

Now if one really abstracts from the use-values of the products of labor, one obtains their value, as it was just determined.

↑ This is a reference to and shorthand summary of the development in the two immediately preceding paragraphs, from the abstraction from use-values implied in the exchange relation in 128:2 to the homogeneous character of the “abstract human labor” represented in the value of the commodities in 128:3. Marx writes here “value, as it was just determined” (my emphasis) because “value” is no longer a placeholder word for that which underlies...
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exchange-value, as the word was used in the first edition in 19:4, but we know now what value is, it is congealed abstract labor.

The common substance which is represented in the exchange relation or exchange-value of the commodities is therefore their value.

We have thus answered the question posed at the end of 127:3: what is the substance inside the commodities of which exchange-value is the form of appearance?

As our investigation proceeds, it will take us back to the exchange-value as the necessary mode of expression or form of appearance of value. For the present, however, we have to consider value independently of this form.

Marx refers here to section 1.3, where we will start with our knowledge of the substance of value and see that the exchange relationships of the commodities are the necessary forms in which value expresses itself, and through which the value relations in production are
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governed. But right now we are going to discuss quantity and quality of value, not its form. Value is not just a mental construct necessary to explain exchange-value, but value itself is real and can be investigated independently of exchange-value. The remainder of section 1.1 focuses on the quantity of value (and on the changes in this quantity), while section 1.2 takes another detailed look at its quality.

129:1 We saw that a useful article has commodity value only because human labor in the abstract is objectified or materialized in it.

Fowkes translates it as “A use-value, or useful article, therefore has value only because...” Some readers may think here that “having value” in this sentence means to be ethically valuable, and others my think that “value” is a short form for “use-value.” In the German, such confusion is warded off by the colloquial use of the indefinite article “einen Wert.” In the translation, I tried to preclude this same confusion by suppressing the formulation “use-value” altogether and writing “commodity value” instead of “value.”

⇑ Marx is no longer speaking about exchange-value here, but about value. Value manifests itself in exchange-value, i.e., it has real effects. Therefore it must itself be real. The
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formulation \(\uparrow\) reminds us that value is created in a real process, the production process, by the expenditure of human labor-power. After the end of the production process, when the labor-power has been spent and the labor itself is a thing of the past, value still exists. The labor is not only (qua concrete labor) objectified in the product (meaning that it no longer exists as labor), but also, qua abstract labor, accumulated in the product and therefore still present as albeit congealed labor. This congealed abstract labor is real, and therefore is of interest in its own right. We will see that the exchange-value of the commodities is not its only effect; it has other effects as well. \(\downarrow\) It is therefore logical to ask about the magnitude of value.

How, then, to measure the magnitude of this value?

The answer to the question about quantity of value will not given in one shot, but it will be developed step by step. The first step seems obvious:

By the amount of the value-constituting substance, i.e. labor, contained in the article.

A useful article can exchange itself for other articles on the market because its production used up part of society’s pool of abstract labor, just like that of the other goods on the market
did. The question of the magnitude of value, i.e., the question of how much of this pool of abstract labor is represented by a given commodity, is decided by how much living labor was used in the production of this commodity.

Marx means here not only the direct labor content (labor input in the last production process making this specific commodity), but the total labor that went into the product and into the materials of which the product consists, and also a pro-rated portion of the labor needed to produce the machinery and buildings. This may complicate things in practice, but the principle seems simple enough: one just has to go into the factory with a stop watch.

The quantity of labor, again, is measured by its duration, the labor-time, which finds its standard of measurement in well-defined pieces of time like hour, day, etc.

In the previous sentence, Marx had said: the magnitude of value is measured by the Quantum of the labor contained in it. Now he says: the Quantität of labor itself is measured by its duration. Both Quantum and Quantität are usually translated as quantity. The difference is subtle: a Quantum of something is that thing, considered from its quantitative aspect (one might translate it as “amount”), while the quantity of the thing is this quantitative aspect itself.
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This seems to be an obvious and straightforward prescription. Nevertheless it leads to absurd results:

129:2 It might seem that if the value of a commodity is determined by the amount of labor spent in its production, the more lazy and inept the laborer, the more valuable his commodity would be, because more time would be required in its production.

53:3 Es könnte scheinen, daß, wenn der Wert einer Ware durch das während ihrer Produktion verausgabte Arbeitsquantum bestimmt ist, je fauler oder ungeschickter ein Mann, desto wertvoller seine Ware, weil er desto mehr Zeit zu ihrer Verfertigung braucht.

“It might seem that” is a better translation than: “some people might think that.” Also Value, Price, and Profit has: it might seem that. It is not a subjective matter, not a matter of the individual stupidity of the person thinking that.

Once again we ended up in an impasse. Let us recapitulate the argument, in order to see how we got here. We observed that commodities, on the market, were treated as equals. Since they are not equal as physical objects, their only commonality being that they are products of labor, this equality must be the surface echo of the fact that in production, the labors producing these commodities count as equal. However the producers can only then
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successfully and enduringly treat the different labors as equal if there is something actually equal in them. We found such a thing: the actual equality of all labor processes consists in all labor being the expenditure of human labor-power.

But when we tried to use this insight to determine the quantity of value, we ran into the paradox of the lazy or unskillful laborer. What did we overlook? We committed the error of reductionism, i.e., we tried to explain a social relation by a physiological fact. The physiological equality of all labor is the material basis, the *condition*, for the social relation of abstract labor, but it is not that social relation itself. In other words, the fact that all labors are the expenditure of human labor makes it *possible* for society to treat all labors as equal, but is by itself not yet this equalization. This equalization can only be achieved through a social act. Until now, human labor in the abstract had been introduced simply as the expenditure of human labor-power, without a social element. The lazy worker reminds us that abstract labor is indeed social. If one goes into the factory with a stopwatch and measures the actual labor time used to produce specific articles, one can therefore not expect to be measuring the magnitude of value of these products.

By the way, in *Contribution*, 273:1, this same argument is made with much less fanfare. Although the discussion of the social aspect of value-producing labor comes right after it,
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it is not triggered by an impasse as it is here in *Capital*. If we look at the first edition, the argument until this point is identical to 20:2.

\[\downarrow\] The resolution of the impasse is therefore the reminder that the substance of value is equal human labor. Marx had already said in 128:2 that the substance of value is made up of “equal human labor, human labor in the abstract,” but until now he had not drawn attention to it that the little word “equal” hides a social relation. Now is a good opportunity to make this point, because it is obvious to the reader that the labor of the slow worker produces less value per hour than that of the fast worker.

The labor, however, which constitutes the substance of value is equal human labor, expenditure of the same human labor-power. 

Die Arbeit jedoch, welche die Substanz der Werte bildet, ist gleiche menschliche Arbeit, V erausgabung derselben menschlichen Arbeitskraft.

\[\uparrow\] It is easy to feel misled or entrapped here. First Marx lulls the reader into forgetting that he is not talking about concrete labor because he uses the word “labor” several times without the attribute “abstract” or “equal.” Then he makes a big fuss about it that he has arrived at an absurd result. Why didn’t he formulate the question right from the beginning, which would have prevented the paradox of the lazy worker from cropping up?
On the one hand, this paradox is a convincing reminder that equal labor is a social determination, equality is a relation between different labors.

On the other hand, just as the above theoretical development ran into the dilemma of the lazy worker, every commodity producer runs into this same dilemma in his or her daily practical activity. Commodity producers themselves do not know either how much value their commodity has, all they know is how much time their concrete labor takes. Nevertheless, their production decisions will ultimately lead to the outcome that exchange-values are governed by abstract social labor. The step from the concrete labor-time to the magnitude of value, which Marx brings now in his abstract derivation, must be made by them in their practical activity. Marx is aware of this connection, since he says in 167:1/0, that the quantitative movements of the exchange proportions force the producers to actually equalize their labors.

The sentence we just read is the very next sentence after Marx makes the social character of equal labor drastically clear by the paradox of the lazy worker. Nevertheless, Marx immediately tries to get away from this social character again. In the above sentence, the transition from labor to labor-power is accompanied by a transition from equal to same. The labors are *equal* to each other because they are expenditures of one and the *same* human labor-power.
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Being expenditures of one and the same human labor-power explains why they are equal to each other—and now we no longer have to deal with the social relation of equality but with the glob of human labor-power from which these labors are derived. We reduced the relation to a substance, similar again to the polygon metaphor in 127:3.

But if we look at this substance, we notice that this glob of human labor-power is composed of many individual labor-powers:

The total labor-power of society, which is represented in the values of the commodities produced by that society, counts here as one and the same human labor-power, although it is composed of innumerable individual labor-powers.

In Contribution, the social character of abstract labor was thematized much earlier. Already during the introduction of abstract labor, in 271:1, Marx said that value-producing labor was not only abstract but also general, i.e., transcended the individuality of the producers. In Capital, this reference to general labor was dropped or at least hidden in the word “equal.” Why did Marx wait until now to explicitly address the social dimension of abstract
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labor, where the failure to do so hit him in the face with the paradox of the lazy worker?

One might answer this question on merely stylistic terms: as long as he could wait until now, as long as his earlier derivation could proceed without mentioning that abstract human labor is really something social, it was the right thing not to mention it. Marx tries to make his derivation immanent; he follows the inner development of the already found determinations and does not take in new facts or new ideas until this immanent development requires it. This is more than a matter of style.

The next question is therefore: how are the individual labor-powers, which have individual differences between them, combined to form this overall body which constitutes society’s aggregate labor-power? Each makes its contribution to the whole only to the extent that it conforms to the social average.

Each of these individual labor-powers is the same human labor-power as any other, to the extent that it has the character of the average labor-power of society and takes effect as such, and therefore requires, for producing a commodity, no more labor-time than...
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is necessary on an average, no more than is socially necessary.

↑ In this passage, the word “average labor-power” is used twice. What is an average labor-power? In its modern definition, the word “average” denotes the arithmetic mean of all actual labor processes. Such an approach to the computation of socially necessary labor-time was taken in [Fla83]. Although this is acceptable for a simplified mathematical model, it should not be taken literally. Marx’s concept of “average” does not specify whether the median or the arithmetic mean or some other formula is meant. Mathematical formulas know nothing about the specific circumstances. It would be magic if one existed that could tell what the socially normal level is in every concrete circumstance. The question which labor process is socially necessary must be decided on a case-by-case basis. The fact that Marx wrote “necessary on the average” and not “needed on the average” is consistent with this interpretation that “average” is not an empirical category.

↓ In order to determine when a given production method is socially necessary, Marx looks at two things: the labor-power used (skill and intensity) and technology. The labor-time socially necessary is that re-...
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required to produce an article under the prevailing socially normal conditions of production and with the socially average degree of skill and intensity.

Arbeitszeit, erheischt, um irgendeinen Gebrauchswert mit den vorhandenen gesellschaftlich-normalen Produktionsbedingungen und dem gesellschaftlichen Durchschnittsgrad von Geschick und Intensität der Arbeit darzustellen.

↑ In 303:1 Marx clarifies that the skill-level of the laborer and the intensity of the labor must be that which is normal for the branch of production in question.

Labor-power and technology enter the concept of socially necessary labor-time as follows:

• Regarding labor-power, different labor-powers are not exactly equal; and not every individual has the same talents, skills, or is putting in the same effort, but it is well known what the average is because most labor-powers are average. The reduction of a given labor-power to this average labor-power is made by the speed of the output (i.e., a labor-power that produces twice as fast as the average also produces twice the value).

• Regarding technology, that production method is the socially normal one which is
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prevalent and/or up to date. It is an abstraction from individual circumstances of production as well as from production methods which deviate from the norm. This notion of “necessary” is compatible with the fact that in an economy in which innovations are constantly made, some of the productive resources are of necessity always outdated.

Socially necessary labor-time is therefore a well-defined concept, but as the word already indicates, it is not identical to the labor-time actually used. The following example illustrates this difference:

The introduction of power looms into England probably reduced by one half the labor required to weave a given amount of yarn into cloth. The English hand-loom weavers, as a matter of fact, continued to require the same time as before; but after the change, the product of one hour of their individual labor represented only half an hour’s social labor, and consequently fell to one-half its former value.

Nach der Einführung des Dampfwebstuhls in England z.B. genügte vielleicht halb so viel Arbeit als vorher, um ein gegebenes Quantum Garn in Gewebe zu verwandeln. Der englische Handweben brauchte zu dieser Verwandlung in der Tat nach wie vor dieselbe Arbeitszeit, aber das Produkt seiner individuellen Arbeitsstunde stellte jetzt nur noch eine halbe gesellschaftliche Arbeitsstunde dar und fiel daher auf die Hälfte seines früheren Werts.
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In this example, the socially necessary labor-time is not the average of the old and new production methods, but the labor-time required by the new method. Why? Because power loom weaving is not only much cheaper production but also production on a much larger scale, so that hand weavers simply cannot coexist. In the Machinery chapter, p. 557:1/oo, Marx elaborates on this example in a way which makes the brutality of the reign of socially necessary labor-time much more explicit.

Now Marx summarizes his findings:

129:3/0 That which determines the magnitude of the value of any article is therefore only the amount of socially necessary labor, or the labor-time socially necessary for its production.⁹

The footnote cites an early source which expresses this concept of socially necessary labor very clearly.

⁹ “The value of them (the necessaries of life), when they are exchanged the one for another, is regulated by the quantity of labor necessarily re-

54:1 Es ist also nur das Quantum gesellschaftlich notwendiger Arbeit, oder die zur Herstellung eines Gebrauchswerts gesellschaftlich notwendige Arbeitszeit, welche seine Wertgröße bestimmt.⁹

⁹ „Der Wert von Gebrauchsgegenständen, sobald sie gegeneinander ausgetauscht werden, ist bestimmt durch das Quantum der zu ihrer Pro-
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required, and commonly taken in producing them.” [Ano39, p. 36] This remarkable anonymous work written in the eighteenth century bears no date. Its content makes it clear, however, that it appeared in the reign of George II about 1739 or 1740.

At the level of chapter One, which discusses commodity production in general, not yet capitalism, socially necessary labor is the measuring stick of the extent to which individual labor creates value. Under capitalism this measuring stick becomes a real limit:

The capitalist sees to it that he (the worker) . . . only uses as much labor-time as is necessary in the average for the production of the product. (Results 1010:1/0, related also 1020:3).

A worker who is slower than the others will not find a job in capitalism.

After his discussion of socially necessary labor-time, Marx gives an alternative, quite different argument why the labor necessary under normal circumstances determines the value of a product, and not the actual labor used.
The individual commodity counts here generally as an average sample of its kind.\(^{10}\) Marx writes “here generally” (*hier überhaupt*), because this is true not only with respect to labor-time, but also with respect to the commodities’ use-value, etc. See e.g. 200:4/o and 317:4/o. This same argument can also be found in the literature:

\(^{10}\) “All products of the same kind in fact form only one mass, the price of which is determined generally and without regard of the particular circumstances.” Le Trosne, [LT46, p. 893]

This alternative argument is very brief, but easily elaborated. Even if the socially necessary labor-time is not actually contained in a particular article for sale, it usually is contained in the majority of other articles which have the same use-value. And as long as the use-values are identical, the buyers will not pay a higher price for one than for the other. An exceptionally slow worker must therefore compete with identical articles made by average laborers, therefore he cannot fetch a better price than they.

Isn’t this a much clearer and more convincing argument than the earlier abstract reasoning about socially necessary labor-time? Why didn’t Marx make this the centerpiece of his
discussion? Answer: because this alternative argument stays entirely on the surface of the economy, in the competition between the different goods brought to the market. This is an argument about the signals sent down to the core by the surface interaction between the commodity traders, and not about the structure of the core itself. Marx remarks on it explicitly as an aside in chapter Fourteen, 464:1/o, that here the extraneous competitive interactions force the producers to adhere strictly to the law of the socially necessary labor-time.

464:1/o In the production of commodities generally, the labor-time expended on a commodity must not exceed that which is socially necessary for its production. This takes the form of an external compulsion by competition, since, in the surface interactions, each individual producer is obliged to sell his commodity at its market-price.

Marx stresses on various places throughout his economic writings that competition, i.e., the interaction of the economic agents on the surface, *enforces* the laws of “capital in gen-

365:1/o Daß auf eine Ware nur die zu ihrer Herstellung gesellschaftlich notwendige Arbeitszeit verwandt wird, erscheint bei der Warenproduktion überhaupt als äußerer Zwang der Konkurrenz, weil, oberflächlich ausgedrückt, jeder einzelne Produzent die Ware zu ihrem Marktpreis verkaufen muß.
eral,” but these laws cannot be derived from competition. Rather they must be derived from an analysis of the economic core structure itself, from what Marx calls the “immanent laws of capitalist production” or the “inner nature of capital.” Compare 433:1.

Next, Marx summarizes the results of his derivation:

Commodities, therefore, in which equal amounts of labor are embodied, or which can be produced with the same labor-time, have the same magnitude of value. The value of one commodity is to the value of any other, as the labor-time necessary for the production of the one is to that necessary for the production of the other. “As values, all commodities are only greater or smaller amounts of congealed labor-time.”

\[ K. \text{ Marx, l.c., p. 6} \]

This last sentence is a literal quote from Contribution 271:2/o, with the only difference that Contribution wrote “exchange-value” instead of “values.”
1. The Commodity

After this determination of the magnitude of value, Marx discusses now circumstances under which this magnitude changes:

130:1/o The value of a commodity remains constant as long as the labor-time required for its production also remains constant. But the latter changes with every variation in the productive power of labor. The productive power of labor is determined by many different circumstances, such as the workers’ average degree of skill, the level of development of science and of its technological applicability, the social organization of the production process, the extent and effectiveness of the means of production, the conditions found in the natural environment, and others.


With so many factors affecting the value of a commodity, one should not expect it to be
constant for long. Agriculture is a notorious example:

For example, the same quantity of labor is present in eight bushels of wheat in favorable seasons and in only four bushels in unfavorable seasons.

In a second example, Marx discusses the value of raw materials:

The same quantity of labor provides more metal in rich mines than in poor. Diamonds are of very rare occurrence on the earth’s surface, and hence their discovery requires on an average a great deal of labor-time. Consequently they represent much labor in a small volume.

According to a naive neoclassical approach, natural scarcity affects the price in the following way: supply is limited, and therefore a high price is necessary to keep demand in line with supply. Marx postulates a different mechanism: due to the natural scarcity of the materials, a lot of labor is needed to extract the materials, and the high price is a reflection
of this quantity of labor.

Next Marx gives empirical evidence which seems to contradict his own thesis: namely, that market prices of scarce materials are below their labor content. The “Jacob” he refers to here is [Jac31, Vol. 2, p. 101].

*Jacob* questions whether gold has ever been paid for at its full value. This applies still more to diamonds. According to *Eschwege*, the total product of the Brazilian diamond mines for the eighty years ending in 1823 still did not amount to the price of 1 1/2 years’ average product of the sugar and coffee plantations of the same country, although the diamonds represented much more labor, therefore more value.

*Jacob* bezweifelt, daß Gold jemals seinen vollen Wert bezahlt hat. Noch mehr gilt dies vom Diamant. Nach *Eschwege* hatte 1823 die achtzigjährige Gesamtausbeute der brasilischen Diamantgruben noch nicht den Preis des 1 1/2jährigen Durchschnittsprodukts der brasilischen Zucker- oder Kaffeepflanzungen erreicht, obgleich sie viel mehr Arbeit darstellte, also mehr Wert.

Marx does not explain why there is a discrepancy between labor content and market price. Like all laws, the law that the magnitude of value is set by the quantity of labor is only a tendencial law, whose effect may be modified or blocked by other effects. This itself is
1.1. Use-Value and Value

nothing remarkable. But it is relevant that in this case prices are below instead of above labor content. If scarcity were to affect prices directly, i.e., through deficient supply, rather than through labor content, then one should expect prices of scarce materials to be above their values. In his “Notes to Wagner” [mecw24]536:8/o, Marx discusses situations in which a commodity is scarce, in which case, he says, their prices are above values. Since in the present situation prices are below their values determined by their labor content, scarcity cannot have been the reason for these prices.

At the end, Marx returns from the discussion of raw materials to the discussion of technical change in general. Diamonds lend themselves well to this transition, since industrial production of diamonds is thinkable.

With richer mines, the same quantity of labor would represent itself in more diamonds, and their value would fall. If man succeeded, without much labor, in transforming carbon into diamonds, their value might fall below that of bricks.

Technological progress induces a discrepancy, even a contradiction between value and
1. The Commodity

real wealth:
In general, the greater the productive power of labor, the less the labor-time required to produce an article, the lower the mass of labor crystallized in that article, and the lower its value. Inversely, the lower the productive power of labour, the greater the labor-time necessary to produce an article, and the greater its value. The value of a commodity, therefore, varies directly as the quantity, and inversely as the productive power, of the labor which comes to fruition in the commodity.

With changes of productive powers of labor, the relationship between the use-value and the value of a commodity changes. It is therefore fitting that this section concludes with some more general remarks about the relationship between use-value and exchange-value.
1.1. Use-Value and Value

131:1 A thing can be a use-value without being a value. This is the case whenever labor is not necessary to mediate its utility to man. Air, virgin soil, natural meadows, unplanted forests, etc. A thing can be useful, and a product of human labor, without being a commodity. He who satisfies his own need with the product of his own labor creates use-values, but not commodities. In order to produce the latter, he must not only produce use-values, but use-values for others, social use-values. {And not merely for others. The medieval peasant produced a grain-rent for the feudal lord and a grain-tithe for the priest; but neither the grain-rent nor the grain-tithe became commodities simply by being produced for others. In

55:1 Ein Ding kann Gebrauchswert sein, ohne Wert zu sein. Es ist dies der Fall, wenn sein Nutzen für den Menschen nicht durch Arbeit vermittelt ist. So Luft, jungfräulicher Boden, natürliche Wiesen, wildwachsendes Holz usw. Ein Ding kann nützlich und Produkt menschlicher Arbeit sein, ohne Ware zu sein. Wer durch sein Produkt sein eigenes Bedürfnis befriedigt, schafft zwar Gebrauchswert, aber nicht Ware. Um Ware zu produzieren, muß er nicht nur Gebrauchswert produzieren, sondern Gebrauchswert für andre, gesellschaftlichen Gebrauchswert. {Und nicht nur für andre schlechthin. Der mittelalterliche Bauer produzierte das Zinskorn für den Feudalherrn, das Zehntkorn für den Pfaffen. Aber weder Zinskorn noch Zehntkorn wur-
1. The Commodity

order to become a commodity, the product must be transferred to the other person, for whom it serves as a use-value, through the medium of exchange.\textsuperscript{11a} Finally, nothing can be a value without being an object of utility. If the thing is useless, so is the labor contained in it; the labor does not count as labor, and therefore does not create value.

Part of this passage was written by Engels:

\textsuperscript{11a} [Note by Engels to the fourth German edition:] I have inserted the passage between braces because, through its omission, the misconception has very frequently arisen that Marx regarded every product consumed by someone other than the producer a commodity.

\textsuperscript{11a} Note zur 4. Aufl.—Ich schiebe das Eingeklammerte ein, weil durch dessen Weglassung sehr häufig das Mißverständnis entstanden, jedes Produkt, das von einem andern als dem Produzenten konsumiert wird, gelte bei Marx als Ware.—F.E.

This remark about the relationship between use-value and exchange-value concludes sec-
1.1. Use-Value and Value

Here is a related passage from *Capital III*:

786:1 Use-value is the carrier of exchange-value, but not its cause. If the same use-value could be obtained without labor, it would have no exchange-value, yet it would retain, as before, the same natural usefulness as use-value. On the other hand, a thing cannot have exchange-value without having use-value, i.e., without being such a natural carrier of labor.

The second sentence in this excerpt argues that the use-value is not the cause of exchange-value, since there are use-values which are not exchange-values, and the third sentence argues that it is the carrier, because there are no exchange-values without a use-value.

In the first edition, the following paragraph follows now, which introduces the subject of section 1.2:

21:2 We know now the *substance* of...
1. The Commodity

value. It is labor. We know the measure of its magnitude: it is labor-time. Its form, which is what makes the value an exchange-value remains to be analyzed. But first, the determinations which we have already found must be developed a little more closely.

1.2. Double Character of the Labor Represented in Commodities

After an introductory paragraph, Marx first discusses labor producing use-value and then labor producing value. He looks at the latter both from qualitative and quantitative angles.

Originally, the commodity appeared to us as something two-edged, use-value and exchange-value.
1.2. Double Character of Labor

The original use of *zwieschlächtig* is *zwieschlächtiges Schwert* (two-edged sword), hence the translation “two-edged.”

Here is the Moore Aveling translation: “At first sight a commodity presented itself to us as a complex of two things—use-value and exchange-value.” It should not be called “a complex,” since the connection between the two does not strike the eye “at first sight”; at first sight, there is more likely to be a confusing muddle between the two. Use-value and exchange-value can also not be called “things,” “moments” or “edges” is more adequate. The words “moments” (as in angular moments) or “edges” (as in the two edges of a sword) imply that one cannot exist without the other (value cannot exist without use-value), while “things” has the connotation that both can exist separately.

⇑ This two-edged character of the commodity is quite obvious. Everybody handling commodities on the surface of the economy has to grapple with it. ⇩ But the following observation is not immediately obvious from surface experience:

Later on, it turned out that also the labor, so far as it finds expression in value, no longer possesses the same characteristics which belong to it as creator of use-values.

Später zeigte sich, daß auch die Arbeit, soweit sie im Wert ausgedrückt ist, nicht mehr dieselben Merkmale besitzt, die ihr als Erzeugerin von Gebrauchswerten zukommen.

⇑ A scientific analysis of the social relations underlying the market exchanges was necessary to unearth this changed character of labor. During his efforts to characterize the
1. The Commodity

common substance which the products of labor have as values, Marx had inserted a brief digression about the character of value-producing labor, which started at 128:2 and went to the end of that same paragraph. The present section looks in much more detail at this labor.

The earlier analysis showed that the exchange relations on the surface can be reduced to the values inside the commodities, and that these values are expressions of the labor used to produce the commodities.

The labor process must therefore accomplish two things at the same time. On the one hand, it produces the use-value of the commodity, and on the other it also creates its value. These two goals are not in harmony with each other, because they depend on different aspects of the labor process. The French version of this sentence, p. 25:1, expresses this disharmony more explicitly than the German:

Later on, we saw that all the characteristics which distinguish the labor producing use-values disappear as soon as the labor expresses itself in value.

⇓ The fact that the labor process has two conflicting goals is an important characteristic of capitalism:
I was the first to critically prove\textsuperscript{12} this twofold nature of the labor contained in commodities.\footnote{\textsuperscript{12}l.c., pp. 12, 13, and passim}

\[\text{\textsuperscript{12}l.c., p. 12, 13 und passim}\]

\[\uparrow\text{The reference in the footnote is \textit{Contribution}, p. 276:1–277.}\]

Marx considers this as one of the most important points in \textit{Capital}. In a letter to Engels dated August 24, 1867 he writes:

\[\text{[mecw42]407:3 The best in this book is, 1., (and this is what all understanding of the FACTS is based upon) the \textit{double character of labor}, according to whether it expresses itself in use-value or exchange-value, which I emphasize already in the first chapter.}\]

\[\text{[mew31]326:4 Das Beste an meinem Buch ist 1. (darauf beruht alles Verständnis der facts) der gleich im Ersten Kapitel hervorgehobne \textit{Doppelcharakter der Arbeit}, je nachdem sie sich in Gebrauchswert oder Tauschwert ausdrückt; \ldots}\]

Since this point is pivotal for an understanding of political economy, it will be explained here in more detail.
1. The Commodity

Right now it is impossible for the reader to verify whether this is the pivot or not. This will only become clear as the analysis unfolds, just as the appropriateness of the starting point can only become clear in the same way.

1.2.a. [A Closer Look at Useful Labor]

132:1 Let us take two commodities such as a coat and 10 yards of linen. Assume the former has double the value of the latter, so that, if 10 yards of linen = $W$, the coat = $2W$.

Marx begins with two arbitrary commodities with different use-values. In the right proportions they can be exchanged against each other. But for the discussion that follows it is not necessary that they have equal values; in the example the coat has twice the value of the linen. For the discussion of use-values it would not even be necessary to look at two commodities, one would be enough. And indeed, Marx focuses here on the coat:
1.2. Double Character of Labor

132:2 The coat is a use-value that satisfies a particular want.

(Of course, linen is a use-value too.)

To bring it into existence, a *specific sort of productive activity* is necessary, specified by its purpose, mode of operation, object, means, and result.

56:3 Der Rock ist ein Gebrauchswert, der ein besonderes Bedürfnis befriedigt.

Um ihn hervorzubringen, bedarf es einer *bestimmten Art produktiver Tätigkeit*. Sie ist bestimmt durch ihren Zweck, Operationsweise, Gegenstand, Mittel und Resultat.

The word that is translated with “bring into existence” is in German “Hervorbringen” (bring forward). “Bring forward” is the etymological meaning of “produce”: pro is forward, and ducere is to lead. This choice of words signals a transformational view of production: production is not the creation of something new, but it only “brings forward” what is already there.

↑ Coats do not grow on trees. They cannot exist without “productive activity.” The word “productive activity” refers to the purposeful and conscious activity which only humans can perform, see 283:2/o. Marx will discuss this activity in more detail in chapter Seven. At the present point, he only highlights those aspects of this activity which are different if the activity is seen as the production of use-values than if seen as the production of value. The
first point picked out by Marx is that for the production of use-value, each such productive activity must be very specific. It must satisfy certain conditions without which the desired use-value simply will not materialize. What is translated here with “specification” is in German the Hegelian “determination.” Marx brings five such determinations or specifications defining the labor process producing coats. The first is its purpose: “What do I want to get done?” The next question is then: “What kind of activity is necessary to achieve this?” Hence, “What to work on, and what to work with?” And finally, “Are my efforts yielding the desired result?” If not, the labor process must be modified until it does. In 295:4/o Marx reiterates that these are the aspects of human productive activity.

The rest of the paragraph defines the terminology. (a) Whenever we refer to labor under the aspect of the usefulness of its product, we call it “useful labor.”

The labor whose usefulness represents itself in the use-value of its product, or in the fact that its product is a use-value, will simply be called useful labor.

The phrase “labor whose usefulness represents itself in the use-value of its product” can be understood in two different ways:
1.2. Double Character of Labor

- labor is useful if it produces a product that has any use-value of whatever kind,
- labor is useful to the extent that the its product is useful.

In order to remove this ambiguity, Marx adds the clause “or in the fact that its product is a use-value,” in other words, the first meaning applies here. The term “useful labor” does therefore not involve a judgment about the use-value of the product. Even if the end product is useless or even destructive, the labor producing it is called “useful labor” as long as it manages to produce this end product. E.g., the labor producing nuclear weapons falls under the category of “useful labor” as defined here.

⇓ (b) Conversely, if we use the term “useful labor” we refer to its effect on the use-value of the product (and not to any other effects it may have on the worker etc.)

Whenever we call it such, we will consider it with respect to its useful effect.

Marx started with two commodities, coat and linen. Each has a very specific kind of labor in it. I.e., the labors needed to produce the different use-values are very different from each other.

132:3 Just as the use-values of coat and
1. *The Commodity*

Linen are *qualitatively different*, so also are the activities that mediate the useful properties of coat and linen, *tailoring* and *weaving*.

↑ Labor is called here the mediator, not the creator of the use-value, because the potential for use-values is contained in the physical qualities of the things.

A more literal translation of the sentence we just read would be:

Just as the coat and the linen are two *qualitatively different* use-values, so also are the activities that mediate their determinate being, *tailoring* and *weaving*.

The term “determinate being” is a translation of the German “*Dasein*”—an often-used colloquial term which was given a philosophical meaning by Hegel. The determinate being of something is a form of existence in which certain inner traits of that thing (here: those relevant for human life) are brought forward.

⇓ This qualitative difference is even *necessary* because we began with two commodities which are (in the right proportions) exchangeable against each other.

Wären jene Dinge nicht qualitativ verschieden—Schneiderei und Weberei.

Were these two objects not qualitatively different use-values and therefore the products

Wären jene Dinge nicht qualitativ verschiedene Gebrauchswerte und daher Produkte quali-
1.2. Double Character of Labor

of useful labors of different quality, they could not face each other as commodities. Coats are not exchanged for coats. The same use-value is not exchanged for the same use-value.

If one generalizes this from our two example commodities to all commodities, one sees that commodity production has a big system of division of labor in the background:

If one generalizes this from our two example commodities to all commodities, one sees that commodity production has a big system of division of labor in the background:

132:4 In the totality of all different use-values or bodies of commodities appears a totality of equally diverse useful labors, differing in order, genus, species and variety—a social division of labor.


Since commodities can only be exchanged if their use-values are different, Marx concludes that a social division of labor must be present whenever the products are generally produced as commodities. Although a social division of labor is one of the prerequisites of commodity production, it is introduced here in Marx’s derivation after commodity produc-
1. The Commodity

Marx begins with the premise that commodity producing societies exist and function, and asks what else we know about a society if we know that it produces commodities. This does not mean that the division of labor developed *in order to* make commodity production possible. Marx addresses this in his next point, that not every society with division of labor produces commodities.

This division of labor is a necessary condition for the production of commodities, though it does not follow, conversely, that the production of commodities is a necessary condition for the division of labor. In the primitive community in India there is social division of labor without the *products* becoming *commodities*. Or, to take a less remote example, in every factory the labor is systematically divided, but this division is not mediated by the operatives exchanging their *individual products*. 

Sie ist Existenzbedingung der Warenproduktion, obgleich Warenproduktion nicht umgekehrt die Existenzbedingung gesellschaftlicher Arbeitsteilung. In der altindischen Gemeinde ist die Arbeit gesellschaftlich geteilt, ohne daß die *Produkte zu Waren* werden. Oder, ein näher liegendes Beispiel, in jeder Fabrik ist die Arbeit systematisch geteilt, aber diese Teilung nicht dadurch vermittelt, daß die Arbeiter *ihre individuellen Produkte* austauschen.
1.2. Double Character of Labor

An additional element, in addition to division of labor, is necessary for commodity production.

Only the products of *mutually independent self-directed private labors* face each other as commodities.

132:5/o We have therefore seen:

This paragraph recapitulates what has been said about useful labor in this section.

The use-value of every commodity incorporates useful labor, i.e., a specific purposeful productive activity.

⇑ This summarizes 132:2.

Use-values cannot confront each other as *commodities*, unless they are produced by qualitatively different useful labors.

⇑ This is a summary of 132:3.

In a society in which products *generally* take the form of *commodities*, i.e., in a society of

Nur Produkte selbständiger und von einander unabhängiger Privatarbeiten treten einander als Waren gegenüber.

57:1 Man hat also gesehen:

In dem Gebrauchswert jeder Ware steckt eine bestimmte zweckmäßig produktive Tätigkeit oder nützliche Arbeit.

Gebrauchswerte können sich nicht als Waren gegenüber treten, wenn nicht qualitativ verschiedene nützliche Arbeiten in ihnen stecken.

In einer Gesellschaft, in der die Produkte allgemein die Form der Ware annehmen, d.h.
commodity producers, this qualitative difference between the useful labors that are carried on independently from each other as the private businesses of self-directed producers, develops into a system with many components, a social division of labor.

↑ This final passage of the paragraph repeats 132:4: division of labor is a precondition of commodity production. Marx adds here that this precondition is reproduced and extended by commodity production itself. This is the only new observation in this paragraph, but it is an important recurring theme. By reproducing its prerequisites, commodity production makes itself independent of these prerequisites—without this it would not be able to gain a life of its own. In 252:2/o and 711:1, Marx shows that also in other respects, the capitalist system reproduces its own prerequisites.

Before turning to exchange-value, Marx makes two supplementary remarks, each in a separate paragraph.

(1) Since use-values must be produced in all societies, one might think that everything
said so far is valid in all societies. This is true with one important exception: although useful labor is a transhistorical necessity, division of labor is not.

133:1 Anyhow, it makes no difference to the coat whether it is worn by the tailor or by the tailor’s customer. In either case it serves as a use-value.

The use-value of the coat is the same whether or not the person who consumes the coat has also produced it. (By contrast, a coat produced for self-consumption does not count as value). If it is, from the point of view of the use-value, irrelevant whether the coat is worn by the person who made it or someone else, then the general principles governing the production of this use-value can not be affected by division of labor:

Nor is the relation between the coat and the labor producing it altered in and for itself by the circumstance that tailoring becomes a particular trade, a separate branch of the social division of labor.

57:2 Dem Rock ist es übrigens gleichgültig, ob er vom Schneider oder vom Kunden des Schneider's getragen wird. In beiden Fällen wirkt er als Gebrauchswert.

Ebensowenig ist das Verhältnis zwischen dem Rock und der ihn produzierenden Arbeit an und für sich dadurch verändert, daß die Schneiderei besondere Profession wird, selbständiges Glied der gesellschaftlichen Teilung der Arbeit.
1. The Commodity

Social division of labor is not necessary for the production of coats. Forced by the want for clothing, man tailored for thousands of years before anyone became a tailor.

Marx is well aware that every production process is by necessity co-operative and therefore social. In Grundrisse, he writes that solitary production is as unthinkable as solitary language. But division of labor is a very specific form of co-operation. Each of the workers co-operating specializes on a different task. Carrying a piano or participating in a discussion is a form of co-operation in which labor is not “divided.” Marx argues here that it is not necessary from the point of view of production to have the same person tied to one production process for their whole lives. As he famously remarked, people can be tailors in the morning and philosophers in the afternoon. Contribution 278:1 seems relevant for the preceding passage, although it addresses a slightly different issue.

Although division of labor is not a transhistorical necessity, useful labor itself is:

But at all times, a special purposeful productive activity, assimilating particular nature-
1.2. Double Character of Labor

given materials to particular human wants, has been necessary to mediate the useful properties of coat, linen, and all other elements of *material wealth* not spontaneously provided by Nature.

*stofflichen Reichtums*, mußte immer vermittelt sein durch ein spezielle, zweckmäßig produktive Tätigkeit, die besondere Naturstoffe besondren menschlichen Bedürfnissen assimiliert.

⇑ This sounds as if a solitary human being would be able to produce. Marx neglects to say here that production requires skills and the produced means of production, which make every production process a truly social matter. This omission does not affect the point Marx is trying to make here, namely: ⇩ Since produced use-values are necessary for human life, so is useful labor.

So far as labor forms use-values, i.e., as *useful labor*, it is therefore a necessary condition, independent of all forms of society, for the existence of the human race; it is an eternal nature-imposed necessity, in order to mediate the metabolism between man and nature, and thus human life.

Als Bildnerin von Gebrauchswerten, als *nützliche Arbeit*, ist die Arbeit daher eine von allen Gesellschaftsformen unabhängige Existenzbedingung des Menschen, ewige Naturnotwendigkeit, um den Stoffwechsel zwischen Mensch und Natur, also das menschliche Leben zu vermitteln.
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(2) In his second supplementary remark, Marx says that human labor alone cannot produce use-values without the contribution of nature.

133:2/o Any of the use-values coat, linen, etc., in short any body of a commodity, is a combination of two elements—matter and labor. If we take away the useful labor expended upon them, a material substratum is always left, which is furnished by nature without the help of man. In his production man can proceed only in the same way as nature itself does, i.e., by changing the forms of matter.\(^\text{13}\)

The transformational view of production implied here is emphasized in the footnote.

13 “All phenomena of the universe, whether they are produced by the hand of man or by the general laws of physics, are not actual creations

57:3/o Die Gebrauchswerte Rock, Leinwand, usw., kurz die Warenkörper, sind Verbindungen von zwei Elementen, Naturstoff und Arbeit. Zieht man die Gesamtsumme aller verschiednen nützlichen Arbeiten ab, die in Rock, Leinwand usw. stecken, so bleibt stets ein materielles Substrat zurück, das ohne Zutun des Menschen von Natur vorhanden ist. Der Mensch kann in seiner Produktion nur verfahren, wie die Natur selbst, d.h. nur die Formen der Stoffe ändern.\(^\text{13}\)

13 „Alle Erscheinungen des Weltalls, seien sie hervorgerufen von der Hand des Menschen oder durch die allgemeinen Gesetze der Physik, sind
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but solely modifications of matter. ‘Putting together’ and ‘separating’ are the only elements which can be found in analyzing the idea of reproduction; and the same applies to the reproduction of value” (use-value, though Verri in his controversy with the Physiocrats is not quite certain himself which kind of value he is speaking of) and of wealth, when earth, air, and water transmute themselves in the fields into grain, or if by the hand of man the secretion of an insect transmutes itself into silk, or if some metal pieces are arranged in order to form a watch.” [Ver04, pp. 21, 22]

Now back to the main text: Nature not only delivers the material on which labor acts, but the labor process itself is assisted by natural forces.

What is more, in this labor of forming he is
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consistently helped by natural forces.

⇓ Summary: However indispensable labor is, it is not the only ingredient necessary to produce the use-values which humans need. Nature is indispensable too.

We see, then, that labor is not the only source of the use-values it produces or of material wealth. As William Petty puts it: labor is its father and the earth its mother.

In his Critique of Gotha Programme, marginal note to the first part of §1, p. [mecw24] 81:2, Marx says the same thing:

Labor is not the source of all wealth. Nature is just as much the source of use-values (and it is surely of such that material wealth consists!) as labor, which itself is only the manifestation of a force of nature, human labor-power.
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1.2.b. [Labor Producing Value: Quality]

134:1 Let us now pass from the commodity, so far as it is a useful object, to the value of commodities.

We are still looking at the same two commodities as in 132:1, but now we are looking at them as values instead of use-values:

134:2 By our assumption, the coat is worth twice as much as the linen. But this is merely a quantitative difference, which does not yet interest us at this point.

When discussing the use-value aspect of labor, in 132:3, Marx had begun with the differences between the use-values of coat and linen. Now he begins with the differences between their values. But the difference between their values is merely a quantitative, instead of a qualitative, difference. Why “merely”? Because if one starts from a quantitative difference it is easy to get equality:

We recall, therefore, that if the value of the coat is double that of 10 yds. of linen, 20

58:1 Gehn wir nun von der Ware, soweit sie Gebrauchsgegenstand, über zum Waren-Wert.

58:2/o Nach unserer Unterstellung hat er Rock den doppelten Wert der Leinwand. Dies ist aber nur ein quantitativer Unterschied, der uns zunächst noch nicht interessiert.

Wir erinnern daher, daß, wenn der Wert eines Rockes doppelt so groß ist als der von 10
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yds. of linen have the same magnitude of value as one coat.

Ellen Leinwand, 20 Ellen Leinwand dieselbe Wertgröße haben wie ein Rock.

"Doppelt so groß als" should be "doppelt so groß wie." Marx often confuses "als" and "wie."

Marx will return to the quantitative difference on p. 136:1; but right now we arrived, by the simple trick of doubling the amount of linen, at two commodities which can be exchanged for each other.

As values, the coat and the linen are things of a like substance, objective expressions of labor of the same kind.

Als Werte sind Rock und Leinwand Dinge von gleicher Substanz, objektive Ausdrücke gleichartiger Arbeit.

This was the result gained earlier, in 128:2. At that earlier point, Marx did not explain very well what that means. This explanation is given here. Marx begins with the remark that tailoring and weaving, as useful labors, cannot be the basis for value, because they are (as was just stressed) qualitatively different:

But tailoring and weaving are two qualitatively different labors.

Aber Schneiderei und Weberei sind qualitativ verschiedene Arbeiten.
But next, Marx brings three examples in which different kinds of labors are treated as equal—not on the market but in production itself:

There are, however, states of society in which one and the same man does tailoring and weaving alternately, so that these two forms of labor are mere modifications of the labor of the same individual and not yet specialized and fixed functions of different persons; just as the coat which our tailor makes one day, and the trousers which he makes another day, require only a variation in the labor of one and the same individual. Moreover, we see at a glance that, in our capitalist society, a given portion of human labor is, in accordance with the varying demand, at one time supplied in the form of spinning, and at another in the form of weaving. This
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change may not always take place without friction, but take place it must.

To recapitulate, these three examples are (1) there are societies in which the same person routinely weaves and tailors, i.e., there is no division of labor between these two activities; (2) even today when the division of labor is finer, each individual still performs different labors in turn; and (3) under capitalism, workers frequently change jobs, i.e., they switch from one compartment of this division of labor to another. (Note that this undermines the justification of the division of labor: if most people are able to do most kinds of labor, then a rigid division of labor is not necessary.)

Now Marx brings the resolution, explaining in what respect different labors are equal (and why, therefore, the just-mentioned switches between different labors are possible and, indeed, so common).

134:3/o If we disregard the specificity of the productive activity and therefore the useful character of the labor, then nothing remains of it but that it is an expenditure of
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**human labor-power.** Tailoring and weaving, though qualitatively different productive activities, are both the productive expenditures of human brains, nerves, and muscles, and in this sense are both human labor.

**kraft ist.** Schneiderei und Weberei, obgleich qualitativ verschiedne produktive Tätigkeiten, sind beide produktive V erausgabung von menschlichem Hirn, Muskel, Nerv, Hand, usw., und in diesem Sinn beide menschliche Arbeit.

All these labor processes have something in common. By using the same phrase “human labor” for the different activities weaving, spinning, etc., our language already implies that they have something in common. Marx will discuss this again in 142:1. Footnote 17a to that later paragraph 142:1 refers explicitly to the use of the word “labor.” The mind can make abstractions in various ways, and not all of them have social significance. For instance, in his discussion of the various attempts to explain what a machine is, in 492:3/o, Marx gives examples of abstractions which are useless for an understanding of the economic function of machinery under capitalism. The abstraction “labor,” by contrast, has been singled out by Marx in Grundrisse 103:1–105:1 as an abstraction which, although it is valid in all epochs, obtains its “full validity” only under capitalism—because under capitalism, labor has social significance only as abstract labor.
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On the one side, the labor process is the application of human skills which transforms the bodily properties of the product; on the other side, it is the expenditure of human brain, muscles, nerves, etc. Abstract labor is, as the word says, an abstraction, but it is a “real” abstraction. In Contribution, 272:3/o, Marx calls the reduction of different labors to undifferentiated, homogeneous, simple labor a “real abstraction”:

This reduction takes the form of an abstraction, but it is an abstraction that is made every day in the social process of production. The dissolution of all commodities into labor-time is no greater an abstraction, and is no less real, than the dissolution of all organic bodies into air.

Not only can a chemist, in his mind, make the “abstraction” that all organic compounds are basically the combination of carbon and hydrogen atoms, but the process of burning, which transforms $C$ into $CO_2$ and $H$ into $H_2O$, implements this abstraction in reality. Just as burning is a real abstraction in nature, so the reduction of all commodities to the expenditure of human labor-power contained in them is a real abstraction made in society whenever there
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is commodity production. Note that Marx uses air in a different metaphor in 166:2/o.

Since this is so important, I will bring here three more passages underlining that this abstraction has a basis in reality. In 164:1, Marx writes:

For in the first place, however varied the useful labors or productive activities might be, it is a physiological truth that they are functions of the human organism, and that each such function, whatever may be its nature or its form, is essentially the expenditure of human brain, nerves, muscles, sense organs, etc.

The following passage, as the preceding one, is taken from the commodity fetishism section, 166:1:

Equality of entirely different kinds of labor can be arrived at only by an abstraction from their real inequality, by a reduction to the characteristic they have in com-

Denn erstens, wie verschieden die nützlichen Arbeiten oder produktiven Tätigkeiten sein mögen, es ist eine physiologische Wahrheit, daß sie Funktionen des menschlichen Organismus sind und daß jede solche Funktion, welches immer ihr Inhalt und ihre Form, wesentlich Verausgabung von menschlichem Hirn, Nerv, Muskel, Sinnesorgan usw. ist.

Die Gleichheit toto coelo verschiedener Arbeiten kann nur in einer Abstraktion von ihrer wirklichen Ungleichheit bestehn, in der Reduktion auf den gemeinsamen Charakter, den
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mon, that of being the *expenditure of human labor-power*, of *human labor* in the abstract.

Finally another place from section 3 of chapter One, 150:2:

In tailoring, as well as in weaving, human labor-power is expended. Both, therefore, possess the general property of being human labor, and there may be cases, such as the production of value, in which they must be considered only under this aspect.

To sum up, labor is the expenditure of human brain, muscle, etc. in all societies. This abstraction of labor can always be made theoretically. But only in commodity production is this abstraction made not only by a theoretical onlooker but by society itself. After this digression about real abstractions, let us turn back to the text we are presently discussing. After discussing abstract labor, Marx goes over to the closely related concept of labor-power:

They are but two different forms of expending human labor-power.
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Although tailoring and weaving are usually done by different people, they could in principle be done by the same person. The concept of human labor-power (potential labor instead of actual labor) contains an abstraction from the various useful activities in which the labor-power can be realized. What the different labors have in common is that all labors are the expenditure of human labor-power.

Let us take stock where we are in the argument. This time we will go back a little in order to show the parallel questions arising on different levels.

Looking at the sphere of exchange, Marx made the observation that through the exchange, the different use-values are treated as equals. This led to the question: what are the grounds for this equal treatment? Is it a social fiction valid only on the surface of the economy, or are the commodities really somehow equal?

Since the commodities as use-values have nothing in common, Marx concludes that their equality must come from the labor producing them. But there is a problem. Although labor is something all commodities have in common, the labors producing different commodities are clearly not equal either. The dilemma is still there, it is merely shifted from the surface to the sphere of production. But here, on the level of the labors, this dilemma can indeed be solved—because the labor processes producing these various use-values really have some-
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*thing in common*, whereas the commodities as use-values do not. All labor, whatever its concrete form, is also “abstract labor”—not because we can think about it in the abstract, but because all labor is the expenditure of human labor-power, i.e., human nerves, brains, muscles etc. Abstract labor in this definition is a real aspect of every labor process.

Finally, if one takes a closer look at labor-power, the same dilemma pops up for a third time. After encountering it on the level of use-values and on the level of labor, we encounter it now on the level of labor-power. The dilemma is: although we arrived at labor-power in our search for something that is equal in commodities and therefore for the basis for the equalization of all commodities through the exchange, and although it is true that the labor-powers of different individuals are largely similar, they are still not entirely equal.

It is true, human labor-power itself must be more or less developed before it can be expended in different forms. But the value of a commodity represents human labor plain and simple, the expenditure of *human labor* in general.

Allerdings muß die menschliche Arbeitskraft selbst mehr oder minder entwickelt sein, um in dieser oder jener Form verausgabt zu werden. Der Wert der Ware aber stellt menschliche Arbeit schlechthin dar, Veralausgabung *menschlicher Arbeit* überhaupt.
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Fowkes translates “allerdings” with “of course.” This gives a wrong connotation. After “of course,” one expects an objection whose refutation was already implied in what was said before. But Marx is about to bring some new arguments which have not been anticipated above. Moore-Aveling write “it is true,” which is the better translation.

The clause “it is true” (allerdings) is Marx’s admission that we still haven’t arrived at something entirely homogeneous. Although most people in society could perform, or could be trained to perform, most jobs in society, not everybody could do every job. There are still differences in labor-power. This is what Marx is going to discuss next.

Marx’s formulation “this human labor-power itself must be more or less developed before it can be expended in different forms” is a little misleading: it might create the impression that all differences between different labor-powers are of a purely quantitative nature (“more or less”). Quantitative differences between labor-powers are consistent with market relations, because quantitative differences imply qualitative equality.

But the qualitative differences between different labor-powers can arise in different ways:

1. Labor-power may differ by its development (schooling, training, experience). This can be naturally reduced to a quantitative difference, since one can say the value of the product not only comes from the time the laborer is working productively, but also
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from the training time. If a surgeon spends 15 years learning to perform a certain operation, and then performs this operation for another 15 years, then every hour he is working in the latter 15 years would be creating twice as much value as an unskilled laborer. If one includes the labor performed by his teachers and the labor necessary to produce the materials and equipment used during this training, one obtains an even higher ratio. (Nevertheless, the higher earnings of a surgeon in the U.S. more than make up for this, but we are talking here about value created, not income earned.)

2. However there are some differences between labor-powers which cannot be reduced to quantitative differences. There are things certain individuals can do and others cannot do, even with the best training.

Marx only mentions differences in development at this point, because most differences between labor-powers are only differences in development, and because this gives him a good transition to simple unskilled labor which Marx will discuss next. But from other scattered remarks it can be inferred that Marx was aware that some such differences do not have to do with development. Especially interesting is the footnote 18 to p. 304:3/o, almost at the end of chapter Seven, where Marx makes the following points:
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- The differences in labor-powers are smaller than is generally believed, and these differences may have accidental causes.

- With the development of capitalist production these differences tend to be reduced further by progressively de-skilling many labor processes.

- Whatever differences remain, they are reflected in *quantitative* differences as to how much value one hour of labor creates—although the differences between different labor-powers are by no means always of a quantitative nature.

Here is therefore a complete solution of the third dilemma, that by exchanging the products of labor, society acts as if all labor-powers were equal, but in reality they are not: Most differences between labor-powers are differences in training, and these differences can be naturally reduced to quantitative differences. Some qualitative differences between labor-powers remain which have nothing to do with training. There is no general law governing the reduction of these remaining differences to quantitative differences. The terms of their quantitative reduction are decided case by case; it may depend on the constellation of demand and supply, or on the relative strength of the contending interests at the given time.
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In the passage we are presently discussing, Marx’s emphasis is not on the modalities of this reduction, but on the character of that kind of labor-power which serves as the measuring stick, that to which all other labor-powers are reduced. He argues that it is the simple “unskilled” labor everyone in the given society is able to perform, and before even saying this he comments that this amounts to a shoddy treatment of the human factor in capitalist society:

And just as in bourgeois society a general or a banker plays a great role, while mere man, on the other hand, has a very shabby part,\textsuperscript{14} so here with human labor. It is the expenditure of simple labor-power, i.e., of labor-power which, on the average, apart from any particular development, exists in the organism of every ordinary individual.

\textsuperscript{14} Hegel, \textit{Philosophy of Right}, §190.
Footnote 14 is a reference to Hegel, *Philosophy of Right*, §190.

“Bourgeois society” is a term occasionally used by Marx for capitalist society. In capitalist society, humans are defined by the social functions they assume, whereas usually little attention is paid to the human individual supporting these functions. In the same way, a society in which *congealed* labor, value and capital, is in highest esteem, assigns to *living* labor a very shabby part. It is a sociological paradox that unskilled labor, which creates all value, is generally so sneered at.

The first edition, p. 24:2/o, gives here the example that the labor of a farm hand may produce twice as much value per day than that of a tailor. Next Marx remarks that there are national differences regarding the character of simple and unskilled labor. Although this is important for an understanding of international trade, it will be disregarded here:

*Simple average labor*, it is true, varies its character in different countries and different cultural epochs, but is given once the society is given. 

Next Marx discusses how the labor which is *not* simple labor is expressed in value: 

More complicated labor counts merely as | Die einfache Durchschnittsarbeit selbst wechselt zwar in verschiedenen Ländern und Kulturepochen ihren Charakter, ist aber in einer vorhandenen Gesellschaft gegeben.

Next Marx discusses how the labor which is *not* simple labor is expressed in value: 

More complicated labor counts merely as | Kompliziertere Arbeit gilt nur als potenzierte
potentiated or rather multiplied simple labor, so that a smaller amount of complicated labor is equal to a bigger amount of simple labor.

“Potentiated” means here: labor of higher potency. The word “multiplied,” which Marx prefers here to the word “potentiated,” better expresses that the difference is quantitative, not qualitative. Marx does not say here: “more complicated labor is multiplied simple labor,” but he uses the formulation “counts as multiplied simple labor.” There is a qualitative difference between simple and complicated labor; one cannot get the latter by multiplying the former. Even if you assemble 1,000 construction workers, and give them all the time they need, they still won’t be able to do the work of a doctor or a scientist or a virtuoso musician. But commodity producing society acts as if complicated labor were a mere multiple of simple labor. This is what Marx means with the word “counts.” The word “merely” in “counts merely as” stresses that a qualitative difference, that between simple and complicated labor, is reduced to a merely quantitative one (this phrase is used in 134:2).

That this reduction is constantly being made is shown by experience.
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What experience? The experience that markets, which pretend that all labor-powers are equal or at most quantitatively different, flourish despite the fact that there are qualitative differences among labor-powers. Marx’s appeal to experience here is on the one hand an admission that there is no general law governing this reduction, and on the other hand we can have this experience only because markets survived despite this indeterminacy. Even if the different kinds of labor-power may not have been allocated rationally, the markets have done a good enough job to regulate the economy.

A commodity may be the product of the most complicated labor, but its value equates it to the product of simple labor, therefore this value only represents a certain amount of simple labor.\(^\text{15}\)

\[\downarrow\] In a footnote, Marx reminds us that at the present time we are not yet talking about the income received by the workers, but about the value they produce:

\(^{15}\) The reader must be aware that we are not speaking here of the wages or values that the laborer receives for a given labor-time, but of the

\(^{15}\) Der Leser muß aufmerken, daß hier nicht vom Lohn oder Wert die Rede ist, den der Arbeiter für etwa einen Arbeitstag erhält, sondern vom
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Value of the commodity in which that labor-time is materialised. Wages is a category that does not even exist yet at this stage of our presentation.

⇑ This footnote explicitly refers to Marx’s method of taking up one thing after another; certain things do not yet “exist.” [Rei70, p. 131]

The different proportions, in which different sorts of labor are reduced to simple labor as their standard, are established by a social process that goes on behind the backs of the producers and, consequently, seems to be fixed by custom. For simplicity’s sake we shall henceforth consider every kind of labor-power to be immediately simple labor-power; by this we do no more than save ourselves the trouble of making the reduction.

It has sometimes been argued that the reduction of complicated to simple labor is a cir-
cular argument invalidating the labor theory of value. I see it as an instance in which the “dirty” reality is not entirely congruous with the forms of social interaction that have developed in a capitalist economy. Although commodity exchange presumes that all labor-powers are equal, there are in fact differences, which are however usually small. To repeat, this has two consequences. Under developed commodity exchange (capitalism) there is the tendency to equalize and de-skill the labors. This well-known fact itself corroborates the thesis that abstract labor constitutes the substance of value. The remaining differences are treated as quantitative differences only. This reduction of qualitative to quantitative differences in labor-power does not follow a general law but depends on constellational, irregular (“accidental”) circumstances, such as discrepancies between demand and supply, or custom.

The next paragraph gives a summary, parallel to 132:5/o. The new element in this summary is that it compares the things said about value and abstract labor to the things said about use-value and concrete labor. This comparison backs up the claim made in 131:2/o that the characteristics of labor creating use-value are different than those of labor creating value. Here is the first of three comparisons:

135:1/o In the values coat and linen, ab-
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Abstraction is made from the difference of their use-values; now we have seen that also in the labor that represents itself in these values, abstraction is made from the difference of its useful forms tailoring and weaving.

Moore-Aveling again transpose it into the epistemological realm when they write: “Just as, therefore, in viewing the coat and linen as values, we abstract from their different use-values.” Fowkes makes the same error.

Second comparison:
The use-values coat and linen are the combinations of purposeful productive activities with cloth or yarn. The values coat and linen are, in contrast, mere homogenous conglomerations of labor. Now we have seen that also the labor contained in these values does not count by virtue of its productive functions with cloth or yarn. The values coat and linen are, in contrast, mere homogenous conglomerations of labor. Now we have seen that also the labor contained in these values does not count by virtue of its productive functions.

Leinwand von dem Unterschied ihrer Gebrauchswerte abstrahiert ist, so in den Arbeiten, die sich in diesen Werten darstellen, von dem Unterschied ihrer nützlichen Formen, der Schneiderei und Weberei.

Wie die Gebrauchswerte Rock und Leinwand Verbindungen zweckbestimmter, produktiver Tätigkeiten mit Tuch und Garn sind, die Werte Rock und Leinwand dagegen bloße gleichartige Arbeitsgallerten, so gelten auch die in diesen Werten enthaltenen Arbeiten nicht durch ihr produktives Verhalten zu Tuch.
towards cloth and yarn, but only as expenditures of human labor-power.

Third comparison:
Tailoring and weaving are necessary elements in the creation of the use-values coat and linen, precisely by their different qualities, but they are the substance of the values of coat and linen only in so far as abstraction is made from their particular qualities and both possess the same quality, the quality of human labor.

1.2.c. [Labor Producing Value: Quantity]

Now the quantitative aspects of abstract human labor will be discussed. Some of this discussion repeats 130:1/o, but important additions are made.
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136:1 Coats and linen, however, are not merely values in general, but values of given magnitudes and, following our assumption, the coat is worth twice as much as the 10 yards of linen. Where does this difference in value come from? From the fact that the linen contains only half as much labor as the coat, i.e., labor-power has to be expended twice as long to produce the second as to produce the first.

60:1 Rock und Leinwand sind aber nicht nur Werte überhaupt, sondern Werte von bestimmter Größe, und nach unserer Unterstellung ist der Rock doppelt so viel wert als 10 Ellen Leinwand. Woher diese Verschiedenheit ihrer Wertgrößen? Daher, daß die Leinwand nur halb soviel Arbeit enthält als der Rock, so daß zur Produktion des letzteren die Arbeitskraft während doppelt so viel Zeit verausgabt werden muß als zur Produktion der erstern.

The formulation “the coat contains twice as much labor as the linen” is a metaphor. The second half of the last sentence above explains how this metaphor is to be read: labor-power has to be expended twice as long to produce the coat than the linen. Not “is” expended but “has to be” expended because the necessary labor is twice as long. Marx will be much more explicit about this point later, in 676:2/o.

136:2 While, therefore, with reference to

60:2 Wenn also mit Bezug auf den Ge-
use-value, the labor contained in a commodity counts only qualitatively, with reference to value it counts only quantitatively, after being reduced to human labor pure and simple. In the former case it was a matter of the ‘how’ and the ‘what’ of labor, in the latter of the ‘how much’, of the temporal duration of labor.

This has important implications:

Since the magnitude of the value of a commodity represents nothing but the quantity of labor embodied in it, it follows that all commodities, when taken in the right proportions, must be equal in value.

The equalization of all commodities on the surface through the exchange-relations has therefore a counterpart in production. In the production process, all commodities are equalized because they all represent abstract human labor.

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brauchswert die in der Ware enthaltene Arbeit nur qualitativ gilt, gilt sie mit Bezug auf die Wertgröße nur quantitativ, nachdem sie bereits auf menschliche Arbeit ohne weitere Qualität reduziert ist. Dort handelt es sich um das Wie und Was der Arbeit, hier um ihr Wie-viel, ihre Zeitdauer.

Da die Wertgröße einer Ware nur das Quantum der in ihr enthaltenen Arbeit darstellt, müssen Waren in gewisser Proportion stets gleich große Werte sein.
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FROM here until the end of the section, Marx discusses changes in productivity:

136:3 If the productivity of all the different sorts of useful labor required, let us say, for the production of a coat remains unchanged, the total value of the coats produced will increase along with their quantity. If one coat represents \( x \) days’ labor, two coats will represent \( 2x \) days’ labor, and so on. But now assume that the duration of the labor necessary for the production of a coat is doubled or halved. In the first case, one coat is worth as much as two coats were before; in the second case two coats are only worth as much as one was before, although in both cases one coat performs the same service, and the useful labor contained in it remains of the same quality. One change has

60:3 Bleibt die Produktivkraft, sage aller zur Produktion eines Rocks erheischten nützlichen Arbeiten unverändert, so steigt die Wertgröße der Röcke mit ihrer eignen Quantität. Wenn 1 Rock \( x \), stellen 2 Röcke \( 2x \) Arbeitstage dar usw. Nimm aber an, die zur Produktion eines Rocks notwendige Arbeit steige auf das Doppelte oder falle um die Hälfte. Im ersten Fall hat ein Rock soviel Wert als vorher zwei Röcke, im letztern Fall haben zwei Röcke nur soviel Wert als vorher einer, obgleich in beiden Fällen ein Rock nach wie vor dieselben Dienste leistet und die in ihm enthaltene nützliche Arbeit nach wie vor von derselben Güte bleibt. Aber das in seiner Produktion verausgabte Arbeitsquan-
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taken place, however: a change in the quantity of labor expended to produce the article.

Rising wealth can therefore be accompanied by decreasing value.

136:4/o In itself, an increase in the quantity of use-values constitutes an increase in material wealth. Two coats will clothe two men, one coat will only clothe one man, etc. Nevertheless, an increase in the amount of material wealth may correspond to a simultaneous fall in the magnitude of its value.


⇓ Next Marx asks where does this discrepancy in the movement come from? (Marx does not talk here about two movements, one of the use-values and one of the values, but he considers it one movement which is self-opposed.) In order to find the origin of this opposition, note that “how productive is a given labor?” is the same kind of question as: “which use-value does a given labor produce?” It refers to the concrete useful labor, not the abstract labor.
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This self-opposed movement arises out of the two-edged character of labor. Productivity, of course, is always the productivity of concrete, useful labor; it determines how effective a purposeful productive activity can be in a given period of time. Useful labor becomes, therefore, a more or less abundant source of products in direct proportion as its productivity rises or falls. As against this, however, variations in productivity in themselves have zero impact on the labor represented in value. As productivity is an attribute of labor in its concrete useful form, it naturally ceases to have any bearing on that labor as soon as we abstract from its concrete useful form. The same labor, therefore, performed for the same length of time,
1.2. Double Character of Labor

always yields the same amount of value, independently of any variations in its productivity. But it provides different quantities of use-values during equal periods of time; more, if productivity rises; fewer, if it falls. For this reason, the same change in productivity which increases the fruitfulness of labor, and therefore the amount of use-values produced by it, also brings about a reduction in the value of this increased total amount, if it cuts down the total amount of labor-time necessary to produce the use-values. The converse also holds.

Since labor has a double character, it has two effects, that can be contradictory. The first German edition 26:3/o has here an additional paragraph emphasizing this contradiction:

It follows from what has been said so far that, although it is not true that the commodity always yields the same amount of value, in-densely of any variations in its productivity. But it provides different quantities of use-values during equal periods of time; more, if productivity rises; fewer, if it falls. For this reason, the same change in productivity which increases the fruitfulness of labor, and therefore the amount of use-values produced by it, also brings about a reduction in the value of this increased total amount, if it cuts down the total amount of labor-time necessary to produce the use-values. The converse also holds.

Aus dem Bisherigen folgt, daß in der Ware zwar nicht zwei verschiedene Sorten Arbeit
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Commodity contains two different kinds of labor, nevertheless the same labor has different and even opposite determinations, according to whether it is seen in relation to the use-value of the commodity as its product or to the commodity-value as its mere material expression. Just as the commodity must above all be a useful object in order to be value, so labor must above all be useful labor, purposeful productive activity, in order to count as expenditure of human labor-power and therefore as human labor pure and simple.

The French edition immediate[29:2] has a similar paragraph with the memorable formulation that “the same labor is here opposed to itself” (le même travail y est opposé à lui-même).

137:1 On the one hand, all labor is an ex-

61:1 Alle Arbeit ist einerseits Verausga-
penditure, in the physiological sense, of human labor-power, and in this quality of being equal human labor or abstract human labor, it forms the value of commodities. On the other hand, all labor is an expenditure of human labor-power in a particular form and with a specific aim, and in this quality of being concrete useful labor, it produces use-values.\footnote{16}

Three of these four statements are valid in all modes of production, while one statement, “and in this quality of being equal human labor or abstract human labor, it forms the value of commodities” is only valid in commodity producing societies.

In footnote 16, Marx plays two quotes from Adam Smith against each other:

\footnote{16} In order to prove that ‘labor alone is the ultimate and real standard by which the value of all commodities can at all times and places be estimated and compared’, Adam Smith says this:  

\footnote{16} Um zu beweisen, „daß die Arbeit allein das endgültige und reale Maß ist, woran der Wert aller Waren zu allen Zeiten geschätzt und verglichen werden kann“, sagt A. Smith:
1. The Commodity

The first quote sounds unobjectionable if taken by itself: “labor alone” is the ultimate standard of value. However in a second quote Smith adds that labor always has the same value to the laborer:

\[16\text{ctd} \text{‘Equal quantities of labor, at all times and places, must have the same value for the laborer. In his ordinary state of health, strength and activity; in the ordinary degree of his skill and dexterity, he must always lay down the same portion of his ease, his liberty, and his happiness.’ Wealth of Nations [Smi39, Bk. I, ch. 5, pp. 104–5].}\]

From the juxtaposition of these two quotes Marx draws four conclusions:

(1) When Smith wrote in the first quote “labor alone,” he did not really mean labor but he meant the value of labor to the worker. Otherwise he would not have found it necessary to prove, in the second quote, that the value of labor is always the same.

\[16\text{ctd} \text{On the one hand, Adam Smith here (but not everywhere) confuses the determination of} \]

the values of commodities by the quantity of labor expended in their production with the determination of the values of commodities by the value of labor. This is why he finds it necessary to prove that equal quantities of labor always have the same value.

(2) Now, “on the other hand,” Marx remarks that Smith’s attempt to prove that labor always has the same value also reflects some correct thinking:

A proof that labor always has the same value is on the one hand necessary to round out Smith’s mistaken theory that the value of the products derives from the value of labor. But on the other hand this proof also reflects the correct insight that that which creates value must indeed be homogeneous. According to Marx, this homogeneous substance is not the value of labor but abstract human labor, the expenditure of labor-power. According to Smith, it is the disutility of labor (i.e. its value according to a subjective concept of value). It is not very
1. The Commodity

far-fetched to confuse the expenditure of labor-power with the disutility of labor, since the expenditure of labor-power does take effort, which may create disutility.

(3) After finding a kernel of truth in Smith’s error, Marx shows that even in this most favorable reading, Smith is not completely right but makes an additional error:

But then he views this expenditure merely as the sacrifice of rest, freedom, and happiness, not also as man’s normal life activity.

According to Smith, it is the sacrifice and pain of the worker which creates value, while according to Marx, the value of the product arises from the fact that the worker’s life activity is directed towards this and not some other product. Smith’s transposition of labor itself into that what labor is for the humans is the error of *methodological individualism*.

(4) Finally, Marx remarks that Smith’s second error was inspired by the evidence of the modern wage relation:

He is guided here by the evidence of the modern wage laborer.

Smith’s thesis that the value comes from the disutility of labor reflects the experience of the modern wage laborer in two ways:

(a) The payment of the price of labor to the laborer can be seen by everyone, while the fact
that labor is the source of value (of more value than the laborer gets) is hidden. This leads to the assumption that the visible price of labor is the source of the value of the product, not the labor itself. This price is then explained by the value of the labor to the laborer.

(b) The exploitation inherent in capitalism leads to painful and abusive labor processes.

The influence of the wage labor relation on Smith’s thinking is reminiscent of Marx’s argument in 151:4, that Aristotele’s analysis of the commodity, despite promising beginnings, did not advance past a certain point, due to the limitations of Greek society. However the next quote shows that other economists did not share Smith’s error:

Adam Smith’s anonymous predecessor, cited in note 9, is much nearer the mark when he says: ‘One man has employed himself a week in providing this necessary of life . . . and he that gives him some other in exchange, cannot make a better estimate of what is a proper equivalent, than by computing what cost him just as much labor and time: which in effect is no more than exchanging one man’s labor in one thing for a time certain, for another man’s labor in another

—Viel treffender sagt der Note 9 zitierte anonyme Vorgänger von A. Smith: „Ein Mann hat eine Woche auf die Herstellung dieses Bedarfsgegenstandes verwandt . . . und der, welcher ihm einen anderen Gegenstand im Austausch gibt, kann nicht richtiger abschätzen, was wirklich gleichwertig ist, als durch die Berechnung, was ihm ebensoviel labor und Zeit kostet. Das bedeutet in der Tat den Austausch der labor, die ein Mensch in einer bestimmten Zeit auf einen Gegen-
1. The Commodity

thing for the same time’ [Ano39, p. 39].

stand verwandt hat, gegen die labor eines andren, in der gleichen Zeit auf einen anderen Gegenstand verwandt.“ [Ano39, p. 39]

The end of footnote 16 is a remark by Engels about the whole section 2, “The Double Character of Labor.”

16 ctd [Note by Engels to the fourth German edition:] The English language has the advantage of possessing two separate words for these two different aspects of labor. Labor which creates use-values and is qualitatively determined is called ‘work’ as opposed to ‘labor’; labor which creates value and is only measured quantitatively is called ‘labor’, as opposed to ‘work’.

1.3. The Form of Value, or the Exchange-Value

Marx is in the midst of his discussion of value, which follows a simple scheme. After having discussed its substance (abstract labor) and magnitude (socially necessary labor-time), Marx discusses now its form (exchange-value), in a section bearing the title: “The Form of Value, or the Exchange-Value.”

In capitalism, production is private and hidden from public view. The main channel for the co-ordination of the many private labor processes is the value generated by these labors. Value is a homogeneous “quasi-material” inside the commodities which, although invisible, is socially highly effective. The form in which this value manifests itself to the economic agents is now the subject of the investigation.

While value itself is a social relation of production, a form of value is a social relation governing the interactions on the surface of the economy. For such a relation to deserve the name “form of value,” it must enable the agents on the surface (the market) to take actions which satisfy two criteria: (1) these actions must generate the information needed by the producers so that they can produce their products as values, and (2) through these actions, the surface agents can take advantage of the values of their commodities. Both of these
1. *The Commodity*

aspects must come together for independent individuals to be able, as they are, to keep the overall production system on track through their self-interested market transactions.

Marx does not explicitly distinguish between these two aspects, but his arguments sometimes foreground one and sometimes the other aspects. (This is one reason why this derivation is so difficult to understand.)

The result of the present section 1.3 will be that *monetary relations* are the surface relations best suitable to generate and transmit the information which the private producers need to produce their products as commodities. Monetary relations enable them to select those production methods which only require socially necessary amounts of labor, and to allocate their labor to those areas of production which are in high demand on the market. This is Marx’s basic explanation of money. For the genesis of money, therefore, criterion (1) for the form of value, as just defined, plays the dominant role.

Chapter Two will then show that these monetary relations also help the market participants resolve the practical difficulties of the trade of their commodities, i.e., that monetary relations also satisfy criterion (2) for the form of value. This is an important supplementary result; without it, they would not be motivated to implement the money form.

Chapter Three develops these two functions of money in more detail: criterion (1) in the
first section, measure of value, and criterion (2) in the second section, means of circulation. The third section shows that money, far from being merely a compass for production and aid in circulation, becomes a causal force in its own right.

Marx uses criterion (2), that a “form of value” must enable the commodity owners to take advantage of the value in their commodities, as his point of entry into the discussion of the form of value. He begins therefore this section with the commodity. The first paragraph 138:1 has therefore the same point of departure as 125:2, the first paragraph of the chapter. But there is a difference. Marx’s earlier point of departure had been the “form of appearance” of the commodity (use-value and exchange-value), since he was investigating how the commodity enters the practical activity of the market participants. By contrast, Marx’s point of departure here in section 1.3 is the production of the commodity:

138:1 Commodities come into the world in the form of use-values or articles, as iron, linen, corn etc.

62:1 Waren kommen zur Welt in der Form von Gebrauchswerten oder Warenkörpern, als Eisen, Leinwand, Weizen usw.
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The translation “article” is based on the following passage in the First Edition, p. 18:2: “For the sake of brevity, we will call the useful thing itself or the body of the commodity, such as iron, wheat, diamond, etc., a use-value, good, article.”

The German word that is translated here as “article” is, in a more literal translation, “body of the commodity,” a phrase which resonates with the birth metaphor “commodities come into the world.” The comparison of the production of a commodity with the birth of a human baby is fitting. Humans can survive only in society, and the birth of a baby is the culmination of a complex social process. But the baby itself does not yet have the skills, such as language etc., which would enable it to sustain itself and meet its needs in the social context; it still has to grow up. Similarly one can say that the use-value, as it emerges from the private production process, still has to grow up: it does not know how to find its way to the consumer, nor how it can nourish those who produced it, or pass on its own experience to other use-values coming after it. This section explores the establishment of these connections.

This is their home-grown bodily form. Es ist dies ihre hausbackene Naturalform.

↑The “body” of the commodity, i.e., the commodity as a physical object, is called here its “bodily form” or, in a more literal translation, its “natural form.” In the first edition, 626:1,
1.3. Form of Value

Marx calls it also its *use-value form*. This meets the above requirement (2) for a form, because this physical object is the interface through which the consumers of the commodity can access the use-value of the commodity—they must have this physical object in their possession in order to benefit from its useful properties. Marx discussed this already in 126:1, without using the terminology “use-value form of the commodity.” This interface or “form” is “home-grown” because social relations are not necessary to mediate the access of the consumers to the use-value of the commodity; they can do this in the direct physical interaction between their own bodies and the body of the commodity. In *Contribution*, 283:1/o, Marx formulates this idea in the words that as means of consumption, the commodities “do not acquire a new economic form determination.”

While consumption is a genuinely private process, production in every society is a social process. Even the “private” production of commodities is from the beginning social—because for the producers the commodities are not use-values (they themselves don’t need them) but values:

But they are more than use-values. They are commodities, i.e., useful objects *and* carriers of value.
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Moore-Aveling tried to capture the overly complicated German “nur ... weil” construction as follows: “They are, however, commodities, only because they are something twofold, both objects of utility, and, at the same time, depositories of value.” Unfortunately, the “only” ended up on the wrong place. A paraphrase of this translation which has the “only” at the right place would be: “However they only are commodities because they are something twofold.” This is not only a matter of definition but can be viewed in a very practical way: they are only produced because of this other quality which they have in addition to being use-values.

The version of this sentence in the first edition, 31:2/o, clarifies that Marx does not appeal to a theoretical definition here, but that value is an invisible but real social substance which the commodities obtain already in the production process itself:

The commodity is, since the moment it is made, something *twofold*, use-value and value, the product of useful labor and the congelation of abstract labor.

Since a commodity is both use-value and value, and since its natural body is only a form for its use-value, Marx concludes that it also needs a *value form*:

In order to appear as commodities, i.e., have the form of commodities, they need there-
fore a *double form*, a bodily form and a value form.

The following quote from *Theories of Surplus-Value III*, [mecw32]331:4/o, makes it clear that the need for a double form is driven by criterion (a) for the form of value. The form of value is necessary so that the producer can get credit for and benefit from his or her product.

Because the product is not produced as an immediate object of consumption for the producers, but only as a *carrier of value*, as a claim, so to speak, to a certain quantity of all materialized social labor, all products are compelled as *values* to give themselves a form of existence distinct from their existence as use values.

Now one might argue against this that the commodity does not need a value form, all the producer has to do in order to take advantage of the value in the commodity is to barter it
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away for something he or she can use. Marx discusses this possibility in 182:1. It works in simple circumstances, but not in a developed society in which every product is a commodity. The higher developed forms of value up until the money form, which will be derived below, become more and more indispensable as the extent and complexity of commodity production evolves.

This need of the commodity to have a double form provides the transition from the form of the commodity to the form of value, and from now on Marx only talks about the form of value.

According to criterion (a), the form of value is a relation which allows the commodity owners to take advantage of the value embedded in their commodities. It was derived earlier, in 127:3, that as exchange-values commodities are reducible to a common substance. This common substance is the “value materiality” first encountered in 128:3. It complements the commodity’s bodily form just as the soul complements the body. In a draft manuscript for the second edition of *Capital* published in [Mar87a, p. 7:2], Marx was considering to write the following after the sentence with the home-grown bodily form:

Their ghost-like *value materiality* by contrast cannot be seen. | Ihre gespensterhafte *Werthgegenständlichkeit* ist dagegen nicht wahrnehmbar.
The commodity owners must find a way to make this invisible value material beneficial for them. Here is the formulation in *Capital*:

138:2/o The material which makes up the value of a commodity differs in this respect from Dame Quickly, that one does not know “where to have it.”

Dame Quickly is a character in Shakespeare’s *Henry IV*. In part 1, act 3, scene 3, Falstaff says: “Why, she’s neither fish nor flesh; a man knows not where to have her.” Dame Quickly: “Thou art an unjust man in saying so: thou or any man knows where to have me, thou knave, thou!”

The reference to Dame Quickly is a poetic description of the trials and tribulations of the commodity producer on the market. He spent a lot of time producing his commodity, but the particular labor he has put into it is of no benefit to him; he does not need the use-values he is producing. He produced this use-value only in order to embed abstract human labor in his commodity. This abstract human labor gives him access to the things he needs, which are themselves the product of abstract human labor. Therefore he somehow has to get access to the abstract human labor in his commodity, to get hold of the *value material* in the
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commodity he produced. But this material is elusive.

The question is therefore where this value material can be had, i.e., how the commodity producers can get access to and therefore benefit from the value produced by their own labor. Marx uses an elimination argument based on the following two alternatives spelled out in the first edition of *Capital*, 30:1:

Commodities are objects. Whatever they are they must either be as objects or show in their own objective relationships.

⇓ The first alternative is therefore: can we find the value material in the commodity as an object? No. That so and so much abstract labor was used up in the production of the linen is not evident from its use-value:

Unlike the crude tangible material of which use-values are composed, this value material does not contain a single atom of physical matter.

⇓ It is therefore impossible to get access to the value inside the commodity through direct physical interaction with the commodity:
However much one may tilt and turn a single commodity, one will not be able to lay one’s hands on it as a thing consisting of value.

Therefore only the other alternative remains: this value must manifest itself in the relationships which these commodities have with each other.

If we remember, however, that commodities are materializations of value only in so far as they are expressions of the same social unity, human labor, i.e., that as values they consist of a purely social material, then we will understand that this value material can only manifest itself in the social relation of commodity to commodity.

The same word “social” occurs three times in this long sentence, but it has a slightly different meaning in its third occurrence than in the first two. A digression is therefore necessary, in order to clarify some basic concepts, so that we can properly understand the above sentence. First a word about the concept of social relations. When Marx speaks of
1. The Commodity

social relations, he often uses the formulation that they are relations “of” the individuals, not “between” the individuals. An explanation of this can be found in the following statement in *Grundrisse*, p. 265:0, which may at first seem astonishing:

Society does not consist of individuals, but expresses the sum of connections, relations, in which these individuals stand with respect to each other.

Society consists of relations and not individuals. The relations pre-exist any individuals that may slip into these relations and give them life. For instance, the roles of a mother or a teacher are very clearly circumscribed social roles which preexist any individual mother or teacher living today. Today’s mothers or teachers did not create these roles, but their behavior reproduces these roles and, often unintentionally, transforms them.

Society is therefore not seen as a group of individuals with rubber bands between them, but as a building with many different rooms inhabited by the individuals. Its architecture can be studied before one knows anything about the individuals living in these rooms.

The declaration that “society does not consist of individuals” implies that “the social” is not reducible to the conscious actions and intentions of individuals. This view deeply per-
1.3. Form of Value

meates *Capital*. The social relation “value” for instance is not explained by the goals and preferences of the commodity owners, but by the organizational structure of social production.

In capitalism, all labor counts as equal, all labor counts as the expenditure of a part of the mass of the human labor-power available to society. In every society, the expenditure of labor-power is needed to shape the use-value of the product. In capitalism, the labor process has a second effect: people remember how much labor-power they spent in the production of the use-value because this use-value is their claim on the products of the labors of the others. The labor-power, therefore, does not disappear when it is used up but it is accumulated in the value of the product. This accumulated past labor-power is the “value materiality” Marx is talking about.

Now we know that Marx means when he says that the value materiality is something social. Now what does he mean with the phrase that it can only manifest itself in the relationship of commodity to commodity?

The error of trying to reduce society to individuals is made so often because nothing happens in society without some individual carrying it out. The social structure grows, so-to-say, behind the back of the individuals, and is not controlled by the individuals, nevertheless
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their individual activity is the motor maintaining the social structure. If a commodity has value, this causes people to act in certain ways with respect to it, and on the other hand, only if this activity occurs will a commodity have value. The commodity owner can therefore only benefit from the value in the commodity through the value-sustaining behavior of other individuals—there is no way to benefit from the value just in a direct physical interaction between the individual and the commodity itself. Any form of value must therefore involve interpersonal activity, i.e., activity involving more than one individual. And since a commodity is involved, this interpersonal activity must be kindled by a relationship from commodity to commodity. Unfortunately, Marx’s terminology does not have a separate word for “interpersonal” relations but calls them “social” relations. But his formulation “social relation of commodity to commodity” makes it clear that Marx means here a relationship in which the commodities come in direct contact with each other.

The above passage says therefore: value is a social relation, and therefore we have to look at the direct interactions between commodities if we want to know how individuals can benefit from the values in their commodities.

Before embarking on this new derivation, Marx makes two brief digressions. In his first digression, he remarks that this look at the direct interactions between commodities was also
1.3. Form of Value

The exchange-value or exchange relation of commodities was in fact the starting point in our search for its value hidden inside it. Marx calls the value relations of the commodities, i.e., the proportions in which commodities can be exchanged for each other and for money, the “form of appearance” of value, because this is the form in which value confronts the individual agents in their practical activity. The word “form of appearance” (Erscheinungsform) is also used in 127:1, and “form in which it appears” in the Notes to Wagner, p. [mecw24]544:6/o. “Form of appearance” is contrasted with “essential form” in 683:3.

We must now return to this form of appearance of value. Marx is starting again from the same point of departure. But instead of making an inference from the form of appearance of value to what the substance of value must be, he knows now what the substance is and can therefore come to a deeper understanding of the form of appearance itself. This circular course, from the phenomena to the underlying...
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mechanisms and then back to the phenomena, follows the spirit of the things said in 102:2 and in the Introduction to Grundrisse, [mecw28]37:2–38:1.

⇓ The second digression gives a survey of what must be accomplished:

139:1 Everyone knows, if he knows nothing else, that commodities have a value form common to them all which presents a marked contrast to the varied bodily forms of their use-values—namely, their money form.

⇑ The “money form” of a commodity is a concept which belongs into chapter Three, see 203:3/oo. When Marx uses this word already here, he refers to the fact of life that all commodities can be turned into money, and indeed must be turned into money if their producer is to benefit from having produced them.

⇓ The money form itself is so striking that it has attracted a lot of attention, but nobody ever tried to explain the genesis of the money form.

 Hier however, a task is set to us, which bourgeois economics never even tried to ac-
complish, namely, to trace the genesis of this money form,

The activity of the surface agents, in their efforts to make those market transactions which are most beneficial for them, has the side effect of providing information to the producers which enables them to produce the things needed by society while treating all labors as equals and choosing those production methods which only consume socially necessary labor. This state of affairs did not arise spontaneously, but is the result of a long historical development in which both the social relations of production and the institutions and behaviors on the surface evolved in such a way that they fit together. Marx is about to sketch the first chapter in this development history: how individual exchange decisions are modulated until they resonate with each other in such a way that the private producers can “hear” whether their production fits into the general division of labor. The great resonator here is—money. The question Marx is asking is therefore how the money form established itself.

In the second half of this sentence, Marx reformulates the question in such a way that his approach to answering it becomes visible:

i.e., to pursue the development of the expression of value contained in the value relation of the products of labor, namely, the development of the expression of the value contained in the value relation of the products of labor.

also die Entwicklung des im Wertverhältnis der Waren enthaltenen Wertausdrucks von
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...almost unnoticeable shape to the blinding money form.

The boast that nobody did this before is Marx’s opener for giving a quick summary how he is going to investigate the genesis of the value form. He begins with the value relations of the commodities, i.e., the relations which commodities have on the market with each other due to the fact that they contain value. In these value relations he is looking for *expressions* of value, i.e., behaviors which, since they flow from the values in the commodities, transmit information about these values. There is a hierarchy of such expressions; they go from simple to elaborate. The principle which drives these expressions forward is: how well suited this information is for governing the decisions of the producers of the commodities. When this is done, the riddle of money will disappear at the same time.

I translated *Geldrätsel* with “riddle” instead of “mystery.” Mystery, *Geheimnis*, is an ontological category: things are intrinsically *geheimnisvoll*. A riddle, on the other hand, is epistemological: someone does not know something, is perplexed by it, tries to resolve it.
The “riddle of money” is the riddle why money can buy everything. It is not Marx’s only concern or even main concern. Marx’s main concern is the link between money and production. But bourgeois economics was preoccupied with the properties of money in circulation.

This is the end of the second digression. Now Marx begins his analysis. Just before his two digressions, in 138:2, he said: since commodity value is something social, it can appear, manifest itself, only in the direct interaction between commodities. That is why he looks now at the simplest situation in which commodities face each other as values.

139:2 Obviously, the simplest value relation is that of one commodity to a single commodity of a different kind, whatever this other commodity may be.

If one takes any two commodities which have the same value, then these commodities have a social relation with each other, namely, of having the same value. This is what Marx means by their “simplest value relation.”

The value relation between two commodities yields therefore the simplest expression
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of the value of a commodity.

Wertausdruck für eine Ware = Ausdruck für den Wert einer Ware = Ausdruck des Werts einer Ware.

An “expression” of value is any relation or behavior that exists because commodities have value, and that emits information about this value. A form of value is also an expression of value, but it must satisfy the above criteria (1) and (2) in order to serve as a form. Right now we are looking how the simplest value relation is an expression of value, in order to trace the development of this expression into a form.

1.3.A. The Simple, Isolated, or Accidental Form of Value

Marx uses the attributes “einfach,” “einzeln,” and “zufällig.” He does not use “elementary.” Since there is a conflict with the use of “elementary” in the very first paragraph of Capital, this word is not used in this translation either.

Assume 20 yards of linen and 1 coat have the same value, i.e., they contain the same
amount of socially necessary labor-time. This is a social relation between them, and this social relation is called, by Marx, the simplest value relation. This relation implies that they can be exchanged for each other or that their prices tend to be equal. But right now we are not looking at these implications but at the relation itself. We don’t even know where this relations comes from, i.e., at this stage of abstraction we have forgotten that coat and linen have this relation because they contain equal amounts of labor. All this will be later read off from this relation itself.

In 139:2, Marx announced that this simplest value relation contains the simplest expression of value. This relation can be viewed as an expression of value in two ways, according to whether the value of the linen or the value of the coat is to be expressed. Marx’s formulation here makes it an expression of the value of the linen:

139:3–4  \( x \text{ commodity } A = y \text{ commodity } B \)  or:  \( x \text{ commodity } A \) is worth \( y \text{ commodity } B \). (20 yards of linen = 1 coat or: 20 yards of linen are worth one coat.)

63:1  \( x \text{ Ware } A = y \text{ Ware } B \) oder:  \( x \text{ Ware } A \) ist \( y \text{ Ware } B \) wert. (20 Ellen Leinwand = 1 Rock oder: 20 Ellen Leinwand sind 1 Rock wert.)
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In Marx’s original text, both linen and coat are made by men, not women, but Marx playfully uses the fact that the German language gives (often rather arbitrary) male and female genders to things. Linen is female and coat is male. In order to replicate this colorful stylistic play in the translation, I will pretend here that the coat was made by a man and the linen by a woman (although usually weaving was men’s work; spinning was women’s work).

We don’t know yet whether and in what way this is a form of value as defined by the criteria (a) and (b) above. Marx will need the whole subsection to develop that. But Marx assumes that it is immediately obvious to the reader that it is an expression of value. It can even be used as a verbal expression. If the linen weaver says to the tailor “20 yards of linen are worth one coat,” this means that she is willing to exchange 20 yards of linen for a coat.

Before going on, it is necessary to address a basic misunderstanding which is often made. The form of value, which Marx discusses here, has no relation to the use-values involved. Unfortunately, Marx chose an example in which there is a relationship between the use-values: linen can be used to make coats (although Marx himself was thinking of woolen coats, see 145:2). This invariably leads to misunderstandings, such as, that the coat represents the value of the linen because it shows what kind of use-values can be made out of linen. Or, in the reverse relationship, the linen represents the value of the coat, since it takes
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this many yards of linen to make a coat. A careful reading of the text will show without doubt that *this is totally wrong!* The question whether one commodity is a raw material of which the other commodity can be made, or any other relationship of the *use-values*, has no bearing on the value form. It would have been better had Marx chosen the relationship

10 bags of potatoes = 1 coat

to make it clear that the value relation is *not* a relationship between the use-values. The linen weaver happens to need a coat and is willing to give 20 yards of linen in exchange for a coat. No intrinsic relationship between the use-values of linen and coat is necessary for this to be the case.

The Two Poles of the *Value Expression*: Relative Form of Value and Equivalent Form

139:5 The secret of all forms of value lies hidden in this Simple form of value.  
63:2 Das Geheimnis aller Wertform steckt in dieser einfachen Wertform.
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I am capitalizing Simple, Expanded, etc., but not relative and equivalent.

The reasoning so far makes it *plausible* that the Simple form of value contains the secret of all forms of value, but the full proof of this will be given in the further development. Its analysis, therefore, presents the key difficulty.

The analysis of the forms of value is, according to Marx, the most difficult part of *Capital*, see 89:3/o. One of the reasons making this analysis difficult is that the value relation between two arbitrary commodities seems symmetric but must be analyzed in an asymmetric way.

139:6 Obviously the two different commodities $A$ and $B$ (here linen and coat) play two different roles.

The annoyed reader asks here: First Marx writes the value relation down in an asymmetric way, and then he makes a big deal about it that it is asymmetric. But it is only asymmetric because Marx made it so. Where is the scientific insight in all this? The Hegelian reader
answers: Marx did not make the relationship asymmetric but he only showed that the symmetric value relationship contains an expression of value, which is by its nature asymmetric. His scientific merit consists in his powers of abstraction which allow him to recognize that the value relation contains this expression already in its most embryonic form, before it has become obvious in the money form.

But it is not necessary to use this Hegelian approach, i.e., to immerse one’s thoughts into the subject matter until one so-to-say sees its structure from the inside, to arrive at conclusions which are very similar to Marx’s own. In a Critical Realist framework it is possible to argue as follows: The exchange relations on the surface of the economy are such that 20 yards of linen can be exchanged for one coat and vice versa. These relations themselves are intrinsically symmetric, but the individual actions and decisions which sustain, reproduce, and transform these exchange relationships are asymmetric.

For instance, if the social exchange proportion between linen and coat is “20 yards of linen for one coat,” then tailors and linen weavers must be on the market who are willing to make this exchange. This exchange is not a co-operative act in which both traders work together towards a common goal, but on the contrary, each of the two traders has his or her own reason for this exchange, which is often just the opposite of the other trader’s reason.
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If one want to look at the individual activity which sustains this social exchange relation, one must look at the point of view of each of the traders separately. Although Marx wrote his text with the intention to develop in the abstract what it means for the linen to express its value in the coat, we will read it as describing the linen weaver’s thought processes and motivation, who has just announced that she is willing to exchange 20 yards of linen for a coat.

In the next four paragraphs, Marx looks at this simple value expression itself, without going into a “deeper analysis” (sic in the first edition, 627:2). In other words, Marx points out certain properties possessed by the relationship of linen and coat because this relationship is an expression of the value of the linen in the coat. From a critical realist framework, some of the things said in these four paragraphs can be considered as a look at the thought processes of the linen weaver who is willing to exchange 20 yards of linen for a coat.

The linen expresses its value in the coat; the coat serves as the material in which that value is expressed.

⇑ The linen weaver’s willingness to accept a coat in exchange for 20 yards of linen is an expression of the value of the linen in a sense closely related to the “revealed preferences”
argument in modern economics: the linen weaver knows how much effort and expense was necessary to produce the linen, and she needs a coat. In light of this information she is willing to give away 20 yards of linen for a coat. In this sense, 20 yards of linen are, for her, worth a coat.

Modern neoclassical economics tries to infer from this practical decision that in the linen weaver’s utility function, 20 yards of linen is ranked lower than a coat. Marx does not make this additional step. Instead, he insists that the linen weaver does not look at linen as an object of utility. She does not need linen, and she did not produce linen for her needs. But even if the linen weaver was modeled to have a Marxian utility function, i.e., the linen enters her utility function not as a use-value, but as the disutility of her labor, this would still be an essentially different theory than Marx’s own. Of course, the linen weaver knows how much labor is in the linen, and the amount of labor in the linen is necessarily one of the factors influencing her decision. But the reduction of all exchange-proportions to labor is an outcome generated by the interplay of the decisions of the producers and consumers, and not necessarily something of which the linen weaver is conscious or which is directly reflected in her motivations. Even a linen weaver who loves nothing more than to make linen must sell the linen at a price high enough to enable her to survive.
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Society is based on people’s actions; what people think and intend is only relevant to the extent that it determines what they do. All we know, and all we need to know at this point, is that the linen weaver is offering to give her linen in exchange for the coat. Marx is justified to call this individual decision an expression of the value of the linen in the coat not because the linen weaver is necessarily aware where the value of her linen comes from, but simply because the linen weaver knows the labor content of the linen, and this knowledge enters her decisions. Her practical actions are therefore in a very broad sense an expression of the labor content of the linen.

The first commodity plays an active role, the second a passive one.

⇑ The linen weaver just produced 20 yards of linen—although she does not need linen. Instead, she has many other needs. Her effort and expenses to produce the linen will be wasted and her needs will remain unmet if she is unable to exchange the linen for the things she needs. Therefore she will not rest until the linen is off her shelf. This urgency gives the linen its active character.

⇓ Now that we have seen that these poles differ, Marx gives them different names:

The value of the first commodity is repre- | Der Wert der ersten Ware ist als relativer Wert
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The second commodity functions as equivalent, in other words it is in the equivalent form.

The paragraph which we just read explained the differences between the roles played by linen and coat; the next paragraph goes one step further and stresses the polar opposition between these two poles:

139:7/o The relative form of value and the equivalent form are two moments which belong together, mutually condition each other, and cannot be separated; but, at the same time, they are mutually exclusive or opposite extremes. They are the two poles of the same expression of value, distributed over the different commodities which this expression of value brings in relation with 63:4 Relative Wertform und Äquivalentform sind zueinander gehörige, sich wechselseitig bedingende, unzertrennliche Momente, aber zugleich einander ausschließende oder entgegengesetzte Extreme, d.h. Pole desselben Wertausdrucks; sie verteilen sich stets auf die verschiedenen Waren, die der Wertausdruck aufeinander bezieht.
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Not only are the roles of the two commodities different, but these two roles must also be assumed by different use-values. The proof of this statement has two parts. Marx first shows that the same use-value cannot occupy both poles of the Simple value expression:

I cannot, for example, express the value of linen in linen.

Why not? It would seem justified to argue at this point that people only then want to make an exchange if there is a difference between the things exchanged. Marx seems to argue along these lines in 161:2 later in this section, but his argument given at the present point has a different nuance. Even if the linen weaver is willing to make this exchange (perhaps because she is exchanging linen of one color against identical linen of a different color, or linen today against linen tomorrow), such an exchange does not say anything about the value of the linen:

20 yards of linen = 20 yards of linen is not an expression of value. Instead, this equation says that 20 yards of linen are nothing but 20 yards of linen, a definite quantity of the
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useful object “linen.”

If the linen weaver were willing to make this exchange, she would demonstrate with this that it does not matter to her whether this linen is made by herself or by the other weaver. The only thing that matters is the use-value of the linen. It is therefore an expression of the use-value of the linen, which is the exact opposite of it being an expression of its value.

This seems almost too pedantic or trivial to write down, but Marx is making a point with it, namely, that value cannot be expressed if one looks at one commodity alone, but only in a relation involving more than one commodity.

The value of the linen can therefore only be expressed relatively, i.e. in another commodity. The relative form of the value of linen therefore presupposes that some other commodity confronts it in the equivalent form.

The second commodity involved can be any use-value, but it must be a different use-value than the first. This concludes the first part of Marx’s proof.

But even if two different
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use-values (linen and coat) occupy the two poles of the Simple form of value, one might try to argue that the expression of the value of the linen in the coat is at the same time also an expression of the value of the coat in the linen, so that both of these commodities are simultaneously in the relative and the equivalent form of value. In the second part of his proof, Marx denies that this can be the case:

On the other hand, this other commodity, which figures as the equivalent, cannot simultaneously be in the relative form of value.

This cannot be because the linen weaver is not motivated by the labor in the coat; she probably does not even know how much labor is in the coat. She only sees the use-value of the coat. But since Marx is not telling us here that he is describing the thought processes of the linen weaver, he must argue on a more abstract level:

It is not the latter commodity whose value is expressed. The latter commodity only provides the material in which the value of the first commodity is expressed.
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This argument is based on the fact that only something visible can be the expression of something. The material in which the linen’s value is expressed must be visible, it is the use-value of the coat. The invisible value of the coat does not enter this expression. Next Marx makes this abstract argument more concrete by addressing the reason why one might think that the expression of the value of the linen implies at the same time an expression of the value of the coat:

140:1 Of course, the expression 20 yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, also implies its reverse: 1 coat = 20 yards of linen, or 1 coat is worth 20 yards of linen.

The linen weaver can exchange linen for coat only if the tailor agrees to this exchange—and the tailor’s agreement indicates that for him, the linen is an equivalent for his coat. But if the coat is in the relative form of value in the tailor’s expression of value that does not mean it is in the relative form of value in the linen weaver’s expression of value:

But in this case I must reverse the equation, in order to express the value of the coat relatively. But so must ich doch die Gleichung umkehren, um den Wert des Rocks relativ auszudrücken.
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atorily; and, if I do that, the linen becomes the equivalent instead of the coat.

The expression of value implies its reverse because it and its reverse must come together for the exchange between 20 yards of linen and one coat to actually take place. But these two expressions are not identical, one derives from the linen weaver’s willingness to exchange, the other from the tailor’s willingness to exchange.

Now we are finally done with the proof of the assertion that the two poles of the Simple form of value must be occupied by two different commodities (in the sense of: commodities with different use-values).

The same commodity cannot, therefore, simultaneously appear in both forms in the same expression of value. These forms rather exclude each other as polar opposites.

At this point in the appendix of the first edition, Marx has an additional paragraph 628:2 which ties the value expressions to the actions and thoughts of weaver and tailor. This shows that Marx had the critical realist point of view in mind, but he dropped it again presumably because he thought it was an extraneous imagination and illustration which was not neces-
sary in the purely immanent development of the concepts which he aspired to.

The possibility of the reversal of the relation between linen and coat also has a different implication: every commodity that can be in the relative form of value can also be in the equivalent form of value.

140:2 Whether a commodity is in the relative form or in its opposite, the equivalent form, exclusively depends on the position it holds in the expression of value. That is, it depends on whether it is the commodity whose value is being expressed, or the commodity in which value is being expressed.

Marx writes “exclusively” because the question whether a commodity is in the relative or equivalent form does not depend on anything other than its position in the expression of value. A commodity does not have to be gold in order to serve as equivalent. Any commodity can be equivalent, just as any commodity can be in the relative form. The value forms discussed here are transient forms. Just as an individual in capitalist society is sometimes buyer and sometimes seller, so a commodity is sometimes in the relative and sometimes...
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in the equivalent form. Other relations are not transient: a given commodity is not sometimes money and sometimes an ordinary commodity, and the same individual is usually not sometimes a laborer and sometimes a capitalist.

The Relative Form of Value

Many times now, the linen weaver’s willingness to exchange her 20 yards of linen for a coat has been called an expression of the value of the linen in the coat. But this is a very private expression, which lives in the mind of the linen weaver. Next Marx will show how the actions of weaver and tailor generate an independent representation of the value of the linen, which can be seen and acted upon by everyone. In a further step, Marx pays special attention to it how the private producers use the information given in this representation. One might say that until now the Simple form of value was discussed from the inside, i.e., from the point of view of the linen weaver herself. From now on it will be discussed from the outside, i.e., from the point of view of the market participants who observe the exchanges without knowing the thought processes of the commodity owners making these exchanges. In this new discussion, Marx first looks at relative and equivalent forms separately, and then
he looks at the relationship as a whole. He begins with the relative form because it is active.

Content of the Relative Form of Value The individuals meeting on the market are also those who produce and consume. Each of them knows exactly what is involved in producing that commodity which he or she brings to market, and the choices he or she makes on the market are informed by this knowledge. In the subsection which we are about to read, Marx is asking how the linen weaver, by agreeing to trade her 20 yards of linen for one coat, informs others about her part of the deep structure of the economy, i.e., the production of linen. This is what Marx calls the “content” of the relative form of value. Below, starting with 141:3/0, Marx will also broaden his field of vision and look at the joint impact of the exchange decisions of many individual traders. But he first looks at two traders:

140:3–141:1 In order to discover how the Simple expression of the value of a commodity is embedded in the value relation between two commodities, we must, for now, look at the value relation independently of its quantitative aspect.

64:2–3 Um herauszufinden, wie der einfache Wertausdruck einer Ware im Wertverhältnis zweier Waren steckt, muß man letzteres zunächst ganz unabhängig von seiner quantitativen Seite betrachten.
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The Moore-Aveling translation is: “In order to discover how the elementary expression of the value of a commodity lies hidden in the value relation of two commodities.” Fowkes is very similar: “In order to find out how the simple expression of the value of a commodity lies hidden in the value relation between two commodities.” The formulation “lies hidden” is wrong. An expression cannot be hidden. It may need deciphering, but there is a difference between something that is clearly visible on the surface but is not understood, and something that is hidden.

⇑ The word “expression of value” in the above sentence and in the whole development that follows now refers to a public expression of value, i.e., information about the value of the linen which others receive from the market activity of the linen weaver. This is a little confusing because in the just preceding four paragraphs, the same word “expression of value” was used for the private expression of value, i.e., for the thoughts inside the linen weaver’s head which are invisible to others.

One might think that the most important information about the value of linen given by the linen weaver’s willingness to accept a coat in exchange for her 20 yards of linen is the quantity of linen which she offers in exchange for a coat. Marx says in the above passage that this is a fallacy, that this preoccupation with the quantities prevents us from recognizing how the value relation between two commodities is the expression of the values of the commodities
involved. But he acknowledges that his prescription must be surprising to the reader: The usual procedure is the precise opposite of this: one sees in the value relation only the proportion in which specific quantities of two sorts of commodity count as equal to each other.

The common procedure not only looks at the quantitative aspect so-to-say prematurely, but, according to the above sentence, it also looks at the value relation as a symmetric relation between two commodities. Right now, Marx does not comment about this other error, i.e., on the failure to distinguish between the two poles of this relation, because it was discussed at length in the four paragraphs beginning with 139:6. Just as it is wrong to look at the value relationship as a merely quantitative relationship, so it is also wrong to look at it as a symmetric relationship. The analysis of the Simple form of value is so difficult, as announced in 139:5, exactly because it invites those two errors.

In order to justify his procedure of beginning with the quality, Marx makes first of all a brief remark that the alternative of beginning with the quantities cannot be right, for methodological reasons alone:
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One overlooks that the magnitudes of different things become comparable in quantitative terms only after these things have been reduced to the same unit.

In German, the beginning of the above sentence “man übersieht” is parallel to the beginning to the previous sentence “man . . . sieht.” This is why I used the translation “one overlooks” instead of “it is apt to be forgotten.” (On the other hand, the version of this sentence in the first edition says “man vergißt.” This gives justification to the translation which we rejected here.)

In the next sentence, Marx says that it is appropriate to look at the quantity only after we know that the qualities are equal. This remark is a little premature because he has not yet shown that the qualities are equal. In the first edition, this sentence fit better, because it came after Marx’s proof that the qualities are equal.

It is only as expressions of such a common unit that they are of the same denomination, and are therefore commensurable magnitudes.¹⁷

Nur als Ausdrücke derselben Einheit sind sie gleichnamige, daher kommensurable Größen.¹⁷
Footnote 17 shows that the common-sense error of focusing on quantities and forgetting the qualities is repeated by the economists:

17 The few economists, such as S. Bailey, who have concerned themselves with the analysis of the form of value, were unsuccessful, firstly because they confuse the form of value with value itself, and secondly because, under the crude influence of the practical bourgeois, they give their attention from the outset, and exclusively, to the quantitative aspect of the question. ‘The command of quantity ... constitutes value’ [Bai37, p. 11]. Written by S. Bailey.

Samuel Bailey is an economist whom Marx takes seriously; Marx’s *Theories of Surplus-Value*, [mecw32]312–353, contain a detailed analysis of Bailey’s works.

After all these remarks about the wrong approach, Marx finally shows us how to do it right, and tells us what remains of the Simple form of value if we look at it independently of its quantitative aspect.

141:1 Whether 20 yards of linen = 1 coat | 64:3 Ob 20 Ellen Leinwand = 1 Rock oder
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or = 20 coats or = \( x \) coats, i.e. whether a given quantity of linen is worth few or many coats, whatever the proportion, it is always implied that the linen and the coat, as magnitudes of value, are expressions of the same unit, things of the same nature. Linen = coat is the basis of the equation.

Our curiosity whether the linen weaver is willing to give her 20 yards of linen in exchange for one coat, or whether she wants 20 coats or \( x \) coats for it, should not detract us from a more basic noteworthy fact: this exchange offer tells everyone that in some respects, the two different commodity-kinds linen and coat are *equal* to each other.

But Marx immediately adds that there is an asymmetry in this equality. Although related, this asymmetry is not identical to that discussed earlier. When we looked at the individual motivation of the linen weaver, the asymmetry consisted in the fact that the linen is a commodity which the linen weaver has produced, about which it has intimate knowledge regarding the labor time, skills, materials, and equipment necessary to produce it, but which it does not need. The coat is a use-value the linen weaver needs. Now, that we are looking at...
the social value relation sustained by this individual activity, the asymmetry consists in the fact that linen is offered on the market in exchange for coats, i.e., everybody who has a coat can convert it into linen, but the reverse does not hold, i.e., linen is not directly exchangeable for coats. In other words, since the linen weaver publicly offers linen in exchange for coats, the tailor does not have to go through the trouble of publicly offering his coat in exchange for linen. All he has to do is privately approach the linen weaver with his coat.

141:2 But these two qualitatively equated commodities do not play the same role. Only the value of the linen is expressed, not that of the coat.

Both translations say here: It is only the value of the linen that is expressed. This can be misunderstood to mean: only the value of the linen, not its use-value.

This is very similar to what Marx wrote in 139:6. But the situation is different. Earlier we looked at what the linen weaver was thinking. Now we look at the social relations sustained by the linen weaver’s actions. How can someone witnessing the linen weaver’s
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offer of linen for a coat come to the conclusion that this is an expression of the value of the linen and not of the coat?

And how does the linen express its value? By referring to the coat as its ‘equivalent’, the ‘thing exchangeable’ for it.

Und wie? Durch ihre Beziehung auf den Rock als ihr „Äquivalent“ oder mit ihr „Austauschbares“.

The outsiders do not share the linen weaver’s need of a coat nor her knowledge about the cost of producing the linen. They only see that coats can, by exchange, be converted into linen.

It is paradoxical that this act, by which the linen weaver expresses the value of the linen by equating the coat with it, does not signal to those onlookers that the linen is value. On the contrary, the linen weaver’s act signals to them that the coat is value, since the coat has now the magical property of being exchangeable for linen.

In this relation, the coat counts as the form of existence of value, as a thing representing value—for only as such is it the same as the linen.

Only indirectly, through the detour over the coat, does the linen weaver’s initiative also
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signal that the linen is value:

On the other hand it is also revealed here, or obtains an independent expression, that the linen itself is value—for only as value can the linen point to the coat as something equivalent with linen or exchangeable for linen.

The word “independent” means here: this expression of the value of linen is no longer chained to the use-value of the linen and buried in the brain of the linen weaver, but has its independent existence, for everyone to see and act upon. And although the expression of the value of the linen goes through a detour, Marx discusses it before discussing the expression of the value of the coat. The expression of the value of the coat is much more dazzling than that of the linen, but it is limited in that only one commodity in society can play the role of being directly exchangeable against all other commodities. By contrast, not only the linen, but also all other commodities can express their values in a general equivalent.

Next Marx brings an unfortunate analogy.

In the same way, butyric acid is a different...
This example is based on mistaken chemical concepts. Since butyric acid and propyl formate have an identical chemical formula $C_4H_8O_2$, Marx thought that their difference...
consisted in a “bodily” dimension not reducible to chemistry, while as chemical substances they were identical. Modern molecular chemistry has a better explanation: although both molecules consist of the same atoms, the atoms are bound together in a different geometric arrangement. Therefore the difference is indeed a chemical one.

So far, Marx discussed the messages which the linen weaver sends out when she agrees to accept a coat for her linen. The recipients of these messages are not only the other commodity owners on the market, but also the producers of these commodities. Marx focuses now on the impact of the signals coming from the linen weaver’s exchange decisions on the producers. At the same time, he broadens his view and looks at the combined impact generated by many such individual decisions, not just that of one linen weaver.

In order to describe these messages, Marx uses *speech* as a metaphor. This speech metaphor was already lurking in the formulation “what does this equation say?” in 127:2, and also in 139:7/o. The commodities *say* something—not only to us but also to everybody else, including the private producers behind their closed doors labeled “no admittance”. What are they saying? According to Marx, they say everything which he, as a writer, and we, as the readers, had to unearth through tedious scientific analysis at the beginning of *Capital*. 
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It is not an accident that the connection between value and labor is drawn only now. Until now, “value” was simply the bodily property of the commodities which made them exchangeable, but it was unclear where value came from. As long as one only looks at the sphere of circulation, one can see that the commodities have value, but the relations in circulation alone do not allow us to infer where this value comes from. But if we go beyond the market, and look how the market information enters the production decisions of the private producers, then we are bringing labor into the picture. The producers use the market information in order to decide how much labor to allocate to the production of which use-value.

Marx begins with the results of his own analysis of the commodity, and then compares it with what the commodities themselves tell us. This is a somewhat abrupt transition, but we should not be surprised, since an immanent transition to labor is not possible as long as one looks at the sphere of circulation alone.

If we say that, as values, commodities are merely congealed masses of human labor, our analysis reduces them to the abstraction “value,” but does not give...
them a form of value distinct from their bodily forms.

If one has followed the earlier analysis, one knows that commodities as values can be reduced to abstract labor, but one does not know the transmission belt through which the practical activity of the commodity owners on the surface of the economy is translated into an organization of production based on abstract labor. This transmission mechanism is implicit in the two aspects of the definition of “form of value” given earlier.

But if we listen to the commodities themselves, they not only tell us that they are conge- lations of abstract labor, but they also tell this to the producers in the core and in this way enable the producers to treat them as commodities.

It is otherwise in the value relation of one commodity to another. The first commodity’s value character steps here forward through its own relationship with the second commodity.

With the formulation that the commodity’s value character “steps forward” through its relationship with the other commodities, Marx had the Hegelian concept of appearance in
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mind. The definition of appearance is that all properties of the hidden essence (here of value) are reflected in the appearance. Marx uses here the metaphor that, through their interactions on the market, the commodities tell us everything which we know about the nature of value from our scientific analysis. From a Critical Realist perspective the goal is more modest and more specific: the relationships and interactions on the surface must generate all the information and inducements for the producers that they can and want to treat their products as values, i.e., as containers of abstract labor. In the next paragraph, Marx shows how it is indicated by the relations of the commodities that the labor which creates the value of the linen does not differ from the labor which creates the value of the coat, i.e., it is human labor in the abstract.

142:1 By setting the coat, for example, as a thing of value equal to the linen, the commodity owners also set the labor embedded in the coat equal to the labor embedded in the linen. 65:2 Indem z.B. der Rock als Wertding der Leinwand gleichgesetzt wird, wird die in ihm steckende Arbeit der in ihr steckenden Arbeit gleichgesetzt.
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The “for example” means “for example the coat, but it could also be any other commodity.” The Moore-Aveling translation omits it, although it is important here: it indicates that we are no longer talking about the one linen weaver, but we are talking about the aggregate effect of many individual exchanges. Instead of “setting equal” the Moore-Aveling translation has: “By making the coat the equivalent of the linen, we equate the labor embodied in the former to that in the latter.” Fowkes has: “By equating, for example, the coat as a thing of value to the linen, we equate the labor embedded in the coat with the labor embedded in the linen.” The “we” in both translations is unfortunate: the reader must think the “we” is the researcher from the preceding paragraph which started with the words “if we say that.” But it is exactly not; rather, Marx is talking here about the actions of the commodity owners, and in German he does not use the word “we.”

↑ If the linen weaver offers linen in exchange for coats, then this is at first only of interest for the producers of coats. If they had ever contemplated switching to the production of linen, this is now no longer necessary. They can just continue producing coats and then trade their coats for linen. ↓ One might say, tailoring counts now at the same time as weaving labor, i.e., it counts as that which is common in both kinds of labor, as abstract human labor.

It is true, tailoring, which makes the coat, is concrete labor of a different sort than weaving.
1. The Commodity

The commodity, which makes the linen. But by equating tailoring with weaving, the commodity owners reduce tailoring in fact to what is really equal in the two kinds of labor, namely, that they are both human labor.

When Marx says that tailoring is “in fact” reduced to abstract human labor, he means this in contrast to reducing tailoring “in theory” to abstract human labor. The act of making coats can always be thought of as being an expenditure of human labor, just as the act of weaving linen. But only if the linen weaver is willing to exchange linen for coats does this abstraction have practical relevance, because now the labor making coats counts as the incarnation of abstract human labor which can, at the will of the tailor, either take the form of coat or, through exchange, the form of linen. A similar reference to an actualized abstraction can be found in 128:4.

Once coats become the means to acquire linen, then also linen weaving counts as abstract labor because linen can be “sold” for coats.

Through this detour over tailoring they say...
that weaving too, in so far as it weaves value, has nothing to distinguish it from tailoring, and, consequently, is abstract human labor.

↑ Note the speech metaphor!

↓ The more indirect way in which linen counts as abstract labor has the advantage that it is generalizable to other commodities too, if coats can not only be used for purchasing linen but for purchasing other things too. Therefore Marx looks now at the linen-side of the equation, but he will return to the coat-side in 142:2.

Only the expression of different sorts of commodities as equivalents makes the specific character of value-creating labor apparent, by in fact reducing the different kinds of labor embedded in the different kinds of commodities to their common quality of being human labor in general.\(^{17}\)

↑ Note that the above sentence contains another “in fact.” We see that the market relations
do those things in fact which our theoretical analysis had only explored theoretically: they reduce all labor to abstract human labor.

\[\downarrow\] The thought processes of Ben Franklin, one of the earliest economists exploring the nature of value, are a simple translation of these exchange relationships into words:

\[17^a\] Note to the 2nd edition: One of the first economists, after William Petty, to have deciphered the nature of value, is the famous Franklin: “Trade in general being nothing else but the exchange of labor for labor, the value of all things is … most justly measured by labor” [Spa36, p. 267]. Franklin is not aware that by measuring the value of everything ‘in labor’ he makes abstraction from any difference in the kinds of labor exchanged—and thus reduces them all to equal human labor. Yet he states this without knowing it. He speaks first of the one ‘labor’, then of another ‘labor’, and finally of ‘labor’, without further qualification, as the sub-

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We are not yet done showing how the value character of the linen steps forward through its relationship with the coat:

However, it is not sufficient to express the specific character of the labor which makes up the value of the linen.

Value is not identical to abstract labor itself but it is congealed abstract labor, i.e., although it is a social relation, it has the character of a material. This material character of value must also be expressed in the value relations. (The development which follows now is parallel to the earlier 128:3.)

Human labor-power in its fluid state, or human labor, creates value, but is not itself value. It becomes value in its coagulated state, in bodily form.

The labor producing the linen could have been used to produce coats, and it could also have been used to produce anything else, but it must always be in a product, since storing the labor as labor is not an option.
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In order to express the value of the linen as a congealed mass of human labor, it must be expressed as a “materiality,” a thing, that is different than the linen itself and at the same time common to linen and all other commodities.

The quasi-material character of value must be expressed as well by the relations of the commodities with each other.

The task is already solved.

The reader can guess at this point how this is already solved: The quasi-material inside the linen, which makes up the value of the linen and which, as we know, does not intersect with the physical material making up the linen, is represented by an actual physical material which is different than the linen, namely, by the coat. Marx needs more than one paragraph to make this point, i.e., to back up his claim that the task has already been solved.

In the value relation of the linen, the coat counts as a thing qualitatively equal to the linen, as a thing of the same nature as the coat. Marx needs more than one paragraph to make this point, i.e., to back up his claim that the task has already been solved.

142:3/o Im Wertverhältnis der Leinwand gilt der Rock als ihr qualitativ Gleiches, als Ding von derselben Natur, weil er ein Wert ist.
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linen, because it is a value.

⇑ This we know already, but in the next sentence ⇓ Marx says something new, which needs a proof:

It counts therefore as a thing in which value manifests itself, or which, in its tangible bodily form, represents value.

Marx begins his demonstration of this claim by doubting how it can possibly be the case:

Yet the coat itself, the body of the commodity “coat,” is purely a use-value. A coat does not express value any more than does the first piece of linen we come across.

⇑ In other words, this is again an impasse. ⇓ Before resolving this impasse, Marx cannot resist a pun (uniforms are special kinds of coats), which emphasizes again that the coat gets this stature only from society—although once it has this stature, it seems as if it had it by its own nature:

This proves only that the coat counts for more when inside the value relation with the first piece of linen we come across.
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linen than outside it, just as many a human counts for more when inside a gold-braided uniform than outside it.

After this jocular interruption Marx asks what is the basis on which the coat can be a representation of the value of the linen?

143:1 In the production of the coat, human labor-power, in the shape of tailoring, was in actual fact expended.

The tailor has done two things at the same time: On the one hand he has produced a coat, and on the other he has used up his own labor-power in order to do this. But the utilization of human labor-power is exactly the definition of abstract human labor.

Consequently, human labor is accumulated in the coat.

In this last sentence, Marx does not speak about useful but about abstract labor. The useful labor producing the coat is not accumulated but objectified in the coat, i.e., it is a thing of the past, with its traces visible in the use-value of the coat. The abstract labor, by contrast, is accumulated or congealed. It continues to exist in the coat as labor. If one wishes, one can...
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get this labor back out of the coat again: the linen weaver’s offer is an opportunity for the tailor to retrieve his abstract labor in a form in which it may be more useful for him, namely in the form of linen instead of coats.

By virtue of this, the coat is a ‘carrier of value’, although this property does not show through anywhere, even where the coat is at its most threadbare.

The coat can only be a representation of the value of the linen because the coat itself is value. But this value is invisible. Even the most threadbare coat, which allows one to see the person inside the coat, does not let us see the value inside the coat.

Despite its invisibility, this value inside the coat is very powerful: it governs the linen’s relationship with the coat.

And in the value relation of the linen, the coat counts only under this aspect, counts therefore as embodied value, as incarnation of value.

Marx refers here to the reducibility of the exchange relations to a quasi-matter inside the
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things exchanged, first introduced in 127:2. Since the exchange relationship between coat and linen is reducible to some immaterial substance inside linen and coat, this immaterial substance (quasi-matter) inside the coat is the *only* thing that governs the linen’s relationship with the coat. I.e., not only does the linen see this invisible quasi-matter in the coat, but this is indeed the *only* thing the linen sees in the coat. For the linen, therefore, the coat consists only of value. With this, the first half of the statement 142:3/o is proved. The next sentence celebrates this achievement.

Despite its buttoned-up appearance, the linen recognizes in the coat a splendid kindred soul, the soul of value.

Trotz seiner zugeknöpften Erscheinung hat die Leinwand in ihm die stammverwandte schöne Wertseele erkannt.

“Stammverwandt” is a kinship term which emphasizes that two people come from the same breed. Although the coat is made of wool, coat and linen are “cut from the same cloth,” namely, they are both the expenditure of abstract human labor.

But Marx pushes on to make his next argument. By turning the coat into a representation of its own value, the linen turns at the same time the coat into an incarnation of *all* value, i.e., all value looks now like coats. In the terminology of critical realism this is a “referential detachment.” Note that Marx now uses the word “represent” instead of his earlier “express.”
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The coat, however, cannot represent value towards the linen unless value, for the latter, at the same time assumes the shape of a coat. Der Rock kann ihr gegenüber jedoch nicht Wert darstellen, ohne daß für sie gleichzeitig der Wert die Form eines Rockes annimmt.

The “nevertheless” in the Fowkes translation is disastrous.

⇑ This is the reversal again, that the individual action by which the linen weaver expresses the value of her linen in the coat, does not turn the linen into an incarnation of value apparent to the onlookers, but on the contrary it turns the coat into one. This reversal was already apparent in 141:2, but at that time Marx did not comment on it, while this time, he comments on this reversal. A similar reversal occurs when the king’s subjects, by their servility and obedience, turn the king into a king. ⇘ If they think that the king is king because of his majestic qualities, they should ponder why it is that those properties which pass for majestic change with every change of king. (The metaphor of a king is also used in the footnote to 149:2.)

An individual, A, for instance, cannot be ‘your majesty’ to another individual, B, un-
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Less majesty in B’s eyes assumes the physical shape of A, and, moreover, changes facial features, hair and many other things, with every new ‘father of his people’.

↑ The use-value of the coat is therefore not only an expression but also a representation of value. ↓ For the linen this means: it has obtained a value form which is different from (and independent of) its bodily form:

143:2 Hence, in the value relation in which the coat is the linen’s equivalent, the bodily shape of the coat counts as form of value. The value of the commodity linen is therefore expressed in the physical body of the commodity coat, the value of one in the use-value of the other. As a use-value, the linen is something palpably different from the coat; as value, it is equal to the coat and therefore looks like a coat. Thus the linen

66:3 Im Wertverhältnis, worin der Rock das Äquivalent der Leinwand bildet, gilt also die Rockform als Wertform. Der Wert der Ware Leinwand wird daher ausgedrückt im Körper der Ware Rock, der Wert einer Ware im Gebrauchswert der andren. Als Gebrauchswert ist die Leinwand ein vom Rock sinnlich verschiedenes Ding, als Wert ist sie „Rockgleiches“ und sieht daher aus wie ein Rock. So erhält sie eine von ihrer Natural-
acquires a value form different from its bodily form.

Marx punctuates this climax in the argument with a small dose of shock therapy for his religious readers:

The value-character of linen is manifested in its equality with the coat, just as the sheep-like nature of christians is manifested in their equality with the lamb of god.

This is the end of the detailed demonstration how the coat as a thing outside the linen represents the value quasi-matter of the linen, i.e., of the explanation how the “task is already solved,” as Marx had said at the end of 142:2. The use of the word “appears” is significant here, because this is the Hegelian concept of appearance.

Now Marx concludes the thread about language started at 141:3/o, by saying once more very clearly that everything which our scientific analysis has unearthed about the commodity is reflected in the relations of the commodities themselves:

We see, then, that everything our analysis of the value of commodities previ-
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ously told us is repeated by the linen itself, as soon as it interacts with another commodity, the coat. Only it reveals its thoughts in the only language it is familiar with, the language of commodities.

Marx recapitulates the two highlights of the earlier derivation, in order to show how the commodity language differs from our own scientific analysis:

In order to say that its own value has been created by labor in its abstract quality of being human labor, it says that the coat, in so far as it counts as its equal, i.e. in so far as it is value, consists of the same labor as it does itself.

The first highlight was the character of value-producing labor, and the second the representation of congealed abstract labor as a thing.

In order to say that the sublime material which makes up its value differs from its representation of congealed abstract labor as a thing.
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stiff and starchy existence as a body, it says that value has the appearance of a coat, and therefore that in so far as the linen itself is a value-thing, it and the coat are as alike as two peas.

The commodity relations are therefore considered just as a different language in which to say certain things about value. They are no better or worse, only different than human languages. Even among the human languages some are better able to portray value than others.

Let us note, incidentally, that the language of commodities has, in addition to the Hebrew, also plenty of other more or less correct dialects. The German word ‘Wertsein’ (to be worth), for instance, brings out less strikingly than the Romance verb ‘valere’, ‘valer’, ‘valoir’ that the equating of commodity $B$ with commodity $A$ is commodity 

Nebenbei bemerkt, hat auch die WarenSprache, außer dem Hebräischen, noch viele andere mehr oder minder korrekte Mundarten. Das deutsche „Wertsein“ drückt z.B. minder schlagend aus als das romanische Zeitwort valere, valer, valoir, daß die Gleichsetzung der Ware $B$ mit der Ware $A$ der eigne Wertausdruck der Ware $A$ ist. Paris vaut bien
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A’s own expression of value. Paris vaut bien une messe!

The analytical effort made in Capital to understand the commodity is equated here with a translation. The day-to-day languages of the agents are dialects of the commodity language, i.e., they speak this language but do not necessarily understand it.

144:1 By means of the value relation, therefore, the bodily form of commodity B becomes the value form of commodity A, i.e., the physical body of commodity B becomes the mirror which reflects the value of commodity A.\(^\text{18}\)

This and the footnote sum up once more the main message of this section, that the value relation is an expression of value:

\(^\text{18}\) In a certain sense, every human being is in the same situation as a commodity. As he or she neither enters into the world with a mirror in their hand, nor as a Fichtean philosopher who can say...
‘I am I’, a human first mirrors himself in a human. Peter only relates to himself as a human through his relation to another human, Paul, in whom he recognizes his likeness. With this, however, Paul also becomes from head to toe, in his physical form as Paul, the form of appearance of the human species for Peter.

And if someone is still disquieted by the fact that the expression of the value of the linen goes through the detour of turning the coat into an incarnation of value, one should remember that also humans define their identity in their relations with others. By the way, the metaphor with Peter and Paul limps in that Peter has no part in creating Paul, while the linen plays an active role in making the coat into the mirror of its value:

By entering into a relation with commodity $B$ as the embodiment of value, as a materialization of human labor, commodity $A$ turns the use-value $B$ into the material through which its own value is expressed. The value of commodity $A$, thus expressed in the use-value $B$, is the form of appearance of the human species for Peter. 

Indem sich die Ware $A$ auf die Ware $B$ als Wertkörper bezieht, als Materiatur menschlicher Arbeit, macht sie den Gebrauchswert $B$ zum Material ihres eignen Wertausdrucks. Der Wert der Ware $A$, so ausgedrückt im Gebrauchswert der Ware $B$, besitzt die Form des Genus Mensch.
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value of commodity $B$, has the form of relative value.

Quantitative Determination of the Relative Form of Value  Now let us return to the quantitative aspect, which had been disregarded earlier: to what extent is the relative form of value determined quantitatively?

144:2 Every commodity, whose value is to be expressed, is a useful object of a given quantity, for instance, 15 bushels of wheat, or 100 lb. of coffee. This commodity-quantity contains a specific quantity of human labor. The form of value must therefore not only express value itself, but quantitatively determined value, i.e. the magnitude of value.

67:2 Jede Ware, deren Wert ausgedrückt werden soll, ist ein Gebrauchsgegenstand von gegebenem Quantum, 15 Scheffel Weizen, 100 Pfd. Kaffee usw. Dieses gegebene Warenquantum enthält ein bestimmtes Quantum menschlicher Arbeit. Die Wertform hat also nicht nur Wert überhaupt, sondern quantitativ bestimmten Wert oder Wertgröße auszudrücken.
The phrase “whose value is to be expressed” refers to the argument given at the very beginning of this section, in 138:1, that a commodity is not only a use-value but also a value, therefore it needs a form which expresses its value. This is a practical necessity for the producer, who cannot survive if someone else does not see enough value in his goods and therefore purchases them. This earlier argument is now amended as follows: every commodity is a quantitatively determined use-value, therefore a quantitatively determined value, therefore the expression of its value must also include an expression of the quantity of this value. Therefore let us focus on the quantitative relationship now, which was set aside in 141:1. ▼ Obviously, the surface relationship which is the starting point for the forms of value has a clear quantitative dimension.

In the value relation of commodity A to | Im Wertverhältnis der Ware A zur Ware B,
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Commodity $B$, of the linen to the coat, therefore, not only is the commodity-type coat, which counts here as the incarnation of value as such, equated in qualitative terms with the linen, but also a definite quantity of the value-object or equivalent, 1 coat for example, is equated with a definite quantity of linen, such as 20 yards.

We already know that the surface relations are the expression of the value relations in the core. The quantitative aspect of the surface relations can only then be coherent with the process going on in the core, instead of interfering with it, if it is a reflection of the quantity of labor.

144:2/o The equation 20 yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, presupposes that 1 coat contains just as much of the substance of value as 20 yards of linen, i.e., that the quantities in which the

67:3/o Die Gleichung: „20 Ellen Leinwand = 1 Rock oder: 20 Ellen Leinwand sind 1 Rock wert“ setzt voraus, daß in 1 Rock gerade so viel Wertsubstanz steckt als in 20 Ellen Leinwand, daß beide Warenquanta also
two commodities are present have cost the same amount of labor or the same quantity of labor-time.

Marx writes here: “presupposes” because the equation “20 yards of linen = 1 coat” does not mean that the linen weaver decides how much she wants to give for a coat. The assumption is that “20 yards of linen = one coat” are the exchange proportions given by the market. If these are the prevailing market exchange proportions, then there must be linen weavers and tailors who are willing to make this exchange at these terms. Marx picked one of these linen weavers. (This is one of the many tacit second-order arguments made in Marx’s *Capital.*

However such a coherence between surface and core is continually challenged by changes of productivity in the core:

But the labor-time necessary for the production of 20 yards of linen or 1 coat varies with every change in the productive power of weaving or tailoring. The influence of such changes on the relative expression of
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The magnitude of value shall now be investigated in more detail.

I did not translate it as: “change in the productivity of the weaver or the tailor” because this puts an individualistic bent on it: it sounds as if the particular weaver or tailor was not working fast enough.

The previous discussions of productivity (136:3–137:0) looked at one use-value only. Now (145:1–146:3) Marx discusses the influence of a change in productivity on the relative expression of the magnitude of value. He asks whether changes in exchange-value of a commodity reflect changes in productivity. The answer is: yes, but changes in productivity are not unambiguously reflected in relative value changes. The reason is simple: a fall in the productivity of making linen has the same effect on their relative values as a rise in the productivity of making coats. Therefore even in the best of all cases, in which exchange-values are precisely determined by relative value quantities, changes in productivity are not well reflected in the market relations. This is an important systemic flaw, which will only partly be remedied through the concept of relative surplus-value, and which will come back to haunt the capitalist system in the tendency of the rate of profit to fall.
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The next two paragraphs describe two situations, both of which involve changes in productivity:

145:1 I. Let the value of the linen change\textsuperscript{19} while that of the coat remains constant. If the labor-time necessary for the production of linen be doubled, as a result of the increasing infertility of flax-growing soil for instance, its value will also be doubled. Instead of the equation 20 yards of linen = 1 coat, we will have 20 yards of linen = 2 coats, since 1 coat contains now only half as much labor-time as 20 yards of linen. If, on the other hand, the necessary labor-time be reduced by one half, as a result of improved looms for instance, the value of the linen will fall by one half. The equation will therefore now read 20 yards of linen =...
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1/2 coat. The relative value of commodity A, i.e. its value expressed in commodity B, rises and falls in direct relation to the value of A, if the value of B remains constant.

This is a paradoxical relationship: infertility means more value, improvement of the looms means less value.

19 Here, as occasionally also on previous pages, we use the expression ‘value’ for quantitatively determined values, i.e. for the magnitude of value.

If productivity changes on the other pole, there is an inverse quantitative relationship:

145:2 II. Let the value of the linen remain constant, while the value of the coat changes. If, under these circumstances, the labor-time necessary for the production of a coat is doubled, as a result, for instance, of a poor crop of wool, we should have, in-
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instead of 20 yards of linen = 1 coat, 20 yards of linen = 1/2 coat. If, on the other hand, the value of the coat sinks by one half, then 20 yards of linen = 2 coats. Hence, if the value of commodity A remains constant, its relative value, as expressed in commodity B, rises and falls in inverse relation to the change in the value of B.

The upshot is that two completely different mechanisms yield the same outcome:

145:3/o If we compare the different cases examined under headings I and II, it emerges that the same change in the magnitude of relative value may arise from entirely opposed causes. Thus the equation 20 yards of linen = 1 coat becomes 20 yards of linen = 2 coats, either because the value of the linen has doubled or because the value of the coat

jetzt: 20 Ellen Leinwand = 1/2 Rock. Fällt dagegen der Wert des Rockes um die Hälfte, so 20 Ellen Leinwand = 2 Röcke. Bei gleichbleibendem Wert der Ware A fällt oder steigt daher ihr relativer, in der Ware B ausgedrückter Wert im umgekehrten Verhältnis zum Wertwechsel von B.

68:3 Vergleicht man die verschiedenen Falle sub I und II, so ergibt sich, daß derselbe Größenwechsel des relativen Werts aus ganz entgegengesetzten Ursachen entspringen kann. So wird aus 20 Ellen Leinwand = 1 Rock: 1. die Gleichung 20 Ellen Leinwand = 2 Röcke, entweder weil der Wert der Leinwand sich verdoppelt oder der Wert der
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has fallen by one half, and it becomes yards of linen = 1/2 coat, either because the value of the linen has fallen by one half, or because the value of the coat has doubled.

Since these different mechanisms yield the same outcome, it is also possible that they cancel each other out.

146:1 III. Let the quantities of labor necessary for the production of the linen and the coat vary simultaneously in the same direction and the same proportion. In this case, 20 yards of linen = 1 coat, as before, whatever change may have taken place in their respective values. Their change of value is revealed only when they are compared with a third commodity, whose value has remained constant. If the values of all com-

68:4/o III. Die zur Produktion von Leinwand und Rock notwendigen Arbeitsquanta mögen gleichzeitig, in derselben Richtung und derselben Proportion wechseln. In diesem Falle nach wie vor 20 Ellen Leinwand = 1 Rock, wie immer ihre Werte verändert sein. Man entdeckt ihren Wertwechsel, sobald man sie mit einer dritten Ware vergleicht, deren Wert konstant blieb. Stiegen oder fielen die Werte aller Waren gleichzeitig und in der-
modities rose or fell simultaneously, and in the same proportion, their relative values would remain unaltered. The change in their real values would be manifested by an increase or decrease in the quantity of commodities produced within the same labor-time.

All other cases can be reduced to those already discussed:

146:2 IV. The labor-times necessary for the production respectively of linen and coat, and hence the values of linen and coat, may vary simultaneously in the same direction but to an unequal degree, or in opposite directions, and so on. The influence of all possible combinations of this kind on the relative value of a commodity can be worked out simply by applying cases I, II

69:1 IV. Die zur Produktion von Leinwand und Rock resp. notwendigen Arbeitszeiten, und daher ihre Werte, mögen gleichzeitig in derselben Richtung wechseln, aber in ungleichen Grad, oder in entgegengesetzter Richtung usw. Der Einfluß aller möglichen derartigen Kombinationen auf den relativen Wert einer Ware ergibt sich einfach durch Anwendung der Fälle I, II und III.
Summary: Value changes are an expression of changes in productivity, but Marx emphasizes how incomplete this expression is. It is neither unequivocal nor exhaustive.

Thus real changes in the magnitude of value are reflected neither unequivocally nor exhaustively in their relative expression, or, in other words, in the magnitude of the relative value. The relative value of a commodity may vary, although its value remains constant. Its relative value may remain constant, although its value varies; and finally, simultaneous variations in the magnitude of its value and in the relative expression of that magnitude do not by any means have to correspond at all points.

This pedantic exercise was on the one hand an implicit criticism of empiricism. Here, as on various other places, Marx shows how the empirical facts may give misleading informa-
tion about what is really going on.

On the other hand, these comparative increases in productivity are also a potentially important economic issue. Marx remarked in his early 1850–51 notebooks, written while he worked through Ricardo:

Were this [namely, a rise in productivity] to happen equally in all industries, then values would not change, and the spur for capitalism would fall away.

The mature Marx makes related remarks in the section about crises in *Theories* 2 [mecw32] 161:1, that overproduction without disproportionality would not be overproduction.

The footnote gives a critique of the literature.

20 This lack of congruence between the magnitude of value and its relative expression has been exploited by the vulgar economists with customary ingenuity. For example: “Once admit that A falls, because B, with which it is exchanged, rises, while no less labor is bestowed in the meantime on A, and your general principle of value falls to the ground … If he [Ricardo] al-

20 Note zur 2. Ausg. Diese Inkongruenz zwischen der Wertgröße und ihrem relativen Ausdruck ist von der Vulgärökonomie mit gewohntem Scharfsinn ausgebeutet worden. Z.B.: „Gebt einmal zu, daß A fällt, weil B, womit es ausgetauscht wird, steigt, obgleich unterdessen nicht weniger Arbeit auf A verausgabt wird, und euer allgemeines Wertprinzip fällt zu Boden … Wenn zugegeben wird,
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According to Dr. Ricardo, when the value of commodity A rises relatively to B, the value of B falls relatively to A, he cut away the ground on which he rested his grand proposition, that the value of a commodity is ever determined by the labor embodied in it, for if a change in the cost of A alters not only its own value in relation to B, for which it is exchanged, but also the value of B relatively to that of A, though no change has taken place in the quantity of labor to produce B, then not only the doctrine falls to the ground which asserts that the quantity of labor bestowed on an article regulates its value, but also that which affirms the cost of an article to regulate its value' (J. Broadhurst, Political Economy, London, 1842, pp. 11 and 14).

Marx explains his use of the term “vulgar economists” in section 1.4 of this chapter, footnote 32 to paragraph 173:1/oo. The footnote continues:
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Mr. Broadhurst might just as well say: consider the fractions 10/20, 10/50, 10/100 etc. The number 10 remains unchanged, and yet its proportional magnitude, its magnitude in relation to the numbers 20, 50, 100 continually diminishes. Therefore, the great principle that the magnitude of a whole number, such as 10, is ‘regulated’ by the number of times the number 1 is contained in it falls to the ground.

Herr Broadhurst könnte ebensogut sagen: Man sehe sich einmal die Zahlenverhältnisse 10/20, 10/50, 10/100 usw. an. Die Zahl 10 bleibt unverändert, und dennoch nimmt ihre proportionalen Größe, ihre Größe relativ zu den Nenner 20, 50, 100, beständig ab. Also fällt das große Prinzip zu Boden, daß die Größe einer ganzen Zahl wie 10 z.B. durch die Anzahl der in ihr enthaltenen Einer „reguliert“ ist.

The Equivalent Form

Marx’s discussion of the equivalent form reflects the fact that it is passive. Marx points out the (sometimes strange) results of the action of the linen on the coat.

We have seen: if commodity A (the linen) expresses its value in the use-value of a different commodity B (the coat), it impresses upon the latter a peculiar form of

Man hat gesehen: Indem eine Ware A (die Leinwand) ihren Wert im Gebrauchswert einer verschiedenartigen Ware B (dem Rock) ausdrückt, drückt sie letzterer selbst eine ei-
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value of its own, namely that of the equivalent.

Fowkes’s translation “impresses upon the latter a form of value peculiar to it” is unfortunate. It is a peculiar form of value, but not a form of value peculiar to the coat. My “of its own” is an attempt to translate selbst: not only the linen has a form of value, but through the activity of the linen the coat obtains its own form of value too.

↓ As a result of the activity of the commodity which is in the relative form of value, the equivalent acquires a form of value as well. ↓ Since the commodity in the relative form must express its value, the equivalent obtains the magical property of being exchangeable for this first commodity.

The commodity linen manifests its own value-being through the fact that the coat, without having to assume a form of value distinct from its own bodily form, is equivalent to it. The linen therefore in fact expresses its own value-being by the direct way.
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The phrase “in fact” (*in der Tat*) secretly announces the transition from a hidden underlying relationship to its actualization (*Betätigung*, see the discussion of 164:2). In Bhaskar’s terms, it is a transition from the domain of the real to the domain of the actual. The linen is in the relative form of value. The statement that something is in a form of value is a statement about the domain of the real, namely, about the relationship between the actuality of the linen as a practical object and the underlying value relations. This reality is enacted by the linen offering itself to the coat for exchange. These exchange offers and actual exchanges lie in the domain of the actual. Now this actual activity gives the coat its own form of value, which is back in the domain of the real. It is a “determination of reflection,” see 149:2/o, or, as Marx just said above, a form imprinted on the coat by the activity of the linen.

The equivalent form of a commodity is consequently the form of being directly exchangeable with some other commodity. The coat finds itself therefore, without any of its own doing, in the privileged position of being directly exchangeable against linen. In other words, for the linen, coats are like money. They will always be accepted in the exchange against linen. If someone offers coats...
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for linen, the linen weaver will not say: “sorry, I don’t need a coat right now, I rather have a bathing suit.”

This is a step towards the solution of the “riddle of money,” towards the explanation why money is accepted in exchange for everything. This miraculous property of money is a form of value. It does not come from a special value of money which other commodities lack. Rather, the value of the equivalent (money) is of the same nature as the value of any other good. It merely has a different form. Money does not receive this form through its own power, but through the activity of all the ordinary commodities.

Although the linen weaver is satisfied that coats are offered to her, she may still quarrel with it how many coats are offered. Marx emphasizes this in the next paragraph:

147:2 If one kind of commodity, such as coats, serves as the equivalent of another, such as linen, and coats therefore acquire the characteristic property of being in the form of direct exchangeability with linen, this does not mean that the proportion is given in which the two are exchangeable.

70:2 Wenn eine Warenart, wie Röcke, einer andren Warenart, wie Leinwand, zum Äquivalent dient, Röcke daher die charakteristische Eigenschaft erhalten, sich in unmittelbar austauschbarer Form mit Leinwand zu befinden, so ist damit in keiner Weise die Proportion gegeben, worin Röcke und Leinwand aus-
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Fowkes’s “provides us with the proportion” (my emphasis) is another instance of a misplaced transposition of Marx’s statement about social facts themselves into a statement about how we are exploring these social facts here. I.e., although Marx did not commit the epistemic fallacy, the translation builds it in afterwards.

⇓

Next, Marx asks how this exchange proportion is determined. He separates here two aspects: (1) Since the linen weaver needs a coat (or, more generally, since there are people who have linen which they cannot use and do not have coats which they need), the use-value “coat” can serve as the expression of the value of linen. (2) However the quantitative exchange relationship between linen and coat is not determined on the market by the interaction between weaver and tailor. Marx seizes this opportunity to issue a basic clarification: the Simple form of value, 20 yards of linen is worth one coat, is not an expression of the value of the linen because the weaver decides how much linen to give for the coat. It is an expression of the value of the linen because the linen weaver, who knows that the socially determined exchange relation between coat and linen is 20 yards for one coat, is willing to carry out this exchange.
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Since the magnitude of the value of the linen is given, this proportion depends on the magnitude of the value of the coat. Whether the coat is expressed as the equivalent and the linen as relative value, or, inversely, the linen is expressed as equivalent and the coat as relative value, the magnitude of the coat’s value is determined, as ever, by the labor-time necessary for its production, therefore it is independent of the form of the coat’s value.

Marx assumes here, as always in Capital I, that commodities are traded at their values. The mechanism that brings this about lies beyond the confrontation of the traders on the market which we are discussing here. It is a supply side mechanism. If linen sells at a price higher than its labor content, other producers will switch their labor from making coats into making linen. Marx assumes here that all such adjustments have been made.

But this puts us into a seemingly paradoxical situation. The exchange relation between
coat and linen depend on the value of the coat. If coats would require more labor, then the socially given exchange relation between coats and linen would be 30 yards of linen for one coat, not 20. Nevertheless, the individual linen weaver who, confronted with this exchange relation, decides whether or not to make this exchange, does not base this decision on the magnitude of the value of the coat but on the use-value of the coat alone:

But when the coats assume the place of the equivalent in the value expression, the magnitude of their values fails to be expressed as magnitude of value. Rather, coats figure in the value equation merely as specific quantities of a certain thing.

The magnitude of the coat’s value is not expressed in the equation “20 yards of linen are worth 1 coat” because the linen weaver does not compare the value of the linen with the value of the coat. Instead, she bases her trading decision on whether the use-value of the coat seems worth the effort she put into making the amount of linen which the market forces her to pay for the coat.

Perhaps it is easier to follow Marx’s argument at this point if we look at a change in the
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exchange proportion between coat and linen. Assume the value of the linen falls. The linen weaver is using a more efficient method and can produce more linen per hour. Then she should also be willing to offer more linen in exchange for the coat. This is why it is right to say that the exchange proportion is an expression of the value of the linen.

Now assume that for some reason the production of coats requires more labor, although the use-value remains the same. Therefore the calculation of the linen weaver, who weighs this use-value against the time needed to produce linen, also remains unchanged. This is why it is right to say that the exchange proportion is not an expression of the value of the coat.

But something else happens if the coats require more labor. There will no longer be enough tailors who are willing to give coats away for 20 yards of linen, and therefore the socially given exchange proportion between coats and linen will change: linen weavers everywhere will have to pay more linen for a coat. But this price change is not due to the linen weaver in any way expressing the value of the coat. It is due to the coat makers expressing the values of their own products, and it is forced on the linen weaver by the market. Of course, fewer linen weavers will go along with the trade at this less favorable proportion; but the number of linen weavers agreeing to this trade is an expression of the
value of linen, not of the value of the coat. This is how the seeming paradox can be explained that the exchange proportion the linen weaver agrees to *depends* on the value of coats, but the linen weaver’s agreement is not an *expression* of the value of coats.

But a paradoxical situation it is. The equivalent form of value specifies the quantity of coats: 20 yards of linen are not worth 2 or 5 coats, they are worth 1 coat. And if the value of the coat would fall in half, then they would be worth 2 coats. Does this not mean that the quantity of coats is an expression of the quantity of the value of the coats? Marx gives a two-pronged but rather abstract argument to refute this:

(1) Coats figure in this relationship only as quantities of a certain thing, not as quantities of value:

147:3/o For instance, 40 yards of linen are ‘worth’—what? 2 coats. Because coats play here the role of equivalent, i.e., the use-value “coat” counts as the embodiment of value vis-à-vis the linen, a certain number of coats is sufficient to express the value of a given quantity of linen.

70:3 Z.B.: 40 Ellen Leinwand sind „wert“—was? 2 Röcke. Weil die Warenart Rock hier die Rolle des Äquivalents spielt, der Gebrauchswert Rock der Leinwand gegenüber als Wertkörper gilt, genügt auch ein bestimmtes Quantum Röcke, um ein bestimmtes Wertquantum Leinwand auszudrücken.
(2) The assumption that the quantity of coats in the equation “20 yards of linen is 1 coat” expresses the value of the coat amounts to the assumption, refuted earlier, that a commodity can express its value in its own use-value:

Two coats can therefore express the magnitude of value of 40 yards of linen, but they can never express the magnitude of their own value, the magnitude of the value of coats.

This abstract argument for the lack of a quantitative determination of value in the equivalent form can become practically significant in the following situation: When e.g. cattle was the general equivalent, the market determined the proportions of all other goods according to the needs of society, but the market did not signal whether or not there were too many cattle produced. This probably did not matter since these societies were such that one could always find uses for cattle.

But in Grundrisse Marx tells the story of a medieval village which ended up with not enough food because they found gold and everybody was digging for gold. Under the gold standard, the global scarcity of gold prevented such overproduction (but look at the gold...
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Rushes when new gold resources were discovered.

This lack of good market remedies when there is too much or too little money, gave banks such a strong competitive position (they were able to bring the whole economy to its knees just to make a few dollars profit) that they had to be regulated by the state. This regulation led to the gradual replacement of the gold standard by a standard set by monetary policy—something which would not have been possible had the equivalent form contained a quantitative determination of value.

At the end, a very brief remark about the literature.

Because of their superficial reception of this fact—that in the equation of value the equivalent always has the form of a simple quantity of some article, of a use-value—Bailey and many of his predecessors and followers were misled into considering the expression of value as a merely quantitative relation. Rather, the equivalent form of a commodity does not contain any quantitative determina-

Die oberflächliche Auffassung dieser Tatsache, daß das Äquivalent in der Wertgleichung stets nur die Form eines einfachen Quantums einer Sache, eines Gebrauchswertes, besitzt, hat Bailey, wie viele seiner Vorgänger und Nachfolger, verleitet, im Wertausdruck ein nur quantitives Verhältnis zu sehn. Die Äquivalentform einer Ware enthält vielmehr keine quantitative Wertbestimmung.
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The commodity is a medium of exchange, a vehicle of value at all. Fowkes translates *vielmehr* with “in fact” here; but Marx has a secret meaning for “in fact” (*in der Tat*), see the comments to 147:1, therefore the word “in fact” should be reserved for this meaning only.

The next topic to be discussed are the three peculiarities of the equivalent form.

148:1 The first peculiarity which strikes us when we consider the equivalent form is this, that use-value becomes the form of appearance of its opposite, value.

The first peculiarity is not the most basic, but the most obvious of the three.

148:2 The natural form of the commodity becomes form of value. But, note well, this reversal happens for commodity $B$ (coat, or maize, or iron, etc.) only if some arbitrary other commodity $A$ (linen etc.) enters into a value relation with it, and this reversal holds

70:4 Die erste Eigentümlichkeit, die bei Betrachtung der Äquivalentform auffällt, ist diese: Gebrauchswert wird zur Erscheinungsform seines Gegenteils, des Werts.

71:1 Die Naturalform der Ware wird zur Wertform. Aber, nota bene, dies Quidproquo ereignet sich für eine Ware $B$ (Rock oder Weizen oder Eisen usw.) nur innerhalb des Wertverhältnisses, worin eine beliebige andre Ware $A$ (Leinwand etc.) zu ihr tritt, nur innerhalb
only within this relation.

In the present context it is quite obvious that this is only true “within” the value relation. But the more developed form of it, namely, that gold has its monetary properties only through its relationship with the ordinary commodities, and not because of any natural qualities of gold, is no longer as obvious. See 149:2/o.

Since a commodity cannot relate to itself as equivalent, and therefore cannot make its own physical skin into the expression of its own value, it must relate to another commodity as equivalent, and therefore must make the physical skin of another commodity into its own value form.

Instead of his usual metaphor body versus soul, Marx uses here the different metaphor skin versus muscles and bones. In the next paragraph, yet another metaphor will be introduced: expressing the value of linen in a coat is analogous to expressing the mass of a sugar-loaf in the iron weights which counterbalance it on a scale.

148:3/o Let us make this clear with the
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element of a measure which belongs to commodities as material objects, i.e., as use-values. A sugar-loaf, because it is a body, consists of heavy matter and therefore has a weight, but one can neither see this weight nor touch it.

Marx distinguishes here between “Schwere” (translated here with “heavy matter”) and “Gewicht” (translated with “weight”). “Heavy matter” is the underlying concept: it is what physicists call “mass.” Masses attract each other. The force with which a body of heavy matter is attracted by the earth is called its “weight.” In outer space, the body no longer has weight, but it still consists of “heavy matter” (i.e., it still attracts and is attracted by other masses, and there is also a second expression of heavy matter: it still resists acceleration). But on the surface of the earth, a body’s weight is commonly used to measure its mass.

It is not clear to what extent Marx was aware of the physics of mass. He certainly understood that weight is relative: it is the force with which a material body is attracted to the earth, i.e., it describes a relation between that body and the earth. Marx’s “Schwere” is that what material bodies must have in common in order to be able to enter this relationship
of attraction with each other. Marx does not seem aware that this “Schwere” has a second expression, namely, it makes the body resist acceleration, which can manifest itself even if one solitary body is considered. The following paragraph from [Mar87a, p. 32:1] interprets “Schwere” as something which is in truth relative, but which is assigned to the solitary body:

If I say for instance that the rock is heavy, *I express heavyness as a property which can be attributed to the rock considered in isolation. In fact, however, its heavyness is a bodily property which it only possesses in relation to other bodies. The expression, while not saying anything about this relation, implies it.*

For the purposes of the sugar-loaf analogy, mass, or “heavyness” is the invisible property of the thing which expresses itself in the force pulling this thing towards the earth.

*We then take various pieces of iron, whose weight has been determined beforehand. The bodily form of the iron, considered for
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itself, is no more the form of appearance of heavy matter than is the bodily form of the sugarloaf.

This last sentence shows Marx’s (mistaken) understanding that mass is something relative. Just as a coat cannot have value outside its relationship with other commodities, Marx seems to think that material bodies have masses only in their relationship of attraction with each other. Marx overlooks here that the mass of a body can also express itself by the resistance of this body to acceleration, which is also displayed by a solitary body in absence of other bodies.

The next step in the argument is: If the need arises to “express” the heavy matter of the sugar-loaf, for instance because one wants to buy the sugar or use it in a recipe and therefore needs to know how much sugar it contains, one places it on a scale and looks how much iron is necessary to counterbalance it—despite the fact that iron, by itself, is no better incarnation of heavy matter than the sugar-loaf.

Nevertheless, in order to express the sugar-loaf as heavy matter, we place it into a weight relation with the iron. In this rela-
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tion, the iron counts as a body representing nothing but heavy matter. Quantities of iron therefore serve to measure the weight of the sugar and represent, in relation to the sugar-loaf, heavy matter pure and simple, the incarnation of heavy matter.

In order to explain why this works, Marx first names the condition necessary for it to work:

This part is played by the iron only within this relation, i.e. within the relation into which the sugar, or any other body whose weight is to be found, enters with the iron. If both objects lacked heavy matter, they could not enter into this relation, hence the one could not serve to express the heavy matter of the other. If we place both of them on the scales, we see in actuality that as heavy matter, the iron counts as a body representing nothing but heavy matter. Quantities of iron therefore serve to measure the weight of the sugar and represent, in relation to the sugar-loaf, heavy matter pure and simple, the incarnation of heavy matter.

iese Rolle spielt das Eisen nur innerhalb dieses Verhältnisses, worin der Zucker oder irgendein anderer Körper, dessen Gewicht gefunden werden soll, zu ihm tritt. Wären beide Dinge nicht schwer, so könnten sie nicht in dieses Verhältnis treten und das eine daher nicht zum Ausdruck der Schwere des andren dienen. Werfen wir beide auf die Waagschale, so sehn wir in der Tat, daß sie als Schwere...
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matter they are one and the same, and therefore that, taken in the appropriate proportions, they have the same weight.

At the end, Marx discusses the analogy between this weight example and the commodities:

Just as the bodily form of the iron, as a measure of weight, represents nothing but heavy matter towards the sugar-loaf, so, in our expression of value, the bodily form of the coat represents nothing but value towards the linen.

After the analogies, Marx also mentions the disanalogies:

Here, however, the analogy ceases. In the weight expression of the sugar-loaf, the iron represents a natural property common to both bodies, their heavy matter; but in the value expression of the linen, the coat

71:3 Hier hört jedoch die Analogie auf. Das Eisen vertritt im Gewichtsausdruck des Zuckerhuts eine beiden Körperrn gemeinsame Natureigenschaft, ihre Schwere, während der Rock im Wertausdruck der Leinwand ei-
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represents a supra-natural property: their value, which is something purely social.

↑ Remember that “social” not merely means, involving an interaction between different people. The phrase “something purely social” means here: not arising from the individual dispositions (preferences) of the economic agents, but from the invisible production constraints which bind these people together into a society.

There is another difference between this physics example and the economy, which Marx does not mention here: the law of gravity continues to function whether or not it expresses itself to the humans. I.e., there is only channel (1). The economy, however, is constituted by human agents, therefore channel (2) is relevant as well.

⇓ The limits of the analogy with the sugar-loaf give a fitting transition to Marx’s next topic: The equivalent form does not express that value is something social, the relative form does express it.

149:2/o The relative value form of a commodity, of the linen for example, expresses the value-being of the linen as something
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quite different from its body and bodily properties, namely, for example, as something which looks like a coat. This expression itself indicates that it conceals a social relation. Not so with the equivalent form, in which the body of the commodity itself, here the coat, just as it is in everyday life, expresses value—as if its value form were given to it by nature.

↑ When Marx writes here that the expression “conceals” a social relation, this is to be understood in the meaning: the expression is a visible surface relationship behind which an invisible deeper social relation is concealed. The German word “verbergen” connotes “contain” as much as “conceal.”

The relative form of value itself gives an indication that it hides something social, because it relates the linen to a different commodity, coat. Not so the equivalent form. It seems to be a natural property of the coat to be able to “buy” linen. Now one might object and argue: the exchangeability with linen does not seem a natural property of the coat, since the coat has...
this property only when placed in the value relation with the linen. Against this, Marx says the following:

Admittedly, this holds good only within the value relation, in which the commodity linen is related to the commodity coat as its equivalent. However, the properties of a thing do not arise from its relations to other things, they are, rather, merely activated by such relations. The coat, therefore, seems to have its equivalent form—its property of direct exchangeability—just as much from nature as its property of being heavy or its ability to keep us warm.

The fact that the coat does not always have its direct exchangeability, but only when it is placed in the value relation, is still compatible with the false interpretation that the coat has its direct exchangeability by nature: Even truly natural properties of things, not conferred on the things by society but located in the things themselves, are only then activated, or only
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then manifest themselves, when the thing is placed in certain relations to other things.

The equivalent form of value is what Marx calls a “determination of reflection.” Being king is also a determination of reflection, and it is surrounded with similar mystifications as the value form:

Such determinations of reflection are altogether very curious. For instance, one man is king only because other men stand in the relation of subjects to him. They, however, think they are the subjects because he is king.

The discussion of the first peculiarity concludes with a critique of bourgeois economists. Their argument is: gold is nothing special, because in earlier times much more profane commodities played the same role. Marx shows that this argument does not prove what it purports to prove, by taking it one step further: the special element is already present in the exchange relation between *any* two commodities.

Hence the mysteriousness of the equivalent form, which only impinges on the crude bourgeois vision of the political economist.
when it confronts him in its fully developed shape, that of money. He then seeks to explain away the mystical character of gold and silver by substituting less dazzling commodities for them and, with ever-renewed satisfaction, reeling off a catalogue of all the inferior commodities which have played the role of the equivalent at one time or another. He does not suspect that even the simplest expression of value, such as 20 yards of linen = 1 coat, already presents us with the riddle of the equivalent form.

150:1–150:3 Second peculiarity: concrete labor is the expression of abstract labor.

150:1 The body of the commodity, which serves as the equivalent, always counts as the embodiment of abstract human labor, while it always is the product of some spe-
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cific useful and concrete labor.

Here Marx opposes “always counts” to “always is.” What does he mean by “counts”? There is a discrepancy between what the commodity is (physically) and what it counts as socially, between its physical existence and what it represents in the value relation. By “counts as the embodiment of abstract human labor,” Marx means: the tailor produces something which can not only be used as a garment, but which can also be exchanged. The tailoring labor makes more than just coats. The following sentence is the dialectical conclusion from the difference and unity of “counts” and “is” (becoming as the unity of being and not being):

This concrete labor therefore becomes the expression of abstract human labor.

Next Marx points out the parallelism between commodities and the labor which produces them. Although we saw the peculiarity in the commodities first, this peculiarity of the commodities really stems from the peculiarity of the labors.

If the coat counts as realization of mere abstract human labor, the tailoring actually realized in it counts as the form in which mere abstract human labor realizes itself. In the
expression of the value of the linen, the usefulness of tailoring consists, not in making clothes, and thus also people, but in making a physical object which we at once recognize as value, as a congealed quantity of labor, therefore, which is utterly indistinguishable from the labor objectified in the linen. In order to act as such a mirror of value, tailoring itself must reflect nothing other than its abstract quality of being human labor.

Now, in an important anticipation of the section about the Fetish-like character of the commodity, Marx contrasts that what the commodities say with how they say it:

150:2 In tailoring, as well as in weaving, human labor-power is expended. Both, therefore, possess the general property of being human labor, and there may be cases,

72:2/o In der Form der Schneiderei wie in der Form der Weberei wird menschliche Arbeitskraft verausgabt. Beide besitzen daher die allgemeine Eigenschaft menschlicher Ar-
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such as the production of value, in which they must be considered only under this aspect.

This translation was inspired by the French: “et dans certain cas . . . on ne doit les considérer qu’à ce point de vue.”

Marx calls this “not mysterious,” anticipating the question he will ask on p. 164:2 in the section about the fetish-like character of the commodity:

There is nothing mysterious in this. All das ist nicht mysteriös.

But this unmysterious fact is expressed in an inverted fashion:

But in the value expression of the commodity the matter is stood on its head. In order to express the fact that weaving, for instance, creates the value of linen through its general property of being human labor rather than in its concrete form as weaving, the concrete labor which produces the equivalent of the 

Aber im Wertausdruck der Ware wird die Sache verdreht. Um z.B. auszudrücken, daß das Weben nicht in seiner konkreten Form als Weben, sondern in seiner allgemeinen Eigenschaft als menschliche Arbeit den Leinwandwert bildet, wird ihm die Schneiderei, die konkrete Arbeit, die das Leinwand-Äqui-
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linen, namely tailoring, is placed in relation to it as the tangible form in which abstract human labor is actualized.

That under certain circumstances labor counts as abstract labor is not mysterious; but that concrete labor becomes the expression of abstract labor, this is mysterious!

150:3 The equivalent form therefore possesses a second peculiarity: in it, concrete labor becomes the form of manifestation of its opposite, abstract human labor.

Marx announces only now that the three paragraphs we just read were a discussion of the second peculiarity. And he immediately rushes on to the third peculiarity.

150:4/o Since, however, this concrete labor, tailoring, counts as merely the expression of homogeneous human labor, it takes the form of equality with other kinds of labor, such as the labor embodied in the linen. Although it is performed privately,

valent produziert, gegenübergestellt als die handgreifliche Verwirklichungsform abstrakt menschlicher Arbeit.

73:1 Es ist also eine zweite Eigentümlichkeit der Äquivalentform, daß konkrete Arbeit zur Erscheinungsform ihres Gegenteils, abstrakt menschlicher Arbeit wird.

73:2 Indem aber diese konkrete Arbeit, die Schneiderei, als bloßer Ausdruck unterschiedloser menschlicher Arbeit gilt, besitzt sie die Form der Gleichheit mit andrer Arbeit, der in der Leinwand steckenden Arbeit, und ist daher, obgleich Privatarbeit, wie alle and-
like all other commodity-producing labor, it is nevertheless labor in an immediately social form. This is why it represents itself in a product which is directly exchangeable with other commodities.

These two sentences have a convoluted grammatical structure. The argument presented is the following:

1. Concrete tailoring labor counts as the expression of abstract (Marx writes here “homogoeneous” but this means the same) human labor (this is the second peculiarity).

2. As such abstract labor, tailoring is equal to all other labor and therefore also to the weaving labor.

3. Due to this equality, tailoring is labor in immediately social form, despite the fact that it is done privately. (This is what Marx is going to call the third peculiarity.)

4. (Marx is done with his derivation, but he makes one more step, anchoring a familiar empirical paradox in this third peculiarity:) Therefore the product of tailoring, the
coat, is directly exchangeable.

The next sentence identifies the third of these steps as the *third peculiarity* of the equivalent form: a privately produced commodity in equivalent form counts as its opposite, directly social labor. The manifestation of this paradox in the higher form of the general equivalent is a “riddle” familiar to everybody in a commodity society (assuming the gold standard): the private labor which produces gold has direct social powers, it is directly exchangeable for all other commodities. It is easy to see that this is peculiar. 

It is therefore a third peculiarity of the equivalent form that private labor becomes the form of its opposite, namely labor in immediately social form.

In order to clarify the second and third peculiarities, Marx discusses next, in 151:1–151:5/o, how Aristotle analyzed the form of value:

151:1 The two peculiarities of the equivalent form just developed here will become easier to grasp if we go back to that great researcher who was the first to analyse the
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value form, like so many other forms of thought, society and nature. I mean Aristotle.

Moore and Aveling translate “Forscher” as “thinker,” Fowkes as “investigator.”

Unlike Marx, Aristotle begins with a money relationship, i.e., using Marx’s example, a relationship of the form “20 yards of linen are worth 2 Pounds Sterling.” But Aristotle’s first observation is that this is essentially the same as “20 yards of linen are worth 1 coat.”

151:2 In the first place, Aristotle states quite clearly that the Money form of the commodity is only a further development of the Simple form of value, i.e. of the expression of the value of a commodity in some other arbitrarily chosen commodity, for he says:

“5 beds = 1 house”

73:4 Zunächst spricht Aristoteles klar aus, daß die Geldform der Ware nur die weiter entwickelte Gestalt der einfachen Wertform ist, d.h. des Ausdrucks des Werts einer Ware in irgendeiner beliebig en anderen Ware, denn er sagt:

„5 Polster = 1 Haus“

(„Κλίναι πέντε ἀντὶ οἰκίας“)
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(“Κλίναι πέντε ἀντὶ οἰκίας”) “does not differ” from
“5 beds = a certain amount of money.”
(“Κλίναι πέντε ἀντὶ . . . ὡσοῦ αἱ πέντε κλίναι”) „unterscheidet sich nicht“ von:
„5 Polster = soundso viel Geld“
(„Κλίναι πέντε ἀντὶ . . . ὡσοῦ αἱ πέντε κλίναι“)

The Aristotle quotations in this paragraph can be found in [Ari26, Bk. V, Ch. 5, pp. 287–9]

151:3 He further sees that the value relation, in which this expression of value is embedded, requires that the house is qualitatively equated with the bed, and that these things, which are different physical objects, could not be related to each other as commensurable magnitudes if they were not equal in essence. ‘There can be no exchange,’ he says, ‘without equality, and no equality without commensurability’ (“οὔτ’ ἰσότης μὴ οὔσης συμμετρίας”).

73:5 Er sieht ferner ein, daß das Wertverhältnis, worin dieser Wertausdruck steckt, seinerseits bedingt, daß das Haus dem Polster qualitativ gleichgesetzt wird und daß diese sinnlich verschiedenen Dinge ohne solche Wesensgleichheit nicht als kommensurable Größen aufeinander beziehbar wären. „Der Austausch“, sagt er, „kann nicht sein ohne die Gleichheit, die Gleichheit aber nicht ohne die Kommensurabilität“ („οὔτ’ ἰσότης μὴ οὔσης συμμετρίας“).
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So far, Aristotle’s analysis is amazingly close to Marx’s. But Aristotle does not make the next step:

Here, however, he falters, and abandons the further analysis of the form of value. ‘It is, however, in reality impossible (”τη μεν ουν αληθεια αδυνατον“), that such unlike things are commensurable,’ i.e. qualitatively equal. Their being set equal must be something foreign to the true nature of these things, a mere ‘makeshift for practical purposes’.

Next, Marx reads out of Aristotle’s answer itself the reason why Aristotle did not make the third step:

151:4 Aristotle therefore himself tells us what prevented him from carrying his analysis to the end: the lack of a concept of value. What is the equal something, i.e. the common substance, which the house represents

Hier aber stützt er und gibt die weitere Analyse der Wertform auf. „Es ist aber in Wahrheit unmöglich („τη μεν ουν ἀληθεία ἀδύνατον“), daß so verschiedenartige Dinge kammensurabel“, d.h. qualitativ gleich seien. Diese Gleichsetzung kann nur etwas der wahren Natur der Dinge Fremdes sein, also nur „Notbehelf für das praktische Bedürfnis“.

74:1 Aristoteles sagt uns also selbst, woran seine weitere Analyse scheitert, nämlich am Mangel des Wertbegriffs. Was ist das Gleiche, d.h. die gemeinschaftliche Substanz, die das Haus für den Polster im Wertausdruck
for the bed in the expression of the value of the bed? Such a thing, ‘in truth, cannot exist’, says Aristotle. Why?

\[\text{In order to understand why Aristotle says this, let us recapitulate how we, ourselves, came to the opposite conclusion:}\]

The house represents for the bed something equal, in so far as it represents what is indeed equal in both, in bed and house. And that is—human labor.

\[\text{The three occurrences of ‘represent’ in the above passage, is the translation of \textit{vorstellt} and not the usual \textit{darstellt}. Why does Marx use a different word here?}\]

Because in Ancient Greece, the equality between bed and house on the market was \textit{not} the surface representation of an underlying equality in production. Production was not based on the equality of labor. The surface agents acted as if bed and house were equal without them being equal. It was an imagined equality.

\[\text{We are arguing from the vantage point of a society in which exchange relations are ubiquitous. Markets are not isolated or peripheral phenomena, but markets are central. In}\]
other words, the individual market agents equate their products all the time. They can only do this if there is in fact something equal in the different commodities, and when we looked for this equal thing we found something, namely, all commodities are products of the expenditure of human labor-power. Aristotle, on the other hand, could not make this inference, since at his time, labor was not equal (and, not coincidentally, markets played a much less central role in the economy than they do today).

However, Aristotle could not infer, from inspecting the form of value itself, that in the form of commodity-values, all labor is expressed as equal human labor and therefore as labor of equal validity—because Greek society was founded on the labor of slaves, hence had as its natural basis the inequality of men and of their labor-powers.

Now Marx draws his lessons from this example—some sweeping conclusions:

1. The Commodity

The secret of the expression of value, namely

Das Geheimnis des Wertausdrucks, die Gleich-
1.3. Form of Value

The equality and equal validity of all kinds of labor because and in so far as they are human labor in general, could not be deciphered until the concept of human equality had already acquired the fixity of a commonly held prejudice. This however became possible only in a society where the commodity form is the universal form of the product of labor, hence the dominant social relation of equality in the value-expression of commodities. Only the historical limitation inherent in the society in which he lived prevented him from finding out what Aristotle’s genius is displayed precisely by his discovery of a relation is the relation between men as possessors of commodities. The historical relation of equality in the value-expression of commodities entailed a discovery that the society, wherein he lived, displayed grade darin, daß er im Verhältnis der Menschen zu einander als Warenbesitzer das herrschende gesellschaftliche Verhältnis ist. Die Genie des Aristoteles glänzt gerade darin, daß er im allermeiste Form des Arbeitsprodukts, die allgemeine Form der Menschenzu-}
The Simple Form of Value Considered as a Whole

By announcing that she is willing to give 20 yards of linen for a coat the linen weaver broadcasts to the world in two different ways that her linen is value. On the one hand, her linen is value because it can be used as a means to acquire a coat (relative form of value), and her linen is value because everybody who has a coat can acquire the linen with it (equivalent form of value). In the present subsection Marx explores the relationship between these two expressions of value.

After having deciphered each of the “words” in the Simple form of value, now Marx looks at the “sentence” as a whole. Marx will show that this relationship between commodities is an expression of their values. Marx answers here a question first posed at the very beginning of section 3, 139:1.

152:1 The simple value form of a commodity is contained in its value relation with a commodity of a different kind, or in its ex-
change relation with the latter. The value of commodity $A$ is qualitatively expressed by the direct exchangeability of commodity $B$ with commodity $A$. It is quantitatively expressed by the exchangeability of a specific quantity of commodity $B$ with the given quantity of commodity $A$.

The “direct exchangeability” of commodity $B$ with commodity $A$ means: the traders accept $B$ in exchange for commodity $A$ without $B$ itself having to go through the test whether it is needed. $B$ can be used to “buy” commodity $A$.

In other words, the value of a commodity is independently expressed through its representation as ‘exchange-value’.

“Independently” means here: independently of its own use-value. The power of commodity $B$ to purchase $A$ is an expression of the value of $A$.

When at the beginning of this chapter we said, in common parlance, that a commod-

verhältxis mit derselben. Der Wert der Ware $A$ wird qualitativ ausgedrückt durch die unmittelbare Austauschbarkeit der Ware $B$ mit der Ware $A$. Er wird quantitativ ausgedrückt durch die Austauschbarkeit eines bestimmten Quantums der Ware $B$ mit dem gegebenen Quantum der Ware $A$.

In andern Worten: Der Wert einer Ware ist selbständig ausgedrückt durch seine Darstellung als „Tauschwert“.

“Independently” means here: independently of its own use-value. The power of commodity $B$ to purchase $A$ is an expression of the value of $A$.

Wenn es im Eingang dieses Kapitels in der gang und gäben Manier hieß: Die Ware
1. The Commodity

ity is a use-value and an exchange-value, we were, strictly speaking, wrong. A commodity is a use-value or object of utility, and a "value." It represents itself as this twofold thing, that it is, as soon as its value assumes its own, from the bodily form of the commodity different form of appearance, that of exchange-value.

Marx discusses this also in his *Notes on Wagner*, [mecw24]544:6/o.

The main point Marx makes here is the following: instead of saying "the commodity is useful thing and exchange-value" one should rather say: "the commodity *is* useful thing and value, and in relation with other commodities it *has* exchange-value." Marx distinguishes here clearly between that what is inside the commodity, (namely labor, which gives it its value) and what others carry to the commodity (the market participants are willing to accept the commodity in exchange, thus giving it exchange-value, because it has labor embodied in it).

Here is another attempt to explain this by a modern analogy. The thing that is inside
the commodity is not its exchange-value but its value; the exchange-value is the reaction of the market participants to the value inside the commodity. It is just as wrong to say that the exchange-value is inside the commodity as it is to say that a person’s race is inside that person. Race is society’s reaction to that person. (But this analogy limps: Racism is not a reaction to anything inside the person, but a reaction to the racist’s own oppression and exploitation, which is only focused on certain people through some irrelevant but convenient identifiers. Racism is no more a reaction to the person’s skin color than the target shooter’s shot is a reaction to the bull’s eye he is shooting at. By contrast, exchange-value is indeed a reaction to something inside the commodity.)

The commodity never has this form when looked at in isolation, but only when it is in a value relation or exchange relation with a second commodity of a different kind. Once we know this, our manner of speaking does no harm; it serves, rather, as an abbreviation.

Now Marx formulates the central insight of the whole development of the Simple form of value:
1. The Commodity

Our analysis proved that the value form or the expression of the value of the commodity springs from the nature of commodity value, instead of value and magnitude of value springing from their mode of expression as exchange-value.

In the First Edition, the transitional paragraph between sections 1.3 and 1.4 reiterates that this is one of the central findings of this section.

Our arrival at the climax of subsection 1.3.A is celebrated by a fanfare consisting of three parts. First a comical introduction taking up the remainder of paragraph 152:2/o, which makes fun of mainstream economics. Then follow two solemn paragraphs, one connecting the Simple form of value with the contradiction between use-value and value, and the other connecting it with the commodity form of the product.

First the theory-critical introduction:

This second view is the delusion shared by the Mercantilists (including Ferrier, Ganilh, and others,22 who have made a modern re-
hash of Mercantilism) with their antipodes, the modern traveling salesmen of Free Trade, such as Bastiat and his consorts. The Mercantilists place their main emphasis on the qualitative side of the expression of value, hence on the equivalent form of the commodity, which in its finished form is money. The modern pedlars of free trade, on the other hand, who must get rid of their commodities at any price, stress the quantitative side of the relative form of value. For them, accordingly, there exists neither value, nor magnitude of value, anywhere except in its expression by means of the exchange relation, that is, in the daily list of prices current on the Stock Exchange.

22 F. L. A. Ferrier (assistant customs-inspector),

22 Note zur 2. Ausg. F. L. A. Ferrier (sous-
1. The Commodity

[Fer05], and Charles Ganilh, [Gan21].

The Scotsman Macleod, whose function it is to trick out the confused ideas of Lombard Street in the most learned finery, is a successful cross between the superstitious Mercantilists and the enlightened pedlars of free trade.

Mercantilists (quality, superstition) and free traders (quantity, enlightenment), as well as Macleod, a recent unhappy cross of the two, share the error that value originates from its form, while Marx just showed the opposite. Marx uses the word “free trade pedlars” (Freihandelshausierburschen) also in footnote 48 to paragraph 349:2–350:1 of chapter Ten. In Contribution, 389/o, Marx uses similar metaphors, equating the Monetarists with catholics and the Mercantilists with protestants.

Contribution, footnote * to 301:3 has a brief remark about Macleod’s book Theory of Exchange, London 1858, and footnote * to 375:1/o a longer discussion of his Theory and Practice of Banking etc., 1855. Footnote 12 in chapter Four of Capital I, 255:1, also makes
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The next two paragraphs underline the importance of the central result of this subsection. First Marx shows that this is how society processes its internal contradictions:

153:1 Our closer scrutiny of the expression of the value of commodity $A$ contained in the value relation of $A$ to $B$ has shown that within that relation the natural form of commodity $A$ counts only as a thing of use-value, while the natural form of $B$ figures only as form of value, or a thing of value. The internal opposition between use-value and value, hidden within the commodity, is therefore presented by an external opposition, i.e. by a relation between two commodities such that the one commodity, that whose value is to be expressed, counts immediately only as a use-value, whereas

75:2/o Die nähere Betrachtung des im Wertverhältnis zur Ware $B$ enthaltenen Wertausdrucks der Ware $A$ hat gezeigt, daß innerhalb desselben die Naturalform der Ware $A$ nur als Gestalt von Gebrauchswert, die Naturalform der Ware $B$ nur als Wertform oder Wertgestalt gilt. Der in der Ware eingehüllte innere Gegensatz von Gebrauchswert und Wert wird also dargestellt durch einen äußeren Gegensatz, d.h. durch das Verhältnis zweier Waren, worin die eine Ware, deren Wert ausgedrückt werden soll, unmittelbar nur als Gebrauchswert, die andre Ware hingegen, worin Wert ausgedrückt wird, unmittelbar nur als Tausch-
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the other commodity, in which that value is expressed, counts immediately only as exchange-value. Hence the Simple form of value of a commodity is the simple form of appearance of the opposition between use-value and value contained within the commodity.

The next paragraph places this central result in world history:

153:2/o The product of labor is an object of utility in all states of society; but only during a historically specific epoch of development, in which the labor expended in the production of a useful article is represented as a ‘bodily’ property of that article, namely, its value, is the product of labor turned into a commodity.

In this long sentence, Marx says (without putting sufficient emphasis on it) that the his-

76:1 Das Arbeitsprodukt ist in allen gesellschaftlichen Zuständen Gebrauchsgegenstand, aber nur eine historisch bestimmte Entwicklungsepoche, welche die in der Produktion eines Gebrauchsdings verausgabte Arbeit als seine „gegenständliche“ Eigenschaft darstellt, d.h. als seinen Wert, verwandelt das Arbeitsprodukt in Ware.
historical conversion of the product of labor into a commodity is driven by the exchange. First, people exchange their goods, and then they modify their production relations in order to produce for the exchange. I.e., those relations on the surface, which the whole section 3 has identified as the form of value, historically precede and stimulate the creation of that of which they are the form. Marx says something related also in 166:2/0. From this follows Marx’s next conclusion:

Fowkes writes here: “It therefore follows that the simple form of value of the commodity is at the same time the simple commodity form of the product of labor, and also that the development of the commodity form coincides with the development of the value form.”

This seems to be a simple typo, presumably Fowkes meant to write: “It therefore follows that the simple form of value of the commodity is at the same time the simple commodity form of the product of labour.”
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The Moore-Aveling translation is very good here; it is clearer than the German and seems inspired by the French edition: “It therefore follows that the elementary value form is also the primitive form under which a product of labor appears historically as a commodity, and that the gradual transformation of such products into commodities proceeds pari passu with the development of the value form.”

After this pause and celebration, let us rush on in the argument. After recognizing, in 152:2/o, that the value relations of commodities are an expression of the content of value (and thus rightly deserve the name “forms of value”) we are also able to see the insufficiencies, defects, of this expression. In order to see why this is relevant let us take stock where we are in the argument.

Value can only then be socially relevant if the value character of things is reflected in people’s behavior, and if people’s behavior in turn reinforces this value character. These two links are the topic of the present section 1.3. Marx’s starting point were those surface activities and relations by which the value character of the goods influences individual behavior. This is what Marx means by an expression of value, it is channel (1). The question whether or not these expressions are in turn adequate representations becomes relevant for the flow of information from the surface back to the core, i.e., for channel (2): is the surface behavior
induced by these expressions indeed able to transmit the signals to the core of the economy which instruct the producers to treat all labor as equal, with only quantitative differences?

154:1 One sees right away the insufficiency of the Simple form of value, of this embryonic form which must undergo a series of metamorphoses before ripening into the price form.

76:2 Der erste Blick zeigt das Unzulängliche der einfachen Wertform, dieser Keimform, die erst durch eine Reihe von Metamorphosen zur Preisform heranreift.

Right after announcing a discussion of the insufficiencies or defects of the Simple form of value, Marx makes a side remark about the ripening of these forms, because the defects will be remedied in the “riper” forms.

Marx does not simply say that the expression as a whole is defective, but he finds defects in each of the two poles of the expression, the relative form of value and the equivalent form of value. First he discusses the insufficiency of the relative form of value.

154:2 The expression of the value of commodity \( A \) in terms of some arbitrary other commodity \( B \) merely distinguishes the value of \( A \) from the use-value of \( A \), and therefore...
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also only places $A$ in an exchange relation with one particular different kind of commodity, instead of representing $A$’s qualitative equality with all other commodities and its quantitative proportionality to them.

⇑ By expressing the value of a commodity in the use-value of a different commodity, the Simple form of value represents value as something that is different from its use-value, but not as something that is qualitatively equal for all commodities. This is a serious defect. The decisions of the linen weaver to accept coats, of the butcher to accept bread, etc., do not resonate with each other. They can be compared to an orchestra in which every musician plays his or her own melody. This cacophony does not send a coherent signal to the core.

⇓ On the side of the equivalent, this same defect shows itself in the fact that the coat is directly exchangeable only with the linen, not with other commodities. I.e., the coat is a poor incarnation of value.

To the Simple relative form of value of a commodity there corresponds the Isolated equivalent form of another commodity. So besitzt der Rock, im relati-
ity. Thus, in the relative expression of value of the linen, the coat possesses the form of equivalent, the form of direct exchangeability, only in relation to this one kind of commodity, the linen.

Although the transition from Simple to Expanded form of value remedies the just-mentioned defect, this defect is not the driving force behind the transition. Rather, the transition occurs spontaneously, “by itself.” We will see shortly that the transitions from the Expanded to the General form of value, or from the General form of value to the Money form, are no longer spontaneous but require deliberate social acts.

However, the Simple form of value passes by itself into a more complete form. Although Marx says here that the Expanded form of value is more complete than the Simple form, he will say in 156:2/o that the Expanded form of value is incomplete too.

The possibility of a remedy can be teased out of the defect of the Simple form of value in the following way: It is a defect that value is expressed in only one arbitrary commodity. This arbitrariness contains the key to transcending this defect. It does not matter which kind
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the second commodity is, therefore many expressions of the value of each commodity are possible.

Although this Simple form expresses the value of a commodity \( A \) in only one commodity of another kind, it is a matter of complete indifference what this second commodity is, whether it is a coat, iron, corn, etc.

\[ \downarrow \] In the next sentence, Marx states that the theoretical possibility of multiple equivalents becomes a reality, without giving reasons why this must be so. But such a reason can be supplied easily, and 157:3 can serve as a hint: although each commodity producer specializes on producing a limited range of use-values, he or she needs many different use-values. Each linen weaver on the market is therefore likely to have a shopping list: she not only needs a coat but a number of different things as well.

Different Simple expressions of the value of one and the same commodity arise therefore according to whether this commodity enters

Vermittelst derselben wird der Wert einer Ware \( A \) zwar in nur einer Ware von andrer Art ausgedrückt. Welcher Art aber diese zweite Ware, ob Rock, ob Eisen, ob Weizen usw., ist durchaus gleichgültig.

Je nachdem sie also zu dieser oder jener andren Warenart in ein Wertverhältnis tritt, entstehen verschiedene einfache Wertausdrücke ei-
into a value relation with this or that other kind of commodity.\textsuperscript{22a}

\textsuperscript{22a} Note to the 2nd edition. For instance in Homer, the value of a thing is expressed in a series of different things.

⇓ And if one looks at all linen weavers together, then almost any use-value is likely to be exchangeable for linen somewhere.

The number of such possible expressions is limited only by the number of the different kinds of commodities distinct from \(A\). The isolated expression of \(A\)’s value transforms itself therefore into the indefinitely expandable series of different Simple expressions of that value.

\begin{quote} Die Anzahl ihrer möglichen \textit{Wertausdrücke} ist nur beschränkt durch die Anzahl von ihr verschiedener \textit{Warenarten}. Ihr \textit{vereinzelter Wertausdruck} verwandelt sich daher in die stets verlängerbare Reihe ihrer verschiedenen einfachen \textit{Wertausdrücke}.
\end{quote}
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1.3.B. The Total or Expanded Form of Value

The Expanded form of value is a transitional phase (in the first edition, 43:4, Marx uses the word “Durchgangsphase”) between the Simple and the General forms of value. This subsection is written in a terse, telegraphic style.

\[ z \text{ commodity } A = u \text{ commodity } B \mid 77:1 z \text{ Ware } A = u \text{ Ware } B \text{ oder } = v \text{ Ware } C \]
\[ \text{ or } = v \text{ commodity } C \text{ or } = w \text{ commodity } D \text{ or } \]
\[ = x \text{ commodity } E \text{ or } = \text{etc.} \]

155:1 (20 yards of linen = 1 coat or = 10 lb. tea or = 40 lb. coffee or = 1 quarter of wheat or = 2 ounces of gold or = 1/2 ton of iron or = etc.)

If one combines all the things linen weavers are willing to accept in exchange for 20 yards of linen, one gets the Expanded form of value of linen. In the absence of money, the Expanded form can be a generally accepted social form of value only if one unique dominant commodity, such as cattle, is used to acquire all other commodities. See 158:3, 160:6, and Contribution, 286:3/ooo where Marx says that the Expanded form of value is only theoretical. In developed commodity production, the Expanded form exists only as the
specific form in which the General equivalent expresses its value.

**The Expanded Relative Form of Value**

155:2 The value of a commodity, of the linen for example, is now expressed in countless other members of the world of commodities.

Starting from the exchange relationship between linen and coats, we had inferred, previously, that there must be weavers who trade linen for coats. Now we are broadening our view and also look at those weavers who trade their linen for other commodities. We get a multitude of expressions which does not stem from any multiplicity of the value of linen, but simply from the fact that linen weavers, like everybody else, have many needs.

But for those looking at this relation from the outside, the simple fact that linen is a value is now diffracted into a bewildering multitude of different expressions:

The body of every other commodity now becomes a mirror of the linen’s value.\(^{23}\)

\(^{23}\)
It seems contradictory to mirror the same thing in many different mirrors. Footnote 23 discusses how this contradiction was noted in the literature:

23 For this reason one speaks of the coat-value of the linen when its value is represented in coats, or of its corn-value when expressed in corn, and so on. Every such expression says that it is the linen’s value which appears in the use-values coat, corn etc.

⇑ This last sentence is an echo of the argument made in 127:1: these various exchange relations are the expressions of something that has to do with the linen alone, namely of the value of the linen. ⇩ Bailey interprets them differently. He thinks these exchange relations indicate that linen has more than one value:

‘The value of any commodity denoting its relation in exchange, we may speak of it as ... corn-value, cloth-value, according to the commodity with which it is compared, and hence there are a thousand different kinds of value, as many kinds of value as there are commodities.

„Da der Wert jeder Ware ihr Verhältnis im Austausch bezeichnet, können wir ihn bezeichnen als ... Kornwert, Tuchwert, je nach der Ware, mit der sie verglichen wird; und daher gibt es tausend verschiedene Arten von Werten, so viele, wie Waren vorhanden sind, und alle sind gleich
ties in existence, and all are equally real and equally nominal’ [Bai25, p. 39].

S. Bailey, the author of this anonymous work, which in its day created a considerable stir in England, was under the delusion that by pointing to the multiplicity of the relative expressions of the same commodity-value he had demolished any possibility of a conceptual determination of value.

↑ Of course Bailey has not demolished the concept of value. The fact that the same value can have multiple expressions does not mean that value is not a well-defined concept.

⇓ The footnote concludes with a brief evaluation of Bailey’s contribution. Bailey attacked the labor theory of value, but also exposed many of the weaknesses of Ricardo’s version of this theory. Marx discusses Bailey at great detail in *Theories of Surplus-Value*.

Still, despite the narrowness of his own outlook, he was able to put his finger on some serious defects in the Ricardian theory, as is demonstrated by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by the animosity with which he was attacked by}

Daß er übrigens, trotz eigner Borniertheit, wunde Flecken der Ricardoschen Theorie sondiert hatte, bewies die Gereiztheit, womit die Ricardosche Schule ihn angriff, z.B. in der „Westminster Re-

[S. Bailey, der Verfasser dieser anonymen Schrift, die ihrer Zeit viel Lärm in England machte, wähnt durch diesen Hinweis auf die kunterbunten relativen Ausdrücke desselben Warenwerts alle Begriffsbestimmung des Werts vernichtet zu haben.

[Bai25, p. 39].
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Ricardo’s followers, in the Westminster Review for example.

\[\uparrow\text{So far footnote 23.} \downarrow\text{In the main text, Marx strikes a more positive note. Far from refuting the concept of value, the proliferation of equivalents is an accurate reflection of the underlying reality that as value-creating labor, weaving counts as equal to the labors producing coats or wheat or iron or gold:}\]

It is only thus that this value truly appears as a congealed quantity of undifferentiated human labor. For the labor which creates it is now explicitly represented as labor which counts as the equal of every other sort of human labor, whatever natural form it may possess, i.e., whether it be objectified in a coat, in corn, in iron, or in gold.

\[\uparrow\text{In connection with what I said earlier, I understand this sentence to mean: the surface relations do not reveal that the commonality inside the commodities is human labor in the abstract, but once we know this, it becomes clear that many aspects of this labor are accu-}\]

\[\text{So erscheint dieser Wert selbst erst wahrhaft als Gallerte unterschiedsloser menschlicher Arbeit. Denn die ihn bildende Arbeit ist nun ausdrücklich als Arbeit dargestellt, der jede andre menschliche Arbeit gleichgilt, welche Naturalform sie immer besitze und ob sie sich daher in Rock oder Weizen oder Eisen oder Gold usw. vergegenständliche.}\]
rately reflected on the surface. This is indeed all that is necessary for the surface relations to guide production, since the private producers “know” very well about labor—after all, the reallocation of their labor is ultimately the only response to the market signals which they are able to make. Among others, the surface relations accurately reflect the fact that human labor in the abstract is more than a physiological fact valid for every labor process individually, but that the labor processes are placed in a relation to each other as equals, i.e., they are compared with each other:

The linen, by virtue of its form of value, no longer stands in a social relation with merely one other kind of commodity, but with the whole world of commodities. As a commodity it is citizen of this world.

The next sentence brings another dimension in which this form of value expresses the truth about value:

At the same time, it is contained in this endless series of value expressions that the value of the commodity itself has nothing to do with her social status.
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do with the particular use-values in which it appears. The multitude of expressions indicates that these are only expressions and cannot be the real thing. If the 20 yards of linen are in one instance exchanged against 1 coat, and in another against 10 lbs. tea, etc., this makes it implausible that these come from the relationships between the owner of linen and the owners of each of these other commodities. It is much more plausible to assume that all these other commodities, by their willingness to exchange themselves for linen, express the same thing about the commodity “linen.” Marx had made a very similar argument at the very beginning of the chapter, in 127:1.

Fowkes has: “the endless series of value expressions implies that, from the point of view of the value of the commodity, the particular use-value in which it appears is a matter of indifference.” This is a unfortunate formulation because the particular use-value in which the commodity-value appears is a matter of indifference not only from the point of view of the commodity-value but in general, from every point of view. The phrase “der Warenwert ist gleichgültig” evokes a figurative “feeling” of indifference on part of the commodity-value (it doesn’t care in which use-value it is expressed). Fowkes draws from this the wrong conclusion that it is something subjective, only valid from the point of view of the value. In my reading of this sentence, this “feeling” reflects a deep-seated ontological indifference (the inner substance of value has nothing to do with
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use-values). Marx wrote this sentence to point out that this deep-seated indifference finds its expression on the surface in the endless series of equivalents.

\[\text{On the quantitative side, the Expanded form cushions the quantity of value from accidental individual circumstances:}\]

155:3/o In the first form, 20 yards of linen = 1 coat, it might well be a pure accident that these two commodities are exchangeable in a specific quantitative relation. In the second form, by contrast, a background of this accidental appearance immediately shines through, which is essentially different from it yet determines it. The value of the linen remains unaltered in magnitude, whether represented in coats, coffee, or iron, or in innumerable different commodities, belonging to the most diverse owners. The accidental relation between two individual

78:1 In der ersten Form: 20 Ellen Leinwand = 1 Rock kann es zufällige Tatsache sein, daß diese zwei Waren in einem bestimmten quantitativen Verhältnisse austauschbar sind. In der zweiten Form leuchtet dagegen sofort ein von der zufälligen Erscheinung wesentlich unterschiedener und sie bestimmender Hintergrund durch. Der Wert der Leinwand bleibt gleich groß, ob in Rock oder Kaffee oder Eisen etc. dargestellt, in zahllos verschiedenen Waren, den verschiedensten Besitzern angehörig. Das zufällige Verhältnis zweier individueller Warenbesit-
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commodity-owners falls away. It becomes plain that it is not the exchange of commodities which regulates the magnitude of their values, but rather the reverse, it is the magnitude of the value of commodities which regulates the proportion in which they are exchanged.

↑ As long as we know that linen has only one value, not many values depending on the circumstances of the exchanges, we know that this value is not generated by the exchange but is generated elsewhere.

The Particular Equivalent Form

156:1 Every commodity, such as coat, tea, iron, etc., counts, in the expression of value of the linen, as an equivalent and therefore a physical incarnation of value.

78:2 Jede Ware, Rock, Tee, Weizen, Eisen usw., gilt im Wertausdruck der Leinwand als Äquivalent und daher als Wertkörper.
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Fowkes translates *Wertkörper* with “physical object possessing value.” It would have been more accurate to say “physical object representing value.” Moore-Aveling are here better than Fowkes, they write “thing that is value.”

Does this mean that regardless of what kind of commodity one has, it is always exchangeable against linen, that one can always find a linen weaver who needs this commodity? This is not possible. Linen weavers would be flooded with use-values nobody wants. Marx makes this argument on a much more abstract level, by pointing out the defects of the equivalent form coming with the Expanded relative form of value.

The specific bodily form of each of these commodities is now a Particular equivalent form alongside many others. In the same way, the many specific, concrete, and useful kinds of labor contained in the physical commodities count now as just as many particular forms of realization or manifestation of human labor in general.
1. The Commodity

This is already a defect. Human labor as such is undifferentiated, yet it has many different incarnations. Marx does not remark on this specifically, but begins here a systematic discussion of all the defects of the Expanded form of value.

Defects of the Total or Expanded Form of Value

In a hurried style, Marx enumerates the “defects” of the Total or Expanded form, and its “improvements” over the Simple form. In a nutshell, the defects are: The Expanded form is not unique (i.e., the equivalent of the same commodity is not the same everywhere and at all times), it is not simple (i.e., more than one use-value is involved in this form, but in real life one will only deal with one of these use-values at a time), and it is not uniform (i.e., the expanded equivalent of linen is qualitatively different from that of boots). One aspect which is not a defect is that it is representative, i.e., the unending series of equivalents covers the whole breadth of what abstract labor can do.

As earlier in 154:2, Marx does not simply say that the Expanded form of value as a whole is defective, but he allocates the defects to the two poles of the expression. First he enumerates three defects of the Expanded relative form of value.
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Incompleteness: Whereas value itself is something fixed and given, this representation of value is unfinished and continually subject to extensions:

Firstly, the relative expression of value of the commodity is incomplete, because the series of its representations never comes to an end. The chain, of which each equation of value is a link, is liable at any moment to be lengthened by any newly created commodity, providing the material for a fresh expression of value.

"Relative expression of value" is here short for "relative Expanded form of value as an expression of value."

It is not just a theoretical possibility that new use-values may enter the market. Often, new use-values are introduced exactly for the purpose of achieving a more favorable exchange proportion than would be possible with the established ones. But the Expanded relative form of value would be unfinished even in a world without technical change. If the
1. The Commodity

The linen weaver offers her linen for an assortment of various other goods, then this assortment can always only be a sample, only a subset of all the goods on the market. The linen weaver may well be willing to exchange the linen also for a good which is not in this original subset.

| ↓ Lack of simplicity: Whereas abstract value-creating labor is simple, its origin is the same human labor-power used in various different production processes, its representation is not simple but composed of many different components which have nothing in common with each other. Marx calls it a “motley mosaic”:
| Secondly, it is a motley mosaic of disparate and unconnected expressions of value. |
| Zweitens bildet sie eine bunte Mosaik auseinanderfallender und verschiedenartiger Wertausdrücke. |

| ↓ Lack of uniformity: Whereas value of linen is qualitatively equal to the value of boots, namely, they both are congealed abstract labor, the relative form of value of linen is different from that of every other commodity. |
| And lastly, if, as must be the case, the relative value of each commodity is expressed in this expanded form, it follows that the relative form of value of each commodity is an endless series of expressions of value which |
| Wird endlich, wie dies geschehn muß, der relative Wert jeder Ware in dieser entfalteten Form ausgedrückt, so ist die relative Wertform jeder Ware eine von der relativen Wertform jeder andren Ware verschiedene endlose |
“Different” means here “qualitatively different.” One needs an expression of value which is qualitatively the same for all commodities and only quantitatively different. The lists of equivalents are originally not proportional to each other, i.e., they are qualitatively different from each other.

After the defects of the Expanded relative form, Marx discusses those of the Expanded equivalent form:

The defects of the Expanded relative form of value are reflected in the corresponding equivalent form.

That iron, wheat, gold, etc. are included in the Expanded relative value form of linen does not mean that they suddenly show up on the market as a group. In their existence, these use-values are as unrelated as ever. This is why Marx begins his discussion of the defects of the Expanded equivalent form not with the whole array of commodities listed as equivalents, but with the individual commodities included in this array, which he calls “Particular” equivalents:
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Since the bodily form of each individual kind of commodity is here one Particular equivalent form amongst innumerable other Particular equivalent forms, the only equivalent forms in existence are limited equivalent forms, each of which excludes any of the others.

Marx (a) calls these Particular equivalents limited, and (b) says that each excludes the other. Since Marx will elaborate on (a) in his next sentence, let’s first discuss (b). If linen has coat as one Particular equivalent, this does not mean that the linen weaver whom the tailor approaches in order to exchange his coat is one who needs a coat; instead, his Particular equivalent may exclude coats. Although the Expanded form of value covers all commodity owners offering linen, there is not one Particular equivalent which is accepted by every commodity-owner offering linen. This is a different exclusivity than that between the Expanded equivalent forms of two different commodities discussed in 158:3.

Similarly, the specific, concrete, useful kind of labor contained in each Particular equivalent is the labor which is contained in every commodity of the same kind. For instance, the labor of the linen weaver is the kind of labor that goes into each of the linen products of the same kind. This is true of every commodity: its labor is its equivalent form.

Da die Naturalform jeder einzelnen Warenart hier eine besondere Äquivalentform neben unzähligen andren besondren Äquivalentformen ist, existieren überhaupt nur beschränkte Äquivalentformen, von denen jede die andre ausschließt.

Ebenso ist die in jedem besondren Warenäquivalent enthaltene bestimmte, konkre-
1.3. Form of Value

commodity-equivalent is only a Particular and therefore not an exhaustive form of appearance of human labor.

If you look at the actualizations of this unlimited series, which by necessity consist of only one piece of the mosaic at a time, then you also lose the representativeness. To stay with our example, the labor contained in the coat is not an exhaustive form of appearance of human labor, it is simply the kind of human labor that produces coats.

Lack of uniqueness, which was the first defect on the relative side, is the third defect of the Expanded equivalent form of value:

It is true that human labor possesses a complete or total form of appearance in the aggregation of its particular forms of appearance. But in that case it has no single, unified form of appearance.

As in 154:3, the remedy to these defects is already implicit in the problem:

157:1 The Expanded relative form of	79:1 Die entfaltete relative Wertform be-

diese besitzt ihre vollständige oder totale Erscheinungsform zwar in dem Gesamtum-
kreis jener besonderen Erscheinungsformen. Aber so besitzt sie keine einheitliche Erscheinungsform.

As in 154:3, the remedy to these defects is already implicit in the problem:
1. The Commodity

value is, however, nothing but the sum of the simple relative expressions or equations of the first form, such as:

20 yards of linen = 1 coat
20 yards of linen = 10 lb. of tea, etc.

157:2 Each of these equations implies the identical equation in reverse:

1 coat = 20 yards of linen
10 lb. of tea = 20 yards of linen, etc.

157:3 In fact, when a person exchanges his linen for many other commodities, and thus expresses its value in a series of other commodities, it necessarily follows that the other owners of commodities exchange them for the linen, and therefore express the
values of their various commodities in one and the same third commodity, the linen.—

⇓ Right now Marx assumes that this potential becomes actualized, without saying why and how:

If, then, we reverse the series 20 yards of linen = 1 coat, or = 10 lb. of tea, etc., i.e. if we formulate the converse relation already implied in the series, we get:

Kehren wir also die Reihe: 20 Ellen Leinwand = 1 Rock oder = 10 Pfd. Tee oder = usw. um, d.h., drücken wir die der Sache nach schon in der Reihe enthaltene Rückbeziehung aus, so erhalten wir:

1.3.C. General Form of Value
### 1. The Commodity

<table>
<thead>
<tr>
<th>157:4</th>
<th>79:4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 coat</td>
<td>1 Rock</td>
</tr>
<tr>
<td>10 lb. of tea</td>
<td>10 Pfd. Tee</td>
</tr>
<tr>
<td>40 lb. of coffee</td>
<td>40 Pfd. Kaffee</td>
</tr>
<tr>
<td>1 qtr. of wheat</td>
<td>1 Qrtr. Weizen</td>
</tr>
<tr>
<td>2 ounces of gold</td>
<td>2 Unzen Gold</td>
</tr>
<tr>
<td>( \frac{1}{2} ) ton of iron</td>
<td>( \frac{1}{2} ) Tonne Eisen</td>
</tr>
<tr>
<td>( x ) commodity A</td>
<td>( x ) Ware A</td>
</tr>
<tr>
<td>20 yards of linen</td>
<td>usw. Ware</td>
</tr>
</tbody>
</table>

#### The Changed Character of the Value Form

In the first edition, 643:2, Marx remarks that this form is quite different. The first paragraph explains the name “General” form of value:

157:5 The commodities now express their values (1) in a simple form, because in a single commodity, and (2) in a unified form, because each commodity expresses its value

79:5 Die Waren stellen ihre Werte jetzt einfach dar, weil in einer einzigen Ware und einheitlich, weil in derselben Ware. Ihre Wertform ist einfach und gemeinschaftlich,
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in the same commodity. Their form of value is simple and common to all, hence general.

Fowkes has “The commodities now present their values to us, . . .” The “to us” is not in the Moore-Aveling translation, and it is out of place. The expression or representation of value is a social necessity, and it has nothing to do with the readers of this book. In the core of the economy, i.e., at a systemic level, there is a bond between all labors in society because they all are the usually interchangeable applications of the same homogeneous finite mass of human labor-power. But this intrinsic connection can only affect human activity when it enters the realm of human interactions. The interpersonal relations which induce the economic agents to take the intrinsic constraints of this limited pool of social labor-power into considerations are called, by Marx, the forms, expressions, representations of value. Since the agents do not react to value itself but to these expressions of value, it is important that these expressions are faithful expressions of the intrinsic properties of value.

The German word for “general” is “allgemein” (i.e., allen gemein, common to all).

While discussing the difference between the General form and the previous forms (Simple and Expanded forms of value), Marx also reviews the characteristics of these previous forms. He recapitulates their shortcomings and shows how the present form overcomes them.

158:1 The two previous forms (let us call | 80:1 Die Formen I und II kamen beide nur
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them \( A \) and \( B \) only got as far as expressing the value of a commodity as something distinct from its own use-value or physical body.

But by emphasizing the distinction between value and use-value of the same commodity, the previous forms lost the homogeneity of value itself. This will be explained in the next two paragraphs. As a belated elaboration of an obscure hint in \( 153:2/o \), Marx also sketches out under what circumstances these previous value forms occurred in practice:

158:2 The first form, \( A \), produced equations like this: 1 coat = 20 yards of linen, 10 lb. of tea = 1/2 ton of iron. The value of the coat is expressed as something which is like linen, that of the tea as something which is like iron. These expressions of the value of coat and tea are therefore as different as linen is from iron. This form, it is plain, appears in practice only in the early
stages, when the products of labor are converted into commodities by accidental occasional exchanges.

158:3 The second form, $B$, distinguishes the value of a commodity more completely from its own use-value, for the value of the coat now contrasts its bodily form by assuming all possible shapes, that of linen, iron, tea, etc., every shape but that of a coat.

This is a more thoroughly negative expression of value: by expressing the value of a commodity in the shape of all other commodities one says that value is not equal to any use-value. But this thorough negativity makes homogeneity impossible:

On the other hand, this immediately excludes any expression of value common to all commodities; for, in the expression of
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value of each commodity, all other commodities only appear in the form of equivalents.

For a joint expression of value, two commodities would have to be in the relative form of value at the same time, with some joint equivalent. Both commodities would have to be in the active position. This is impossible with the Expanded equivalent form, since the second commodity is included as an equivalent of the first, and therefore cannot be in the relative value form at the same time. Marx writes “only” as an equivalent, because the equivalent form is passive and not very expressive; for instance, it does not express the quantity of the value of the equivalent commodity, see 147:2. Again, Marx mentions the historical conditions under which this form of value occurred first:

The Expanded form of value comes into actual existence for the first time when a particular product of labor, such as cattle, is no longer exceptionally, but habitually, exchanged for various other commodities.

Homogeneity is regained in the General form of value:
1.3. Form of Value

158:4 The new form we have just obtained expresses the values of the world of commodities in one single kind of commodity set apart from the rest, in linen for example, and thus represents the values of all commodities through their equality with linen. The equation with linen differentiates the value of every commodity not only from its own use-value, but from all use-values. Hence the value is expressed as that which this commodity has in common with all commodities.

80:4 Die neugewonnene Form drückt die Werte der Warenwelt in einer und derselben von ihr abgesonderten Warenart aus, z.B. in Leinwand, und stellt so die Werte aller Waren dar durch ihre Gleichheit mit Leinwand. Als Leinwandgleiches ist der Wert jeder Ware jetzt nicht nur von ihrem eignen Gebrauchswert unterschieden, sondern von allem Gebrauchswert, und ebendadurch als das ihr mit allen Waren Gemeinsame ausgedrückt.

This last sentence is interesting. In the Simple and also the Expanded form of value, Marx emphasizes that the commodities express their values in the use-value of the Equivalent commodities. With the General form of value this is no longer true. Once one commodity has been singled out as the general equivalent, it is no longer the use-value of the commodity serving as equivalent that matters, but the fact that every other commodity expresses its value
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in that same equivalent commodity. This value expression of all other commodities makes
the equivalent commodity directly exchangeable, in other words, the equivalent commodity
can be used to buy all other commodities.

This expression in one and the same commodity makes the General form of value the first
form of value which leads to it that in the core the commodities are related to each other as
values, i.e., as blobs of abstract human labor:

Only this form, therefore, has the effect of relating the commodities with each other as
values, or enables them to appear to each other as exchange-values.

The General form of value is not only an expression of value, but an expression of value
by a social relation involving all commodities. In this way it can become the social relation
on the surface sustaining production on the core level of the economy (here we are talking
about channel (2)).

↓ Discussion of the General relative form of value. An important difference now is that
this is no longer an “interpersonal” interaction between the commodity and its trading part-
ners, but a relation spanning all of society.
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158:5/o The two earlier forms express the value of a given commodity either in terms of a single commodity of a different kind, or in a series of many commodities which differ from the given commodity. In both cases it is the private task, so to speak, of the individual commodity to give itself a form of value, and it accomplishes this task without the aid of the others, which play towards it the merely passive role of equivalents. The general form of value, on the other hand, can only arise as a joint work of the whole world of commodities. A commodity gains a general expression of its value only when, at the same time, all other commodities express their values in the same equivalent; and every newly emergent commodity must

80:5/o Die beiden früheren Formen drücken den Wert je einer Ware, sei es in einer einzigen verschiedenartigen Ware, sei es in einer Reihe vieler von ihr verschiedenen Waren aus. Beidemal ist es sozusagen das Privatgeschäft der einzelnen Ware, sich eine Wertform zu gehen, und sie vollbringt es ohne Zutun der andern Waren. Diese spielen ihr gegenüber die bloß passive Rolle des Äquivalents. Die allgemeine Wertform entsteht dagegen nur als gemeinsames Werk der Warenwelt. Eine Ware gewinnt nur allgemeinen Wertausdruck, weil gleichzeitig alle andern Waren ihren Wert in demselben Äquivalent ausdrücken, und jede neu auftretende Warenart muß das nachmachen. Es kommt damit zum Vorschein, daß die Wertgegenständlich-
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follow suit. It thus becomes evident that because the objectivity of commodities as values is the purely ‘social existence’ of these things, it can only be expressed through an all-sided social relation; consequently the form of their values must be a socially valid form.

Clearly, this “joint work of the whole world of commodities” must be supervised by the state. This is one of the several places in Capital where Marx describes, without explicitly saying so, tasks of the capitalist state.

Now the quantitative aspect:

159:1 In this form, which sets all commodities equal to the linen, the commodities appear not only as qualitatively equal, as values in general, but also as values whose quantities can be compared.

The rest of the paragraph elaborates how they can be compared:
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Because the magnitudes of their values are expressed in one and the same material, the linen, these magnitudes are now reflected in each other. For instance, 10 lbs. of tea = 20 yards of linen, and 40 lbs. of coffee = 20 yards of linen. Therefore 10 lbs. of tea = 40 lbs. of coffee. In other words, 1 lb. of coffee contains only a quarter as much of the substance of value, that is, labor, as 1 lb. of tea.

It is therefore a very good form of value. Every commodity has this form of value with one exception:

159:2/o The General relative form of value of the world of commodities excludes only one commodity, the linen, on which it imposes the character of General equivalent.

Next Marx asks how the value of this excluded equivalent commodity is expressed:

81:2 Die allgemeine relative Wertform der Warenwelt drückt der von ihr ausgeschlossenen Äquivalentware, der Leinwand, den Charakter des allgemeinen Äquivalents auf.
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The bodily form of the linen is the common form taken by the value of all commodities. Linen is therefore directly exchangeable with all other commodities.

This is an important observation: since all commodities express their values in the General equivalent, this General equivalent commodity is directly exchangeable with all commodities. What does “directly exchangeable” mean? If you take an ordinary commodity to market, two questions must be resolved for an exchange to go through: (1) does your trading partner need your commodity, and (2) how much of his own commodity is he going to give you for your commodity. Your commodity is called “directly exchangeable” if question (1) is always answered in the affirmative. Nobody will turn the trade down with you because they don’t need your commodity (if your commodity is the General equivalent). Only question (2) matters, the exchange proportion between their commodity and the General equivalent. I.e., the General equivalent can be used to buy other commodities. This power to buy everything is a direct and positive expression of the value of the equivalent commodity:

The bodily form of the linen counts as the visible incarnation, the general social incarnation, die allgemeine gesellschaftliche

Ihre eigne Naturalform ist die gemeinsame Wertgestalt dieser Welt, die Leinwand daher mit allen andren Waren unmittelbar austauschbar.
chrysalis state, of all human labor. Weaving, the private labor which produces linen, is at the same time labor in general social form, the form of equality with all other kinds of labor. The innumerable equations of which the general form of value is composed equate the labor realized in the linen with the labor contained in every other commodity. They thus convert weaving into the general form of appearance of undifferentiated human labor. In this manner the labor objectified in the values of commodities is not just represented negatively, as labor in which abstraction is made from all the concrete forms and useful properties of actual work. Rather its own positive nature is explicitly brought out. It is the reduction of Verpuppung aller menschlichen Arbeit. Die Weberei, die Privatarbeit, welche Leinwand produziert, befindet sich zugleich in allgemein gesellschaftlicher Form, der Form der Gleichheit mit allen andren Arbeiten. Die zahllosen Gleichungen, woraus die allgemeine Wertform besteht, setzen der Reihe nach die in der Leinwand verwirklichte Arbeit jeder in andrer Ware enthaltenen Arbeit gleich und machen dadurch die Weberei zur allgemeinen Erscheinungsform menschlicher Arbeit überhaupt. So ist die im Warenwert vergegenständlichte Arbeit nicht nur negativ dargestellt als Arbeit, worin von allen konkreten Formen und nützlichen Eigenschaften der wirklichen Arbeiten abstrahiert wird. Ihre eigne positive Natur tritt ausdrücklich hervor.
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all kinds of actual labor to their common character of being human labor in general, of being the expenditure of human labor-power.

Now the whole of the General form of value:

160:1 The General form of value, in which all products of labor are presented as mere congealed quantities of undifferentiated human labor, shows by this general coverage alone that it is the social expression of the world of commodities. Thus it makes it plain that within this world the general human character of labor forms its specific social character.

81:3 Die allgemeine Wertform, welche die Arbeitsprodukte als bloße Gallerten unterschiedsloser menschlicher Arbeit darstellt, zeigt durch ihr eignes Gerüste, daß sie der gesellschaftliche Ausdruck der Warenwelt ist. So offenbart sie, daß innerhalb dieser Welt der allgemein menschliche Charakter der Arbeit ihren spezifisch gesellschaftlichen Charakter bildet.
Interdependence of the Development of Relative Form of Value and Equivalent Form

The main objective of section 1.3 is an understanding of the “genesis” of money, see 139:1. Money is a commodity which is always in the general equivalent form. The equivalent, however, is passive. In the present brief subsection Marx shows that also the development of the equivalent form is passive; it is driven by the development of the relative form.

160:2 The degree of development of the equivalent form corresponds to that of the relative form of value. It should be noted that the development of the equivalent form is only the expression and result of the development of the relative form.

⇓ More specifically, the equivalents in the simple, expanded, and general forms of value are generated through the actions of the commodities in the corresponding relative forms of value.

160:3 The Simple or isolated relative form of value of one commodity converts
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some other commodity into a Simple equivalent. The Expanded form of relative value, that expression of the value of one commodity in terms of all other commodities, imprints on those other commodities the form of various Particular equivalents. Finally, a particular kind of commodity obtains the form of General equivalent, because all other commodities make it the material embodiment of their unified and general form of value.

The equivalents go through the progression individual—particular—general.

Despite the correspondence in the development paths of the two poles, these paths themselves do not converge but, on the contrary, the “antagonism” between the two poles becomes stronger. We will use here “antagonism” as translation for the German word Gegensatz. In the First edition, 645:2, it is called a “polar antagonism,” which is explained to be an “inseparable connectedness and at the same time continual exclusion.”
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Concomitantly with the development of the value form itself, however, develops also the antagonism between the relative form of value and the equivalent form, the two poles of the value form.

This antagonism is already present in the Simple form of value, although both sides consist of arbitrary commodities:

The first form, 20 yards of linen = 1 coat, already contains this antagonism, but does not attach it.

The antagonism is not “attached” or “fixed” to the commodities because one cannot say, for instance, that the linen is in the relative and the coat in the equivalent form. One can only say that for the weaver, the linen is in the relative and the coat in the equivalent form, but for the tailor just the reverse holds: for him, the linen is in the equivalent and the coat in the relative form.

According to whether we read the same equation forwards or backwards, each of...
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the two commodity poles (such as linen and coat) is found in the relative form on one occasion, and in the equivalent form on the other.

\[ \text{This indeterminateness makes it difficult to see that there even is an antagonism.} \]

Here it is still difficult to keep hold of the polar antagonism.

\[ \text{The Expanded form of value is no longer symmetric, but its reversal leads to a new form of value, the General form of value.} \]

160:6 In form \( B \), only one commodity at a time can expand its relative value into a totality, and it only possesses this Expanded relative form of value because, and in so far as, all other commodities are with respect to it, equivalents. Here we can no longer reverse the equation—such as 20 yards of linen = 1 coat or = 10 lb. of tea or = 1 quar-

82:4 In der Form II kann immer nur je eine Warenart ihren relativen Wert total entfalten oder besitzt sie selbst nur entfaltete relative Wertform, weil und sofern alle andren Waren sich ihr gegenüber in der Äquivalentform befinden. Hier kann man nicht mehr die zwei Seiten der Wertgleichung—wie 20 Ellen Leinwand = 1 Rock oder = 10 Pfd. Tee
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ter of wheat etc.—without altering its whole character, and converting it from the Expanded form into the general form of value. oder = 1 Qrtr. Weizen etc.—umsetzen, ohne ihren Gesamtcharakter zu verändern und sie aus der totalen in die allgemeine Wertform zu verwandeln.

⇑ Form B: interchange of the sides no longer possible in the same equation. Such an interchange transforms B into C.

⇓ In form C, the antagonism develops into a contradiction: one commodity is general equivalent because all others are not.

161:1 Finally, the last form, C, gives to the world of commodities a general social relative form of value, because, and in so far as, all commodities except one are thereby excluded from the equivalent form. A single commodity, the linen, therefore has the form of direct exchangeability with all other commodities, in other words it has a immediately social form because, and in so far as, all other commodities are not.

82:5 Die letztere Form, Form III, endlich gibt der Warenwelt allgemein-gesellschaftliche relative Wertform, weil und sofern, mit einer einzigen Ausnahme, alle ihr angehörigen Waren von der allgemeinen Äquivalentform ausgeschlossen sind. Eine Ware, die Leinwand, befindet sich daher in der Form unmittelbarer Austauschbarkeit mit allen andren Waren oder in unmittelbar gesell-
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no other commodity is in this situation.\(^{24}\)

\[\uparrow\] This also means: as soon as a general equivalent exists, direct barter is marginalized. This is even enforced by modern anti-trust laws. “Reciprocity agreements,” i.e., agreements of the sort: I buy this from you if you buy that from me, are illegal. Two firms are not allowed to co-operate so as to protect themselves from the market at large.

\[\downarrow\] Footnote 24 says two things: (A) it explains that this antagonism is by no means obvious, and (B) from there it leads to Proudhon’s petty bourgeois ideology, which denies that there are antagonisms.

\(^{24}\) It is by no means self-evident that the form of direct and universal exchangeability is an antagonistic form, as inseparable from its opposite, the form of non-direct exchangeability, as the positivity of one pole of a magnet is from the negativity of the other pole. This has allowed the illusion to arise that all commodities can simultaneously be imprinted with the stamp of direct exchangeability, in the same way that it might be

\(^{24}\) Man sieht es der Form allgemeiner unmittelbarer Austauschbarkeit in der Tat keineswegs an, daß sie eine gegensätzliche Warenform ist, von der Form nicht unmittelbarer Austauschbarkeit ebenso unzertrennlich wie die Positivität eines Magnetpol von der Negativität des andren. Man mag sich daher einbilden, man könne allen Waren zugleich den Stempel unmittelbarer Austauschbarkeit aufdrücken, wie man sich einbilden mag, man
imagined that all Catholics simultaneously can
be popes. It would, of course, be highly desirable
in the eyes of the petty bourgeois, who views the
production of commodities as the absolute sum-
mit of human freedom and individual indepen-
dence, if the inconveniences connected with this
form, notably also the impossibility of direct ex-
changeability of commodities, could be removed.
This philistine utopia is depicted in the socialism
of Proudhon, which, as I have shown elsewhere,
does not even possess the merit of originality,
but was in fact developed far more successfully
long before Proudhon by Gray, Bray and oth-
ers. Even so, wisdom of this kind is still rife in
certain circles under the name of ‘science’. No
school of thought has thrown around the word
‘science’ more haphazardly than that of Proud-
hon, for “Where thoughts are absent, words are
brought in as convenient replacements.”

könne alle Katholiken zu Päpsten machen. Für den
Kleinbürger, der in der Warenproduktion das nec
plus ultra menschlicher Freiheit und individuel-
er Unabhängigkeit erblickt, wäre es natürlich sehr
wünschenswert, der mit dieser Form verbundenen
Mißstände überhoben zu sein, namentlich auch
der nicht unmittelbaren Austauschbarkeit der Wa-
ren. Die Ausmalung dieser Philisterutopie bildet
Proudhons Sozialismus, der, wie ich anderswo ge-
zeigt, nicht einmal das Verdienst der Originalität
besitzt, vielmehr lange vor ihm von Gray, Bray und
anderen weit besser entwickelt wurde. Dies verhin-
dert solche Weisheit nicht, heutzutage, in gewissen
Kreisen, unter dem Namen der „science“ zu gra-
sieren. Nie hat eine Schule mehr als die Proudhon-
sche mit dem Wort „science“ um sich geworfen,
denn „wo Begriffe fehlen, da stellt zur rechten Zeit
ein Wort sich ein.“
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Marx refers here to his 1847 polemic against Proudhon, The Poverty of Philosophy, chapter One. The quotation at the end of the footnote is a slightly altered quotation from Goethe, Faust, Part I, Scene 4, Faust’s Study. Related is also footnote 40 to paragraph 181:2 in chapter Two.

William J. Blake wrote in [Bla39, pp. 625–27]: “Proudhonism has dogged the footsteps of Marxism from 1847 to the present day. Its type of thinking is the standard ‘radical’ approach to the world. It is common to currency reformers and fascists (in theory), and its isolation of the banker as the source of all evil is extremely popular. But it lacks any understanding of the totality of production relations, and is gaseous.”

After this digression in the footnote let us go back to the main text, in which the argument was: linen is general equivalent because the other commodities are not. Now Marx brings the flip side of this: linen does not share the relative form of value of the other commodities:

161:2 The commodity that plays the role of General equivalent is on the other hand excluded from the uniform and therefore General relative form of value. If the linen, or any other commodity serving as General 83:1 Umgekehrt ist die Ware, die als allgemeines Äquivalent figuriert, von der einheitlichen und daher allgemeinen relativen Wertform der Warenwelt ausgeschlossen. Sollte die Leinwand, d.h. irgendeine in allgemei-
equivalent, were, at the same time, to share in the relative form of value, it would have to serve as its own equivalent. We should then have: 20 yards of linen = 20 yards of linen, a tautology in which neither value nor its magnitude is expressed.

Marx calls “20 yards of linen = 20 yards of linen” here a “tautology,” while his formulation in 139:7/o suggested that this equation does have a meaning although it is no longer an expression of value. This is one of the places where Marx is a little inconsistent in his argument.

In order to express the relative value of the General equivalent, we must rather reverse form C. This equivalent has no relative form of value in common with other commodities; its value is, rather, expressed relatively in the infinite series of all other physical equivalents auszudrücken, müssen wir vielmehr die Form III umkehren. Es besitzt keine mit den andren Waren gemeinschaftliche relative Wertform, sondern sein Wert drückt sich relativ aus in der endlosen Reihe aller andren

Um den relativen Wert des allgemeinen Äquivalents auszudrücken, müssen wir vielmehr die Form III umkehren. Es besitzt keine mit den andren Waren gemeinschaftliche relative Wertform, sondern sein Wert drückt sich relativ aus in der endlosen Reihe aller andren
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commodities. Thus the Expanded relative form of value, or form B, now appears as the specific relative form of value of the equivalent commodity.

This expression of the value of money is relevant because the seller no longer compares the value of his commodity with the use-value of the equivalent, but with the bundle of use-values which a given sum of money can buy.

Transition from the General Form of Value to the Money Form

162:1 The General equivalent form is one of the forms of value. Any commodity can therefore be the General equivalent. However whatever commodity it is, it is only in General equivalent form (form C) because and in so far as all other commodities exclude it from their ranks and treat it as the

83:2 Die allgemeine Äquivalentform ist eine Form des Werts überhaupt. Sie kann also jeder Ware zukommen. Andrerseits befindet sich eine Ware nur in allgemeiner Äquivalentform (Form III), weil und sofern sie durch alle andren Waren als Äquivalent ausgeschlossen wird. Und erst vom Augenblick, wo diese
equivalent. And it is not until this exclusion has once and for all confined itself to one specific kind of commodity, that the uniform relative form of value of the whole world of commodities has gained objective fixity and general social validity.

The transition from forms A to B to C was driven by the defects of these forms, their insufficiencies in expressing value. The transition from C to D, by contrast, is driven by an inner tension in form C itself. The General equivalent form is a form of value which can be assumed by every commodity, but this form has a very exclusive character: if one commodity is in this form, all other commodities are excluded from it. This tension between arbitrariness and uniqueness can only be resolved by a social act which fixes one commodity as General equivalent.

162:2 As for the specific kind of commodity, with whose natural form the equivalent form socially grows together, it becomes the money commodity, or assumes the form of value socially grows together, it becomes the money commodity, or assumes

83:3/o Die spezifische Warenart nun, mit deren Naturalform die Äquivalentform gesellschaftlich verwächst, wird zur Geldware oder funktioniert als Geld.
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money functions.

I avoided the formulation “functions as money” although this is what Marx wrote, because in chapter Three, the function of money as money is distinguished from its function as measure of value or means of circulation. In other words, here the translation tries to use a more consistent terminology than Marx himself.

Fowkes translates this passage as: “The specific kind of commodity with whose natural form the equivalent form is socially interwoven now becomes the money commodity, or serves as money.” The social coalescence Marx talks about here does not have the character of an interweaving. Interweaving implies the harmonious merger of two things that fit together. Marx writes “verwächst,” not “zusammenwächst,” which connotates the growing together of two things which have nothing in common, like a tree growing together with a rock that is in its way.

↑ Note that Marx writes here “become.” The fixing of the role of general equivalent on one specific kind of commodity (gold) is only the beginning of money. In chapter Three, section 3, Marx says that a second social act, namely the adoption of the same commodity as means of circulation, will be necessary before the money-commodity becomes full-fledged money.

Playing the part of General equivalent within
the world of commodities becomes its specific social function and consequently its social monopoly. In form \( B \), the commodities figure as Particular equivalents of linen, and in form \( C \) they jointly express their relative values in linen; now there is one particular commodity which has historically conquered this favored position: gold. If, then, in form \( C \), we replace the linen with gold, we get:

### 1.3.D. Money Form
### 1. The Commodity

<table>
<thead>
<tr>
<th>20 yards of linen</th>
<th>=</th>
<th>1 coat</th>
<th>=</th>
<th>10 lb. tea</th>
<th>=</th>
<th>40 lb. coffee</th>
<th>=</th>
<th>1 quarter of corn</th>
<th>=</th>
<th>½ ton of iron</th>
<th>=</th>
<th>x commodity A</th>
<th>=</th>
<th>2 ounces of gold</th>
</tr>
</thead>
</table>

By implication, the difference between C and D is *not* fundamental. As against this, there is no difference between forms C and D, except that gold instead of linen has now assumed the General

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84:1

| 20 Ellen Leinwand | = | 1 Rock | = | 10 Pfd. Tee | = | 40 Pfd. Kaffee | = | 1 Qrtr. Weizen | = | ½ Tonne Eisen | = | x Ware A | = | 2 Unzen Gold |

Es finden wesentliche Veränderungen statt beim Übergang von Form I zu Form II, von Form II zu Form III.

Dagegen unterscheidet Form IV sich durch nichts von Form III, außer daß jetzt statt Leinwand Gold die allgemeine Äquivalent-
equivalent form. Gold is in form $D$ what linen was in form $C$: the General equivalent. The advance consists only in that the form of direct and general exchangeability, in other words the General equivalent form, has now by social custom irrevocably become entwined with the specific bodily form of the commodity gold.

Not the form as such differs, only the use-value this form is attached to. “Gold” and “linen” in this passage must be understood metaphorically. Gold stands for a specific commodity which is by social custom always in the General equivalent form, while “linen” stands for a General equivalent which is decided case by case, perhaps because it is most convenient for the situation at hand. This seems to be only a subtle difference, but it has important implications. The welding together of a particular use-value with a particular form of value generates a true novelty, and the functions of money in chapter Three show how fertile this combination is.
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In the German original, the word “spezifisch” was used once in 162:1, twice in 162:2, and once in 162:4. This term is also used elsewhere, e.g., in 188:2, see my annotations there, and in *Contribution*, 303:4/o. Despite the apparent significance of this term, the Moore-Aveling translation does not use the word “specific” here.

This particular use-value was gold because this use-value conforms best with the properties of a General equivalent (see chapter Two, 183:2/o about that). The next paragraph shortly sketches how gold started out as an ordinary commodity and gradually conquered the position of being recognized everywhere as the General equivalent. Only after this has been accomplished has there been a difference between the General form of value with gold as the equivalent, and the Money form of value.

162:5/o Gold confronts the other commodities as money only because it previously confronted them as a commodity. Like all other commodities, one of its functions was that of an equivalent, either a Simple equivalent in isolated exchanges, or a Particular equivalent alongside other commodities. 84:3 Gold tritt den andren Waren nur als Geld gegenüber, weil es ihnen bereits zuvor als Ware gegenüberstand. Gleich allen andren Waren funktionierte es auch als Äquivalent, sei es als einzelnes Äquivalent in vereinzelten Austauschakten, sei es als besondres Äquivalent neben andren Wa-
commodity-equivalents. Gradually it began to serve as General equivalent in narrower or wider circles. As soon as it has won the monopoly of this position in the value expression of the world of commodities, does it become the money commodity. And only from the moment that it has already become the money commodity, does form D differentiate itself from form C, i.e., does the General form of value transform itself into the Money form.

This answers the question, posed in 139:1, of the genesis of the Money form, but it does not show in what respects the Money form differs from the General form of value. What Marx calls here the Money form is not a new form of value but the coalescence of the General equivalent with a specific use-value. This creates something new, which will be explored in chapter Three.

Next Marx mentions briefly what becomes of the relative form of value when the equiva-
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lent form turns into the Money form.

163:1 The Simple relative expression of the value of some commodity, such as linen, in the commodity which already functions as the money commodity, such as gold, is the price form. The ‘price form’ of the linen is therefore: 20 yards of linen = 2 ounces of gold, or, if 2 ounces of gold when coined give £ 2, 20 yards of linen = £ 2.

This discussion will be continued in much more detail in chapter Three, see 189:1. In the last paragraph of section 1.3, Marx returns from $D$ back to $A$ and thus concludes the circle.

163:2 The only difficulty in the comprehension of the Money form is that of grasping the General equivalent form or, more broadly, of the General form of value, form $C$. Form $C$ can be reduced by working backwards to form $B$, the Expanded form of


85:1 Die Schwierigkeit im Begriff der Geldform beschränkt sich auf das Begreifen der allgemeinen Äquivalentform, also der allgemeinen Wertform überhaupt, der Form III. Form III löst sich rücksichtlich auf in Form II, die entfaltete Wertform, und ihr konstitu-
1.3. Form of Value

value, and its constitutive element is form A: 20 yards of linen = 1 coat or \( x \) commodity 
\( A = y \) commodity \( B \). The Simple commodity form is therefore the germ of the Money form.

The first edition, 43:4, brings a transitional paragraph here which reiterates what Marx considered the most important finding of this section:

As one sees, the analysis of the commodity yields all essential determinations of the form of value. It yields the form of value itself, in its opposite moments, the General relative form of value, the General equivalent form, finally the never-ending series of Simple relative value expressions, which first constitute a transitional phase in the development of the form of value, in order to eventually turn into the specific relative form.

Man sieht: die Analyse der Ware ergibt alle wesentlichen Bestimmungen der Wertform und die Wertform selbst in ihren gegensätzlichen Momenten, die allgemeine relative Wertform, die allgemeine Äquivalentform, endlich die nie abschließende Reihe einfacher relativer Wertausdrücke, welche erst eine Durchgangsphase in der Entwicklung der Wertform bildet, um schließlich in die spezifisch relative Wertform des allgemeinen Äquivalentform umzupreisen.
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form of value of the General equivalent.

Marx distinguishes here between general value forms, which can be assumed by any commodity, and specific value forms, which cannot.

However the analysis of the commodity yielded these forms as forms of the commodity in general, which can therefore be taken on by every commodity—although in a polar manner, so that when commodity A finds itself in one form determination, then commodities B, C, etc. assume the other in relation to it.

⇓ The last sentence is especially significant.

It was however of decisive importance to discover the inner necessary connection between form of value, substance of value, and magnitude of value, i.e., expressed ideally, to prove that the form of value springs from valents umzuschlagen.

Aber die Analyse der Ware ergab diese Formen als Warenformen überhaupt, die also auch jeder Ware zukommen, nur gegensätzlich, so daß wenn die Ware A sich in der einen Formbestimmung befindet, die Waren B, C, usw. ihr gegenüber die andre annehmen.

Das entscheidend Wichtige aber war den inneren notwendigen Zusammenhang zwischen Wertform, Wertsubstanz und Wertgröße zu entdecken, d.h. ideell ausgedrückt, zu beweisen, daß die Wertform aus dem Wertbegriff
the *concept* of value. entspringt.

The German word is “ideell” and not “ideal”; i.e., this is not a wrong (idealistic) expression, but it is the reflection of this reality in theory. One might translate it as: “expressed epistemically.”

Marx did not begin with the concept of value to derive from it the form of value, but he began with the analysis of a concrete object of practical activity, namely, the commodity. Then at the end he can step back and summarize his findings with the words: the form of value springs from the concept of value. This is a reversal of Hegel, the necessity of which is best seen if one translated it into the core-surface paradigm: Marx tried to show in this derivation that monetized market relations are the appropriate surface relations which induce the economic agents, who interact in this way on the surface, to produce value in the core of the economy.
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1.4. The **Fetish-Like Character** of the Commodity and its Secret

In the first German edition of *Capital*, chapter One ended with a seven-page passage about the fetish-like character of the commodity, starting at 44:1. For the second German edition, Marx profoundly revised this passage and almost doubled its length. But even the second edition must be considered incomplete. Marx discusses here a set of questions which are extremely important for understanding capitalism and the possibilities to overcome it.

Although Marx does not divide section 1.4 into subsections, these Annotations divide it into five parts. The whole section is an analysis of the sources and implications of what Marx calls the mysterious character of the commodity. Marx first gives a characterization of what the mysterious character of the commodity consists in (subsection 1.4.a) and then asks where it comes from (1.4.b). Since social relations take the form of mysterious objective phenomena, scientific efforts are necessary to understand these phenomena enough so that “successful” action within this framework is possible. This is the origin of “bourgeois economics,” which is discussed in subsection 1.4.c. Subsection 1.4.d gives four examples of
societies in which social relations do not take a mystified form, followed by a short sketch of the correspondence between religion and the relations of production. Subsection 1.4.e is related to 1.4.c; it points out the theoretical errors, the “fetishism,” of bourgeois political economy. The subtitles for these subsections are given in square brackets because they do not come from Marx.

Before beginning with our detailed commentary of section 1.4, we must look at its title, which reads, in German, “Der Fetischcharakter der Ware und sein Geheimnis.” Usually, “Fetischcharakter der Ware” is translated with “commodity fetishism.” However, a more accurate translation would be “fetish-like character of the commodity.” Marx distinguishes between “fetishism,” which is a false interpretation, and “fetish-like character,” which is a property in fact possessed by social relations. Commodities have a fetish-like character, while members of capitalist society often display fetishism (systematized in “bourgeois economics”). Fetishism and bourgeois economics will be discussed in subsections 1.4.c and 1.4.e, and a brief allusion to fetishism is given at the end of 1.4.a; but the early parts of this section focus on the fetish-like character of the commodity.
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1.4.a. [Exactly Which Aspects of the Commodity are Mysterious?]

Marx begins his discussion with the statement that commodities are “mysterious.” By this he means that the social relations encapsulated in the commodities are not understood or controlled by the commodity owners. Then he asks where exactly in the commodity is this mystery located. He rules out the use-value (163:3/o) and the content of the value determinations (164:1), in order to arrive at the commodity form of the product (164:2). To illustrate the mysterious character of the commodity form, Marx brings analogies of the eye and religion (164:3/o). Afterwards, in what we call subsection 1.4.b, Marx will go on to investigate the origin, in the relations of the producers in the production process, of this mysterious character of their products on the surface of the economy.

At first glance, a commodity seems to be something obvious and trivial. But its analysis brings out that it is....
quite complicated, abounding in metaphysical hairsplitting and theological niceties.

A commodity seems to be something “obvious and trivial”—namely, a useful object that is easily examined and understood. However beneath its bland appearance lies a busy inner life:

- It is a “complicated” thing—because it has many determinations, it has not only use-value but also value, which manifests itself in various forms—from the simple exchangeability of two commodities to the power of money to buy everything.

- It engages in “metaphysical hairsplitting”—because in the commodity itself, these multiple determinations are undeveloped, so that one needs the powers of abstraction to grasp them. (See First edition, 28:60).

- It abounds in theological niceties—because money can be compared to the god of commodities, as Marx did in the First edition, 37:1.

The two references to the First edition were necessary because the above passage was already present in the First edition, but the two specific places this passage seems to refer to did not make it into the later editions.
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The commodity has properties which do not come from its physical body, and which reveal their origin only in distorted ways. This comes out most strikingly in the three peculiarities of the equivalent form, use-value becomes the form in which value manifests itself; concrete labor the form in which abstract labor, and private labor the form in which social labor manifests itself. Indeed, in *Contribution*, the commodity fetishism section consisted of one long paragraph taking the place of the fourth peculiarity. Also in *Capital*, one can find the fetish-like character enumerated in parallel with these peculiarities, see chapter Three, p. 208.

Marx calls the commodity “mysterious” immediately after giving a theory which fully explains the commodity. The mysterious character is therefore not a reflection of our ignorance about the commodity, but resides in the commodity itself. However, Marx cannot point to immediate empirical experience with the commodity as evidence that it is mysterious. On the contrary, the commodity “seems … something obvious and trivial.” Only the scientific analysis of the commodity reveals its mysterious character.

Many economic phenomena in capitalism have an outwardly “magical” character. The power of money to purchase everything, or the power of capital to grow quasi on its own accord, sudden financial crises and breakdowns of economic growth, inflation, unemploy-
1.4. Fetish-Like Character and its Secret

ment, stock market booms and busts, salaries which have nothing to do with the skills or experience of the recipient, the tendency of wealth to concentrate rather than dissipate, even modern consumerism, i.e., people’s over-attachment to things, and the social status conveyed by the clothes one wears or the car one drives—in all these phenomena the economy seems to have a separate “life.” Although the economy is the product of the economic agents, it seems to be independent of them.

Modern economics does not admit that the economy is beyond the control of the economic agents. The theory of rational expectations is a good example for an explanation according to which the mysterious phenomena of modern capitalism are the outgrowth of nothing other than pure human rationality in the absence of full information. At most, modern economics finds irrationality at the level of individual behavior (Keynes), but never in the social structure as such.

Far from denying the mysterious character of the commodity, Marx considers it so important that he interrupts his analysis of the social forms themselves, in order to understand why they are mysterious. But instead of picking out some of the many outwardly mysterious phenomena, he tries to find the root of this magic by investigating the mysterious character of the commodity, of the “elementary” social form, see 125:1. The commodity already con-
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...tains in an undeveloped form many of the determinations of money and capital, and Marx asserts that also the outwardly magical and self-acting characters of money and capital have their root in the far more subtle mysteries of the commodity.

In the next few paragraphs, Marx asks: exactly which aspect of the commodity is mysterious? Since Marx is looking for an absence here, the absence of clarity and control, he uses an elimination argument: he rules out all those cases where clarity is present.

As the first step in this elimination, Marx rules out the commodity’s use-value.

So far as it is a use-value, there is nothing mysterious about the commodity, whether we consider it from the point of view that, by its properties, it satisfies human needs, or that it first obtains these properties as the product of human labor.

The next passage focuses on the second alternative, the production process:

The activity by which man changes the forms of the materials of nature in a manner useful to him is entirely accessible to...
1.4. Fetish-Like Character and its Secret

The production process is entirely accessible to the senses, a more literal translation would be: it is clear to the senses that man changes the forms of the natural materials. This is a process which one can experience in full with one’s senses, as opposed to certain social processes which are not part of the empirical experience.

Doesn’t Marx set up a straw man here? Would anyone seriously think that the use-value of commodities is mysterious? Marx’s denial of the mysterious character of use-value is worded very carefully. Marx chose formulations emphasizing the transformational character of production. (This transformational character was already addressed earlier in 133:2/o and its footnote 13.) Marx’s secret message here is that anyone who does not hold this transformational view believes in miracles. In other words, Marx is using the first, trivial step in his elimination to promote a transformational view of material production, instead of a view in which production creates something out of nothing.
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Material production changes the form of things in a useful manner. This process is based on science, not magic; therefore it does not lead to the loss of social control. But things look different when the social context of production is considered, i.e., when the article is no longer seen as a mere use-value but as a commodity:

But, as soon as the table steps forth as a commodity, it changes into something that has extrasensory features attached to its sensuous existence. It not only stands with its feet on the ground, but in relation to all other commodities it turns itself on its head, and evolves out if its wooden brain grotesque ideas, far spleenier than if it suddenly were to begin dancing.25

“Aus freien Stücken”: Fowkes’s translation “of its own free will” has connotations to “will” which do not belong here. I was thinking of using “of its own whim, accord.” I adopted “suddenly” because this implies spontaneity and self-activity, and it was also inspired by the French “que si elle se mettait à danser.”

Aber sobald er als Ware auftritt, verwandelt er sich in ein sinnlich übersinnliches Ding. Er steht nicht nur mit seinen Füßen auf dem Boden, sondern er stellt sich allen andren Waren gegenüber auf den Kopf und entwickelt aus seinem Holzkopf Grillen, viel wunderlicher, als wenn er aus freien Stücken zu tanzen begänne.25
1.4. Fetish-Like Character and its Secret

Marx brings again several colorful metaphors referring to similar aspects of the commodity as his formulations in the second sentence of 163:3/o. Whereas the former metaphors emphasized that the commodity contained forces which are not obvious to those handling the commodities, the present metaphors indicate that the commodity acts on its own accord:

- As a commodity, a table is sensuous \textit{and} extrasensory—since it is not only the product of useful labor but at the same time the accumulation of abstract labor. In 164:3/o Marx will use the formulation “sensuous-extrasensory or social.”

- In relation to all other commodities, the table stands on its head.—This is a reference to the three peculiarities of the equivalent form, in which the form itself is the exact opposite of that what this form represents and regulates.

- The table evolves out of its wooden brain grotesque ideas.—Since value manifests itself in the relation between commodities, the commodities seem to be animated beings with their own intentions and social relations.

The metaphor in this last item shows that Marx has a tendential view of economic laws. The results of the analysis of the commodity earlier in chapter One are compared here to a
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“spleen” in the commodity’s head, i.e., as a tendency to act in a certain way, not necessarily any particular action itself. Only the higher forms of capitalist wealth (money and especially capital) depend on it, for their existence, that these tendencies are enacted.

Footnote 25 brings an example where the tables literally begin to dance:

25 One remembers that China and the tables started to dance when all the rest of the world seemed to stand still—in order to encourage the others.

Spiritistic table-shifting had become fashionable during the reactionary aftermath of the 1848 revolution in Germany. Marx saw the irony: while social progress was frozen, tables began to move. “China” is a pun. It refers at the same time to the porcelain dishes on the moving tables and to the Taiping-revolution in China, which, Marx hoped, would encourage others to follow suit.

Commodities are the unity of use-value and value. Since use-value has been ruled out, Marx looks now whether the mysterious character of the commodity can have something to do with value.

164:1 The mystical character of the com-
modity does not arise, therefore, from its use-value. No more does it spring from the content of the determinations of value. entspringt also nicht aus ihrem Gebrauchswert. Er entspringt ebensowenig aus dem Inhalt der Wertbestimmungen.

Moore and Aveling translated “Inhalt” with “nature.” But in the modern usage of the word “nature,” not only Inhalt but also Form would be considered part of the commodity’s nature. Marx is trying to say something much narrower here.

This formulation may create the impression that we will also come up empty-handed if we look at value. But this impression is false. Marx does not say that the mysterious character does not come from value. He says that it does not come from the content of the value determinations, i.e., from the (social) stuff value is made of. The “content” (Inhalt) of the value determinations must be distinguished here from the social form which this content takes in a commodity society. The first edition, 44:2/o, formulates the same idea a little differently:

No more does it spring from the determinations of value, considered for themselves Er entspringt ebensowenig aus den Wertbestimmungen, für sich selbst betrachtet.
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“Considered for themselves” means: considered not as determinations of value but in their own right. Stepping out of the Hegelian form-content paradigm, one might say: the mysterious character does not come from those aspects of the core structure of the economy which are regulated by the value relations between the commodities. (If formulated this way, Marx’s next step in 164:2 follows immediately: it must come from the commodity form, i.e., from the objectified surface relations which regulate these core aspects. But let us discuss things in order.)

From various earlier places (most clearly expressed in the transitional passages in the first edition of Capital, see pp. 21:2 and 42:4) we know that Marx distinguishes between three determinations of value: (\(\alpha\)) its substance, (\(\beta\)) its quantity, and (\(\gamma\)) its form. The content of these determinations, i.e., the stuff which these aspects of value are made out of, are (\(\alpha\)) human labor in the abstract (i.e., the expenditure of labor-power), (\(\beta\)) socially necessary labor-time, and (\(\gamma\)) a social relation on the surface of the economy (the form of value is exchange-value, which is a social relation).

In order to prove that the mysterious character does not spring from the content of the value determinations, Marx argues that these three kinds of stuff themselves are not mysterious, and/or that they are not peculiar to commodity-producing societies but can also be
1.4. Fetish-Like Character and its Secret

found in societies which are not mysterious. Regarding (α) the argument is:

For in the first place, however varied the useful labors or productive activities might be, it is a physiological truth that they are functions of the human organism, and that each such function, whatever may be its nature or its form, is essentially the expenditure of human brain, nerves, muscles, sense organs, etc.

The word “essentially” here indicates that human activity cannot be production if it does not require effort. This “physiological truth” makes it possible, but by no means necessary, that all labor-powers be treated by society as parts of the same homogeneous mass. This is exactly what Marx says in 150:2. The examples of the other societies, which will be given later in this section, starting with 169:2/o, show that not all societies treat their labor-powers as one homogeneous mass.

Point (β), the quantity of value, is discussed as follows:

Secondly, regarding that which underlies the

Was zweitens der Bestimmung der Wertgröße
determination of the magnitude of value, namely, the *duration* of that expenditure or the *quantity* of labor, this *quantity* is even palpably distinguishable from the *quality* of labor.

One can only conjecture what Marx might have meant with the “palpable difference” between quantity and quality of labor. Perhaps Marx refers to the fact that the quantity of value is not given by the actual labor-time but by the socially necessary labor-time—a difference which can be deadly. But even if one ignores this remark, the argument given in the next sentence rules out that labor-time is a mysterious element in commodity production: In all states of society, the labor *time* it costs to produce the means of subsistence must necessarily concern mankind, although not to the same degree at different stages of development.26

Since this is valid *generally*, the mystery cannot come from labor-time. Even a society that is not mystified must take labor-time into consideration.
26 Note to the 2nd edition. The old Germans counted the area of an acre of land according to a day’s labor, and therefore the acre was also called Tagwerk (also Tagwanne) (jurnale or jurnalis, terra jurnalis, jornalis or diurnal), Mannwerk, Mannskraft, Mannsmaad, Mannshauet etc. Compare Georg Ludwig von Maurer, “Einleitung zur Geschichte der Mark-, Hof-, usw. Verfassung,” München 1854, p. 129 sq.

Now point (γ), the form of value:
And finally, whenever men work for each other in any way, their labor also assumes a social form.

This sentence is closely related to 138:2/o, and can be paraphrased as: whenever people are not independent self-sufficient producers, but production is part of the social web in which they find themselves, there must be interpersonal interactions between the producers. There is no mystery involved in this either.

The First edition brings now the Robinson example and the example of a communist so-
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society, which is in the later editions moved to 169:2/o and 171:2/o. These example societies are scrutinized for the roles played by those characteristics of social labor which under commodity production make up the three determinations of value. In these example societies, these roles are *not* mystified. This provides further evidence that the content of the value determinations is not mysterious. By pointing out the different roles they play in different societies, Marx also clarifies his distinction between the *content* of the value determinations taken by themselves, and the context in which they are awarded social significance: In commodity-producing society, they are attached to the use-values of the products as their *values*.

164:2 From where, then, arises the mysterious character of the product of labor, as soon as it assumes the *form of a commodity*? Obviously from this form itself.

Marx formulates here the results of the elimination argument in such a way that the answer lies directly in the question, so that it seems almost trivial. However Marx achieves this effect only by switching without warning from the form of value to the commodity-form of the product. (Such a “warning” was present in the first edition, where Marx gave his examples

86:1 Woher entspringt also der rätselhafte Charakter des Arbeitsprodukts, sobald es *Warenform* annimmt? Offenbar aus dieser Form selbst.
of non-commodity societies which were not mysterious. After moving these examples to a different place, the transition has become a little abrupt.) By commodity-form of the product Marx means the fact that in a market society, those three underlying social necessities which Marx calls the contents of the value determinations are regulated by the interactions of the commodities on the surface of the economy as values.

Marx looks now in detail at these market interactions, to verify whether they are indeed mysterious. And he finds a huge discrepancy, incongruity, between the character of those market interactions themselves and that what they regulate. Proceeding methodically, Marx contrasts the content of \((\alpha)-(\gamma)\) with the forms this content takes in commodity-producing society. Regarding \((\alpha)\), Marx writes:

\begin{quote}
The equality of all human labors obtains the bodily form of the equal value materiality of all products of labor, . . .
\end{quote}

An attribute of labor in the core is represented on the surface as an attribute of things. And what is a physiological truth with respect to labor, becomes, once it is attached to the finished product, a social abstraction with no basis in the natural world. “So far no chemist has ever discovered exchange-value either in a pearl or a diamond.” (177:3–4). Of course, the
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attributes of *concrete* labor are engraved in the use-value of the product, but this use-value does not reveal how much labor-time was necessary to produce it. Nevertheless, in a commodity society, the abstract labor used to produce the products is treated by society as if it was an additional natural property of the product itself. Now (β):

… the measure of labor by time takes the form of the quantity of the value of the commodities, …

↑ Society’s allocation of labor is not based on the actual labor-time spent, but on the results of haggling on the market place, on the success or failure of marketing campaigns. Finally (γ):

… and finally the relations between the producers, in which those social determinations of their labors assert themselves and are sustained, take the form of a social relation between the products of labor.

My translation of this last passage needs an explanation. As I said earlier, one of the important differences between Marxist and neoclassical economics is that Marxism does not
reduce the social relations to the individual. The social connection, in which individuals are embedded, pre-exists the individuals and cannot be explained by looking at the individuals themselves. If one looks at the relations of production in a commodity economy, the hiatus between social and individual sphere is even wider, since individual producers and consumers interact in the market, i.e., on the surface of the economy, which is dislocated from production. The mysterious self-activity of the commodity, i.e., the fact that the economy has its own dynamics and follows its own laws, has to do with this irreducibility and dislocation.

The relationship between individual agency and the social context by which it is enabled and constrained is therefore a very special one. On the one hand, nothing happens in a society without individuals carrying it out. On the other hand, and that will only be developed fully in the present section, individual conscious activity becomes the motor through which the blind necessities of the economic structure assert themselves. The ramifications of this are discussed in more detail in [Bha89, pp. 66–77]. Marx used a special word for this intricate relationship: the social relations “betätigen sich” (become active) or “werden betätigt” (are acted out) in the practical activity of the individuals. It is an unusual use of this word, even in German, and in translations, its meaning is often completely obliterated.
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In the present passage I translated it with the phrase “assert themselves and are sustained” in order to capture the two channels that must exist in this relationship: “assert themselves” refers to channel (1), while “are sustained” refers to channel (2).

Whereas Marx stressed before that it is not mysterious that people stand in contact with each other, the paragraph under discussion addresses the form of this contact, which is indeed mysterious: it is a contact between the products.

The next long sentence summarizes the three points of the last paragraph, without using the framework of “form” versus “content” of the “value-determinations,” but explaining in simple terms what this means:

164:3/o What is mysterious about the commodity form is therefore simply that the social characteristics of men’s own labor are reflected back to them as objective characteristics inherent in the products of their labor, as quasi-physical properties of these things,

By “social characteristics of labor” in commodity-producing society Marx means the fact
that all labor counts as a homogeneous fraction of society’s pool of labor-power, and its quantity is the socially necessary labor-time needed to produce the products. See e.g. 166:1. I.e., these are points \((\alpha)\) and \((\beta)\) above. Two things are happening: (1) all labor is reduced to abstract human labor, and (2) this reduction is not achieved by a direct interaction between the producers in the core, but through the confrontation of the finished products on the market. For the individual producer this means that her labor is integrated into social aggregate labor by the exchange relations which her product has with other products. This is point \((\gamma)\) above, which Marx summarize next. Marx uses the phrase “social aggregate labor” \((\text{Gesamtarbeit})\) to designate the social labor in a commodity producing society, which consists of many labors performed privately. Presumably Marx chose this somewhat awkward formulation in order to avoid the connotation that it is collective labor:

In the draft to the revisions of the first German edition, which were published only recently...
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in [Mar87a, p. 38:5], Marx comments on it that the reduction of concrete labor to human labor in the abstract is the specific way how commodity producers relate their private labor to socially aggregate labor:

The reduction of the different useful labors, which produce just as many different useful things, to human labor that counts as equal, as well as the joint measurement of this labor by its necessary length of time, are obviously nothing other than a specific manner how the producers relate to their aggregate labor, a social relation, which the producers enter within production and with respect to production.

The social relations regulating material production in a society are called “relations of production,” and some modern Marxists have adopted the useful distinction between relations in production and relations of production. In the last sentence ↑, Marx himself makes this distinction when he distinguishes between relations “within” production and relations...
“with respect to” production.

Now let us return to Marx’s text in *Capital*.

Through this *quid pro quo*, the products of labor become commodities, sensuous things which are at the same time extrasensory or social.

In order to treat their products as commodities, the economic agents have to engage in this “*quid pro quo*” (interchange, substitution between social relations of people and material relations of things), i.e., they have to act as if these products had their social properties by nature.

Next, Marx gives two analogies, first the eye and then religion, in order to emphasize the importance and wide-ranging ramifications of this substitution.

In the same way, the impact of light, emanating from some exterior object, on the optic nerve, is perceived not as a subjective stimulation of that nerve, but as the physical shape of the exterior object.
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Does this mean that the mystification of the commodity relation is no greater than the mystification of seeing through one’s eyes? Is the market simply society’s retina through which it looks at its sphere of production? No, there is an important difference. The light giving rise to the nervous impulses comes from physical objects, which emit or reflect light according to their physical properties. The visual representation of these objects, which the brain constructs from the nervous impulses in the eye, gives information about these physical properties and thus helps humans, who are physical beings, to move about in the physical world and interact with it. This interaction uses the same laws of physics which would prevail in the outside world also without this interaction. By contrast, the properties which the commodities display on the market are socially generated, i.e., they are generated by the activity of the same human beings who are handling these objects. I.e., when the economic agents try to take advantage, in their activity, of the social properties of those objects, they change by this the very social properties they are trying to exploit. In Bhaskar’s terminology, intransitive and transitive objects are not separated.

Here is how Marx himself explains this difference:

In the act of seeing, however, light is in fact transmitted from one thing, the exterior ob-
1.4. Fetish-Like Character and its Secret

ject, to another thing, the eye. It is a physical relation between physical things. As against this, the commodity form of the products of labor, and the value relation in which it represents itself, have absolutely nothing to do with the physical nature of the products or with any relations they have as physical objects.

The word “commodity form of the product” refers here to the fact that production is private and the producers put their labor into things which they don’t need, with the expectation to be able to trade it for something they can use.

It is the specific social relation of the people themselves which assumes for them, as in an optical illusion, the form of a relation of things.

Es ist nur das bestimmte gesellschaftliche Verhältnis der Menschen selbst, welches hier für sie die phantasmagorische Form eines Verhältnisses von Dingen annimmt.
“Phantasmagoria” is, according to the Oxford English Dictionary, “a name invented for an exhibition of optical illusions chiefly by means of the magic lantern, first exhibited in London in 1802. This word will be used again in the French translation of 166:2/o. Moore-Aveling has: “assumes, in their eyes, the fantastic form,” Paul and Paul have: “which, in their eyes, has here assumed the semblance of a relation between things,” and Fowkes has: “assumes for them the fantastic form.”

Marx says (in a more literal translation than the one given above) that social relations take a “phantasmagorical” form, using a word that was coined for an exhibition of optical illusions in London 1802. In an optical illusion, you think that you are seeing something outside the eye which is really generated inside the eye. This is a good metaphor indicating the lack of separation of transitive and intransitive dimensions.

The analogy of the eye is summarized in Table 1.1. It is an insufficient analogy, because it does not bring out the circularity present when social relations appear as properties of things. Such a circularity is suggested by Marx’s formulations at the beginning of the present paragraph 164:3/o “are reflected back to them,” and in the last sentence just discussed: “the specific social relation of the people themselves … assumes for them” (my emphasis both times). The laws of nature are the prerequisites for human activity, while social relations are their product. The quid pro quo which turns the product of labor into a commodity
implies therefore that people treat the outcome of their own activity as it it was its nature-given objective prerequisite. Transitive and intransitive dimensions are not separated, and therefore one of the basic prerequisites for science to be possible is not satisfied. This is why it is so difficult to overcome the mystification of the commodity.

In its dealings with nature, mankind has learned to subordinate the laws of nature to individual purposes. Nature not only imposes constraints and necessities but is also an enabling and liberating force. Material production is exactly this process of taming nature. In a commodity-producing society, in which things are endowed with social powers, individuals attempt to use the social properties of things for their personal benefit in a similar way as they use the natural properties of things in material production. They try to instrumentalize these social properties, but instead of tapping into the natural resources and thus expanding the powers of humanity they unwittingly end up drawing on the energies of others in society. This may be advantageous for a minority but cannot work for everyone. Even worse, it backfires. Instead of being able to direct the social forces to their benefit, individuals become the blind executors of social laws which they do not control.

Modern attempts at individual emancipation from society imitate the successful emancipation from nature. And although Marx is all in favor of subjective emancipation, the
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method which is used here, this imitation, dooms them to failure. It remains a chase after optical illusions, or an effort to build a perpetuum mobile, or an attempt to strengthen oneself by drinking one’s own blood. By trying to pursue their goals, while at the same time heeding the seemingly objective constraints which “the market” imposes on them, and which they do not recognize as being of their own making, individuals become the mere executors of the inner tendencies of the commodity.

As long as individuals follow this route, they will not be able to duplicate the successes which they had in dealing with the physical world. This route will not allow individuals to transform their social relations into a benign and beneficial backdrop for their individual purposes. Instead, these attempts lead to the subjugation and instrumentalization of one part of society by another—and to the subordination of everyone, whether they are on the “giving” or the “receiving” end of this exploitative relationship, to the blind laws of capital accumulation.

In capitalist society, the individuals’ subordination to social laws is the result of a failed attempt to emancipate themselves from them. This contrasts sharply with the more “direct” integration of the individual into social relations prevailing in earlier historical periods, which usually amounted to a forced subjection of individual motives to an overriding social
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purpose. In *Grundrisse*, Marx emphasizes this difference:

83:2/o Only in the eighteenth century, in ‘civil society’, do the various forms of the social connection confront the individual as nothing more than a means, subordinated to his private purposes, as an extraneous necessity.


I translated this sentence in such a way that the interpretation which I consider the correct one comes out clearly. Since Marx did not say “merely a means for his private purposes” (*bloß als ein Mittel für*) but “a mere means” (*als bloßes Mittel*) I assume he did not intend to say that the purposes were merely private (as opposed to the “higher” social purposes), but he wanted to emphasize that the social connection was not something commanding respect in its own right but was degraded to nothing more than a means. The word “*äußerlich*” (extraneous) connotes a degradation as well: the social connection is not seen as the culmination of private interests, but as a constraint and obstacle coming in from the outside.

Here is another *Grundrisse* quote where Marx says the same thing at greater length:

That the social connection resulting from...
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the collision of independent individuals appears with respect to them simultaneously both as objective necessity and as external bond in effect expresses their independence, for which social being, though a necessity, is no more than a means, and therefore appears to the individuals themselves as something external, and in money, even as a tangible thing. They produce in and for society as social individuals, but at the same time this appears merely as a means for objectifying their individuality.

In capitalism, the individual tries to instrumentalize the social connections for his or her individual purposes, and fails. It is even worse than a failure, because the social connection ends up using the individual’s self-directed activity as the motor for its own blind purposes (capital accumulation).
1.4. Fetish-Like Character and its Secret

Although Marx hints at this circularity in various ways, he never addresses it explicitly. His most explicit mention of this circularity is the analogy of religion, which comes next. Marx describes the social reality of religion by how individuals perceive it, i.e., he tacitly switches over to a new subject at the same time: instead of the fetish-like character of the commodity he discusses now the fetishism of the commodity producers.

In order, therefore, to find an analogy we must take flight into the misty realm of religion. There the products of the human brain seem to be independent beings endowed with a life of their own, which enter into relations with each other and with the human race. So it is in the realm of commodities with the products of people’s hands.

The religious analogy is catchy, but it should not mislead the reader into thinking that the fetish-like character of the commodity is merely a matter of an illusion. Whether or not people are aware of the social origin of the quasi-physical properties of the commodity—in
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their daily dealings in a commodity society, they are forced to act as if the commodities were things which had these social properties just as firmly attached to them as if they were physical properties. For someone who is forced to act in this way, it is easy to slip into thinking that these social properties of the commodities really come from their physical makeup. And society relies on these “slips”: capitalistic social relations can only maintain themselves if most of the people most of the time “forget,” in their practical actions, that the powers of the things which they are trying to take advantage of originate in their own activity. But it is far from impossible to pierce that veil, and nobody individually is forced to see the commodity this way. Marx calls this false consciousness “fetishism.”

This I call the fetishism, which sticks to the products of labor as soon as they are produced as commodities, and which is therefore inseparable from the production of commodities.
Moore and Aveling translate it as "fetishism inherent in commodities," although "anklebend" is the direct opposite of "inherent."

This is the first time that Marx uses the word “fetishism” rather than “fetish-like character.” The formulations “inseparable” and “sticks to” indicate that fetishism is not a property of the commodities themselves, but something which can be avoided only with great effort by those who handle commodities. Just as it is very difficult to avoid getting tar on oneself if one handles things covered with tar.

Here are some more examples of Marx’s usage of the word “fetishism.” In 176:1, Marx again uses the term “fetishism attached to” in the context of an illusion (Schein). In Results, last sentence of 982:1/o, Marx writes: “This constitutes a basis for the fetishism of political economists.” Although fetishism sticks to the commodity, it is the fetishism “of” whoever is deceived by the fetish-like character. Capital II, 303:2, has a formulation which can be taken as a good definition of “fetishism”:

Furthermore this brings to completion the fetishism peculiar to bourgeois political economy, the fetishism which mistakes the social, economic character, which is im-
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pressed on things in the social process of production, for a natural character stemming from the material nature of these things.

Readers in the modern U.S.A. often interpret the term “commodity fetishism” to mean an excessive devotion to material goods. I have no evidence that Marx ever used it in this way. And today’s often-heard admonition that one should not “overemphasize” material goods is most of the time merely an attempt to console oneself about one’s poverty by thinking it is a good thing. For the minority who are affluent enough that this is an issue, however, this overemphasis derives from the fetish-like character of commodities. Material possessions become too important because they are the individual’s only link to society: conspicuous consumption compensates for the paucity of direct social relations. People feel how much power things have, and they want to retrieve some of this power for themselves by owning these things.
1.4.b. [The Secret of the Fetish-Like Character]

The metaphor which compares people’s *fetishism* with religious superstition jumps ahead a little bit, since the development so far had focused on the *fetish-like character* of the commodity, but it is a fitting transition Marx’s next question. The argument in section 1.4.a shows clearly that Marx does not consider the mysterious character of the commodity to be a reflection of the lack of knowledge or of some false consciousness of the individuals handling the commodities, but a property of the commodity itself. Now Marx looks at the core of the economy, where the commodity is produced, in order to see whether there is something in the core which is responsible for the mysterious character of the commodity. In other words, he is trying to decipher the “secret” of the fetish-like character of the commodity.

Textual evidence that Marx considered this so-called “secret” as a separate question is given in immediate[megaII/6]39:5. That Marx found the question worth asking is also clear from footnote 77a in chapter Twenty-Five, paragraph 771:1/o.

In the preceding subsection 1.4.a we have learned: the commodities’ mysterious fetish-like character lies in the incongruity, dissonance, between the commodity form of the product on the surface and the underlying social relations in the core which these surface forms
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regulate. People’s *social* relations appear to them as *material* properties of their products, the *outcome* of their activity appears to them as its *prerequisite*. The surface appearances are not only misrepresentations, giving a distorted view of the social relations (as we will get to know in chapter Nineteen), but the entire causality is reversed. The surface agents are not only thrown into an environment in which their social relations are hidden from them, but this environment also prevents an adaptive learning process, which would enable the agents to come to an understanding of the underlying relations,

Marx devotes the present subsection 1.4.b to the question whether we can find something in the core that is responsible for the mysterious character of the commodities on the surface. I.e., Marx asks: is there something in the way people relate to each other in production, i.e., not on the market surface but in the core of the economy itself, which already predisposes them to lose control over their social relations?

At the beginning of this investigation, Marx surprises us with the claim that we already know the answer:

165:1 As the foregoing analysis has already demonstrated, this fetish-like character of the world of commodities has its ori-

87:1 Dieser Fetischcharakter der Warenwelt entspringt, wie die vorhergehende Analyse bereits gezeigt hat, aus dem eigentümli-
gin in the peculiar social character of the labor which produces them.

“Fetischcharakter der Warenwelt” is, in both English editions, translated incorrectly with “fetishism.”

In a draft version of this passage, Marx is a little more explicit:

[megaII/6]39:5 If we ask the further question where this fetish-like character of the commodity stems from, this secret has already been resolved by the preceding analysis. It springs from the special social character of labor which produces commodities, and the corresponding peculiar social relation of the commodity producers.

The foregoing analysis has indeed shown that the forms which give the commodity its fetish-like character are expressions of the inner nature of value. See for instance First Edition, 43:4. And the most important aspect in this inner nature of value, its “pivot” 131:2/o, is
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the double character of labor. If the double character of labor leads to mysterious expressions on the surface, it is important to know how this double character of labor is experienced by the producers themselves:

165:2/o Objects of utility become commodities only because they are the products of private labors conducted independently of each other. All these private labors together constitute the aggregate social labor. Since the producers do not come into social contact until they exchange the products of their labors, the specific social characteristics of their private labors appear only within this exchange.


“Überhaupt” means: articles of utility not only owe their fetish-like character but more generally their entire being commodities to the double character of labor. I left it out in the translation.
“Appear” means here not only that the social relations are unknown before the exchange. These relations already exist before the exchange, on the one hand because of the real inter-relations in society, and on the other because of what the economic agents expect to be the case. But they are only actualized, put to the practical test and either validated and refuted after production itself is already finished. Only when it is already too late do the economic agents enter a framework in which they can interact and act on their relations:

In other words, the private labors take effect, through their activity, as elements of the social aggregate labor only through the connections which the act of exchange establishes between the products and, through the products’ mediation, between the producers.

What does this mean for the practical activity of the producers in the production process itself? This is an investigation of the direct interactions between the producers of commodities, which are sometimes called the relations in production or the mode of production in the narrow sense. Commodities are produced privately, i.e., the producers do not have direct contact with each other while they are producing. But these private labors can keep the
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producers alive only as social labor [Mar87a, p. 38:1], only to the extent to which they can prove themselves as social labor. The validation of their private labors as social labor, the reality test, and any practical activity necessary to reconcile this after-the-fact reality with the already finished production, happens retroactively through the success which the products have on the market.

Marx draws two implications from this. On the one hand, the producers themselves are not deceived: they see the inversion, which was at the heart of the fetish-like character of the commodity at the market, as what it is:

To the producers therefore, the social relations between their private labors appear as what they are, i.e., not as direct social relations of persons during their labor processes themselves, but rather as material relations of persons and social relations of things.

In the first edition p. 47:2, the formulation is less dramatic:

The social relations of their labors are and
appear therefore not as immediately social ... beiten sind und erscheinen daher nicht als unmittelbar gesellschaftliche ...

The parallel use of “are” and “appear” leads here to a grammatical inconsistency, because “appear” requires “as” while “are” cannot be used together with “as.” Perhaps Marx re-worded the sentence in the second edition only in order to straighten out the grammar, although after this change, this sentence sounded much deeper and more mysterious. On the other hand, this is not the only place where Marx uses this more mysterious formulation. *Contribution*, 321:5 says that commodities can only relate to one another as what they are, and in a different context, Marx says in *Capital II*, 137:3, that the capitalist production process appears in the circulation process as what it is.

On the other hand, the fact that they see this inversion does not undo this inversion, they are still stuck in it:

166:1 It is only during the exchange that the products of labor acquire a uniform social objectivity as values, which is distinct from their varied sensuous objectivities as use-values.

87:3/o Erst innerhalb ihres Austauschs erhalten die Arbeitsprodukte eine von ihrer sinnlich verschiedenen Gebrauchsgegenständlichkeit getrennte, gesellschaftlich gleiche Wertgegenständlichkeit.
1. The Commodity

Does this mean that their labors are not yet equal, because the exchange which sets the products equal happens after the production process is finished? Of course not. The producers anticipate the market during production and react to the market when they continue production. Therefore they shape the direct production process according to the requirements of the market:

This division of the product of labor into a useful thing and an embodiment of value is only then carried out in practice when exchange has become sufficiently extensive and important to allow useful things to be produced for the exchange, so that their character as values is already taken into account during production. From this moment on, the labor of the private producer in fact acquires a twofold social character.

How do the producers take heed of the market outcomes during the production process?
The market sanction which everybody tries to guard against is of course that the goods cannot be sold at a profitable price. However, this inability to fetch an appropriate price can be due to two quite different reasons: either the good is not needed, or the production methods for this good are not efficient enough. Marx distinguishes these two mechanisms in the next passage:

On the one hand it must, as a specific useful kind of labor, satisfy a specific social need, and thus prove itself as an element of the aggregate labor, as a branch of the spontaneously developed social division of labor. On the other hand, it can satisfy the manifold needs of its own producer only in so far as each particular useful private labor can be exchanged with, i.e., counts as the equal of, every other kind of useful private labor.

This is the double character of labor. Labor must fit into the division of labor as concrete
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labor, and all labor must be equal as abstract labor. The economic agents, who observe these market sanctions, see that the market equalizes their products, but they do not experience their labors themselves as equal—although their labors must be equal for the products to be equal, as Marx emphatically reiterates in the next passage:

Equality of entirely different kinds of labor can be arrived at only by an abstraction from their real inequality, by a reduction to the characteristic they have in common, that of being the expenditure of human labor-power, of human labor in the abstract.


Toto coelo means “entirely,” and it refers to verschieden, not to Gleichheit! The French translation p. 54:2/o makes this clear: “equality of the labors which toto coelo differ from each other.” Also the Moore-Aveling translation has it right, but Fowkes got it wrong.

In the French edition, p. 54:2/o, an additional sentence follows now, which is missing in the German or the English editions, although one can find it in the draft manuscript for
the second German edition, [Mar87a, p. 41]. This additional sentence emphasizes that the exchange forces the producers to equalize their labors; they do not equalize them because their democratic convictions that everyone is equal.

Only the exchange accomplishes this reduction by bringing into mutual presence on an equal footing the products of the most diverse labors.

Instead of accepting the equality of their labors as a deliberate unifying principle of society, the producers draw their view of their place in society from the practical activity necessary to protect themselves from the detrimental sanctions of the market:

The private producer’s brain reflects this twofold social character of his private labor only in the forms in which it manifests itself in his practical interactions, the exchange of products.

The producer considers the social character of his labor only (the German “nur” has almost the meaning of *merely*) under the perspective of the practical exigencies of the exchange.
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Is it significant that Marx uses a very passive formulation for this kind of thinking ("his brain reflects"). It is a spontaneous act quite different from the mental efforts that would be necessary to penetrate through the fetishized appearances of commodities. The producer orients himself *merely* by the surface reactions, instead of directly addressing the core connections of which he is a part. (This displacement of his attention from core to surface will be summarized once more explicitly at the beginning of the next paragraph 166:2/o.)

The next passage give more detail how the two sides of the double character of labor represent themselves to the direct producer:

The socially useful character of his private labor presents itself to the producer in the form that the product of labor has to be useful, not to him but to others, and the social character of equality of the various kinds of labor presents itself in the form of a common value-character possessed by these materially different things, the products of labor.

—den gesellschaftlich nützlichen Charakter ihrer Privatarbeiten also in der Form, daß das Arbeitsprodukt nützlich sein muß, und zwar für andre—den gesellschaftlichen Charakter der Gleichheit der verschiedenartigen Arbeiten in der Form des gemeinsamen Wertcharakters dieser materiell verschiednen Dinge, der Arbeitsprodukte.
Although the formulation “the private producer’s brain reflects” may sound as if this reflection was an illusion generated by false surface appearances, this is not the case here. That the product has to be useful for others, and that it has to contain as much as possible of whatever makes them exchangeable (value), are not false surface appearances. But the producers’ attention on the market is again an inversion between cause and effect. The next three paragraphs contrast what the producers are doing in their inverted reactions to the market to what would be the case in a more rational system.

The next three long paragraphs form a unit which is broken out here as section 1.4.c. However the first of these paragraphs begins with a three-sentence summary of the results of section 1.4.b, therefore it will be discussed already here. It emphasizes what the social relations of commodity production are for the individuals in those relations:

166:2/o People do not therefore bring the products of their labor in relation to each other as values because they regard these objects as the mere material shells of homogeneous human labor. They proceed in the reverse order: by equating, in the exchange,
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the different products to each other as values, they equate their own different labors as human labor. They do this without knowing it.\(^{27}\)

Not even the producers know the character of the social ties which organize production. They do not view the exchange as an arrangement arising from known social conditions, or serving certain agreed-on social purposes which go beyond exchange itself, but as a given environment in which they have to prove *themselves*. This drives them to atomistic competition. They do not see the role their own labor plays in their social relations. This is why they are unable to take control of their social relations.

Some of Marx’s formulations here raise the question whether he thought the producers should be criticized for their failure to go beyond the surface. At the very end of chapter Two, in 187:1, Marx blames the fetish-like character of the commodity on the atomistic behavior of the individual producers. However, in the French edition, which is the last edition edited by Marx himself, this criticism of the individual producers was cut out again. There are two more omissions in the French edition. The passage which we discussed last, in 166:1 is omitted, and also paragraph 165:1 is omitted, which announces that the origin of
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The fetish-like character must be found in the production process.

Footnote 27 addresses the same thematic from a different angle:

27 Therefore, when Galiani said: Value is a relation between persons (‘La Ricchezza è una ragione tra due persone’) he ought to have added: a relation concealed beneath a material shell. Galiani [Gal03, t. 3, p. 221]

This footnote has the following points of contact with the argument in the main text:

- The footnote shows that, far from viewing their market activities as the expression of the social context in which they stand, the agents even need to be reminded that value is a social relation.

- But to call value a social relation, without indicating how unconsciously it is being entered, is misleading. This is why Galiani “ought” to have added some clarification.

- This clarification should have pointed out that the relation is “concealed”—because those engaged in this relation do not know what their relationship does, e.g., they do
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not know that everything they do on the market is based on the social equality of their labors.

- How can it be that they relate to each other without being aware of the content of their relationship? Because their relations to each other are constituted by their reactions to the quasi-physical properties of the products they are handling. Hence the formulation that their relations are concealed “beneath a material shell.”

Marx’s gentle correction of Galiani’s omission foreshadows a critique of classical political economy which will be made more explicit in the course of the present subsection and in subsection 1.4.e. Classical economists are trying to decipher the forms, unveil their hidden content, but the fact that the social relationship is hidden does not seem noteworthy to them—and even less, of course, are they concerned with the reasons why it is hidden.

Both footnote and main text emphasize the importance of people’s awareness of their social relations.

Marx emphasizes here the importance of people’s awareness of their social relations. In every other respect, his counterfactual summary statement at the beginning of 166:2/o is remarkably limited. Marx does not contrast commodity production, the reign of abstract la-
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bor, with a society in which the producers enter into a more differentiated relation with each other. Rather, he adduces as hypothetical counterpart a society in which individual labors relate to each other through the same principle of abstract labor, but this time established deliberately and with the full awareness of the producers, rather than as the unconscious and unintended result of efforts whose superficial goal is not at all interested in the social organization of production but circles around individual market success.

The principle by which producers coordinate their labors is therefore not the main factor distinguishing commodity society from a free associations of individuals. More important is the question how consciously the agents engage in this coordination. The main difference which Marx emphasizes is whether their social arrangements can be clearly seen and are commonly understood, or whether they arise behind the backs of individuals directing their purposes elsewhere.

The following passage from *Capital III*, 958/o, shows once more how important it is for Marx whether or not people make their social decisions *consciously*. Marx argues here that the realm of necessities, the portion of the day which men have to “wrestle with nature” in order to satisfy their needs, will never dwindle to insignificance—because needs expand as productivity expands. Although “true freedom” starts outside this realm of necessity, here is
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what Marx says about freedom in the realm of necessary labor itself:

958/o Freedom in this field can only consist in socialized man, the associated producers, rationally regulating their metabolism with nature, bringing it under their common control, instead of being ruled by it as by a blind power; and carrying out this metabolism with the least expenditure of energy and under conditions most favorable to, and worthy of, their human nature.


The requirement that production will go on “with the least expenditure of energy and under conditions most favorable to, and worthy of, their human nature” is listed here only second. The first requirement is that people must bring their metabolism with nature “under their common control, instead of being ruled by it as by a blind power.” This shows again how important social awareness is to Marx.
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1.4.c. [The Necessity of Bourgeois Political Economy]

Individuals have plenty of evidence that the process they are engaged in is not going in the direction they want it to go. However they usually do not take this as a signal that a myopic manipulation of socially empowered objects cannot give them the control over their social relations which they aspire to. Rather they see it as a chain of riddles to be solved and a series of practical problems to be overcome.

The following sentence from the first edition aptly defines the subject of section 1.4.c:

46:2/o First, their relationship exists practically. Secondly, however, since they are humans, their relationship exists as a relationship for them.

The word “Dasein” hidden in these two sentences. One should not translate it as “exists,” but I haven’t thought of a good way to capture this.

The next three paragraphs look at the explanations which the agents come up with in their efforts to solve the riddles they encounter in their practical activity. Marx considers the
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mainstream economics of his time (which he calls “bourgeois political economy”) to be a systematic compilation of such explanations. In these three paragraphs, the three determinations of value are taken up again in order.

The first paragraph discusses ($\alpha$) the substance of value. We already discussed its introductory passage 166:2/o, which summed up once more how the commodity’s fetish-like character originates. After pointing out that even those engaged in direct production are ignorant of the basic character of their own economic relations, Marx continues:

Value, therefore, does not have it written on its forehead what it is.

Since it is not obvious what value is, value becomes the object of scientific analysis:

Value transforms every product of labor into a social hieroglyphic. Later on, people try to decipher the hieroglyphic, to get behind the secret of their own social product. (The determination of the useful articles as values is their social product as much as language is.)
Instead of “the secret of their own social product,” the French edition says “the secrets of the social product to which they contribute” (les secrets de l’oeuvre sociale à laquelle ils contribuent). This is a more transformational outlook. A market which follows laws beyond the control of producers and traders is as contradictory as a text which cannot be read by its own writer. But this contradiction is not addressed by bourgeois economists. They simply use scientific tools to decipher these hieroglyphics, and they eventually succeed. But their special situation, namely, that the objects of their scientific research are the result of their own activity, demands that they should do more: not just deciphering their own relations after the fact, but take control over their social relations so that they won’t take the form of hieroglyphics in the first place. This they do not do, and this is why Marx says their fetishism persists even after they have found out that value comes from labor.

The belated scientific discovery that the products of labor, in so far as they are valued as commodities, are the product of human labor, is not enough to overcome the effects of the fetish-like character of the labor process. Marx argues that the bourgeoisie, in their pursuit of profit, have created a system where the value of labor is obscured by the forms in which it is expressed. This is a fundamental contradiction within capitalism, and it is one that cannot be resolved through scientific knowledge alone. Instead, Marx calls for a transformation of the social relations of production, where laborers have control over the means of production and can thereby understand the true nature of their work. This transformation is necessary to overcome the fetish-like character of labor and to establish a more equitable and productive society.
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ues, are merely the objectified expressions of the human labor expended to produce them, marks an epoch in the history of mankind’s development, but by no means banishes the illusion that the social characteristics of labor seem to be physical characteristics of the products. Something which is only valid for this particular form of production (production of commodities), namely, that the specific social character of the independent private labors consists in their equality as human labor and assumes the form of the value-character of the product, appears to those entrapped in the relations of commodity production as a natural fact that cannot be changed. Even after the above-mentioned scientific discovery, the
value-character of the product seems an immutable given to them, just as the scientific dissection of the air into its component parts leaves the atmosphere itself unaltered in its physical configuration.

As on some other places, I went out on a limb with this translation, but some of it can be justified by the French edition. In French, “verscheucht keineswegs den gegenständlichen Schein der gesellschaftlichen Charaktere der Arbeit” is translated with “ne dissipe point la fantasmagorie qui fait apparaître le caractère social du travail comme un caractère des choses, des produits eux-mêmes.” (The word phantasmagorisch was also used in 164:3/o.) And “ebenso endgültig” is elaborated in French as: “tout aussi invariable et d’un ordre tout aussi naturel.”

The discovery that air is a mixture of certain other gases will of course leave the chemical makeup of the air unchanged. However if a basic discovery in the social sciences has no impact on the (now better understood) social relations, then this is remarkable. In section 1.4.b, Marx had argued that the secret, the root cause, of the fetish-like character of the commodity lies in the fact that the producers do not experience their labors as equal. The most basic
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principle governing market relations is therefore not part of the common consciousness. If this piece of knowledge is so important, why did the scientific discovery of the classical economists that value is based on labor not remove this fetish-like character? Marx’s answer is interesting: because social sciences were too “naturalistic,” they were viewed, like the natural sciences, as the description of immutable laws that are not affected by it whether humans understand them or not.

How dangerous this insight was for capitalism can also be judged from the fact that, after Marx, the labor theory of value was abandoned by the mainstream. Its place was taken by a theory which anchored capitalist relations in human psychology, i.e., the immutability of capitalism was written into the theory itself.

After the discovery that value comes from labor, people’s fetishism can obviously no longer consist in the belief that value comes from the physical properties of things. Now people think that the law of value, and all the bad things which a society based on value and money has in store, are unalterable facts which one cannot change. The disadvantages of capitalism are believed to be anchored in human nature, instead of people recognizing that they are brought about by a very special social form of organizing production. This form of production is becoming more and more outdated in the light of modern technology, and it
can and must be changed.

Of course, even if people understand the laws of their society, they still cannot immediately abolish these laws. It requires hard work and struggles, and it will be a long process before social relations have attained a more desirable form. In the preface to the first edition, 91:3/o, Marx writes:

> Even when a society has got upon the right track for the discovery of the natural laws of its movement ..., it can neither clear by bold leaps, nor remove by decree, the successive phases of its natural development. But it can shorten and lessen the birth-pangs.

The next paragraph, whose secret organizing principle is \((\beta)\) the *magnitude of value*, describes how the producers’ practical activities generate the need to resolve certain *limited* theoretical questions.

167:1/o The first thing the producers need to know in practice when they exchange their products is, how much of the other

89:1 Was die Produktentauscher zunächst praktisch interessiert, ist die Frage, wieviel fremde Produkte sie für das eigne Produkt er-
products will they get for their own—in which proportions can the products be exchanged?

Again I can justify my translation by pointing to the French, where “die Frage” is translated with “de savoir,” i.e., this first sentence indeed discusses the knowledge they are interested in.

Marx referred to the needs of the practical commodity traders to know the quantitative proportions already in footnote 17 to paragraph 140:3–141:1 in section 1.3.A: “The few economists, . . . who have concerned themselves with the analysis of the form of value, were unsuccessful, . . . because, under the crude influence of the practical bourgeois, they give their attention from the outset, and exclusively, to the quantitative aspect of the question.”

As soon as these proportions have attained a certain customary fixity, they seem to spring from the nature of the products. That one ton of iron and two ounces of gold have equal value is is considered a similar fact as that a pound of gold and a pound of iron are...
equal in weight, despite their different physical and chemical properties.

The fixity of the exchange proportions allows the producers to forget that value relations are social. However this fixity can only be achieved through continual fluctuations:

Indeed, the value character of the products of labor affirms itself only through their play as magnitudes of value.

This "play" of the quantities of value is caused by people’s attempts to take advantage of the value proportions. Although the commodity producers, in their practical actions, only pay attention to the quantity of value and not its quality, Marx says here, in a very abbreviated fashion, that this one-sided interest in quantity leads them to act in such a way that they give their labor the qualitative character of equal human labor, i.e., of value-creating labor. This is a dialectical conversion of quantity into quality.

Here is an attempt, which goes beyond Marx’s text, to describe in more detail how the products’ play as magnitudes of value affirms their value character. Since the exchange proportions seem to come from the nature of the product, and not from the labor process, the producers try to escape the quantitative link between labor and value by producing that use-
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value and employ that production method which gives them the most favorable exchange for the effort they put in. They use two main strategies to achieve this:

- On the one hand, they channel their labors into those branches of production which the market rewards best in relation to their effort.

- On the other hand, in every given branch of this division, they systematically explore the range of what can be done differently in order to gain an advantage over those with whom they compete.

These conscious actions have the following unintended consequences:

- The calculation regarding the market demand integrates their labor, according to its particularities, into the social division of labor.

- The active pursuit of the best production process causes them to end up with very similar labor processes, since everyone does that in parallel and since they also learn from each other.
The first edition, 46:2/o, has the following poignant formulation, which is consistent with the above interpretation: “In order to relate their products as commodities, men are forced to equate their different labors to abstract human labor” (my emphasis).

One can sum it up as follows: Although their considerations only center around a quantitative advantage, the producers are forced to make important qualitative changes in the production process if they want to stay competitive in the market, while their efforts to get ahead of the market can only have temporary success. In the long run, the market will catch up with them again.

This is the circularity (p. 374 above) in action. Producers encounter social constraints (the quantitative exchange relations of the goods on the market) and try to turn them to their advantage, using similar methods as those with which they have successfully conquered nature. But this time, their efforts to get ahead fail; even worse, in these efforts they are unwittingly carrying out the “orders” dictated by the law of value. In Results, 1037:2/o, Marx says explicitly that the capitalists, in their efforts to outwit the law of value, implement it.

Which difference between the laws of nature and the laws of the market is responsible for the fact that humans, who have been very successful in becoming the masters of natural
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forces, remain the servants of their own social relations when they try to take advantage of the social properties of the objects they are handling? Answer: the laws of nature remain unchanged regardless of what people do. By contrast, the producers’ reactions to the prices cause these prices to change. To use Bhaskar’s terminology, transitive and intransitive dimensions are not clearly separated here. This is why it is not the social forces which are instrumentalized, but people’s efforts to instrumentalize the social forces:

These magnitudes vary continually, independently of the will, foreknowledge and actions of the exchangers. Their own social movement has for them the form of a movement of things—things which, far from being under their control, in fact control them.

This last sentence indicates that perhaps Marx was thinking along the lines which I am developing in my commentary here. People think they control the social powers of things (just as they do control their natural powers), but this is an illusion.

The production of commodities must be fully developed before the scientific insight

Es bedarf vollständig entwickelter Warenproduktion, bevor aus der Erfahrung selbst
emerges, from experience itself, that all the different kinds of private labor (which are carried on independently of each other, and yet, as spontaneously developed branches of the social division of labor, are all-round dependent on each other) are continually being reduced to the measure in which they are socially necessary.

The unpredictable changes of the exchange proportions interfere with the efforts of the agents to use these proportions to their advantage. This causes them to wonder how the magnitude of value is determined, and leads to the scientific discovery of socially necessary labor-time as the underlying principle.

However the reader should be aware that this scientific effort is only a very superficial resolution of the dilemma faced by the market participants. Although they systematically try to instrumentalize for individual advantage the powerful social forces exhibited by the market, they find that they remain at the mercy of blind objective laws, under the control of things. Instead of wondering how they came into this predicament, so that they can
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wrest control away from these things, they use science to understand how the things move that control them, in the hope that in this way they can “outwit” them or at least arrange themselves better with them. This is called a “TINA compromise.” (TINA = There Is No Alternative.)

In the accidental and ever-fluctuating exchange proportions between the products, the labor-time socially necessary to produce them asserts itself violently as a regulative law of nature. This law asserts itself like the law of gravity asserts itself when a person’s house collapses on top of him.28

If the house collapses, the law of gravity asserts itself despite the attempts of the builder to control it. Now we all know that it is possible to build houses that do not collapse. The collapse of the house reveals a flaw in engineering. The footnote brings a quote from the young Engels emphasizing that also the working of the capitalist economy reveals a basic flaw:

28 ‘What are we to think of a law which can | 28 “Was soll man von einem Gesetz denken, das
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only assert itself through periodic crises? Well, it is a natural law that is based on the lack of awareness of the people who are subjected to it’. Friedrich Engels, [mecw3]433/34.

The formulation “law based on the lack of awareness of the people who are subjected to it” (my emphasis) implies that people act in a certain way because they are unaware. This does not mean that consciousness determines their social being, but that the mechanisms by which the blind social forces take precedence over individual goals are based on (i.e., cannot be effective without) a lack of consciousness on the part of the individuals.

The determination of the magnitude of value by labor-time is therefore a secret hidden under the apparent movements of the relative magnitudes of commodity values. Its discovery destroys the semblance of a merely accidental determination of the magnitude of the values of the products of labor, but by no means abolishes the objectivity of the values of the products of labor.
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fied form in which this determination takes place.

The scientific efforts described in the preceding two long paragraphs are in both cases strangely impotent. Although necessitated by the fetish-like character of the commodity, they do not help overcome it. The next paragraph explains this impotence. It centers about point (γ), the form of value.

168:1/o Man’s thought about the forms of social life, and therefore also his scientific analysis of these forms, takes a course directly opposite to the actual development of these forms. He begins ‘after the feast’ with the completed results of the development process.

89:2/o Das Nachdenken über die Formen des menschlichen Lebens, also auch ihre wissenschaftliche Analyse, schlägt überhaupt einen der wirklichen Entwicklung entgegen gesetzten Weg ein. Es beginnt post festum und daher mit den fertigen Resultaten des Entwicklungsprozesses.
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This translation benefited from the Eden and Cedar Paul translation. In Fowkes’s translation, reflection begins “after the feast, and therefore with the results of the process of development ready to hand.” This wrongly pulls the word “fertig” from the ontological into the epistemological sphere.

The purposeful activity of individuals differs in an important way from the dynamics of their social relations. Individual human activity is characterized by its intentionality:

… what distinguishes the worst of architects from the best of bees is that the architect builds the cell in his mind before he constructs it in wax. 283:2/o.

In social life however, people first act and then think:

In their difficulties our commodity-owners think like Faust: ‘In the beginning was the deed’. They have therefore already acted before thinking. The natural laws of the commodity manifest themselves (betätigen sich) in the natural instincts of the commodity owners. 180:3–181:1.

Among the mechanisms that cause the suspension of human intentionality on the social level, Marx singles out here the passivity of everyday thinking. The word “Nachdenken,”
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here translated as “reflection,” has, in German, a quite passive connotation. It evokes someone sitting on a couch, smoking his pipe, relaxing, and “thinking.” A similar passivity characterizes the forms of thinking described in the previous two paragraphs.

- Under point (α), 166:2/o, people’s everyday thinking stumbled upon a glaring contradiction, the fact that people’s own social product is not transparent to them. They try to (and finally succeed in) solving the riddles their own activity poses, without ever raising the critical question how it happens that their own activity presents riddles in the first place.

- Under point (β), 167:1/o, theoretical activity was kindled by their efforts to succeed in the market place. This again lacked any motivation to ask the more fundamental critical questions—on the contrary, the agents were interested in an affirmation of what they were doing.

- Point (γ), which we are discussing at present, brings a third cognitive obstacle to an effective scientific analysis: The forms of social life, which are the *result* of the relations individuals enter in production and daily life, are at the same time the *starting point* for their reflection (*Nachdenken*) about it.
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In sum, practical life not only furnishes the motivation for science, but also presents many obstacles. Science, by its nature, cannot be a passive or automatic process. Just as production is necessarily “work” (this was the subject of question ??) so is also science. (This is only implied here by Marx, but Bhaskar says it explicitly.)

The social forms which stamp products as commodities, which they therefore must possess before they can circulate as commodities, have already acquired the fixity of natural forms of social life, before man seeks to give an account, not of the historical character of these forms—for in his eyes they have already become immutable—but of their content.

Bourgeois economics has an additional incentive to persist in the mistake of starting its analysis with the finished forms, which are too mystified to reveal the true underlying relations: since bourgeois economics cannot admit that capitalism is a historically conditioned and historically limited mode of production, it cannot look at it as a historical process.
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In the remainder of the paragraph, Marx gives a concrete example of a finished form that obfuscates rather than reveals:

It was only the analysis of the prices of commodities which led to the determination of the magnitude of value, and only the common expression of all commodities in money which led to the fixation of their character as values.

I.e., research started when some striking empirical phenomena had arisen which needed an explanation. But this is already too late:

It is however precisely this finished form of the world of commodities—the money form—which conceals the social character of private labor and therefore the social relations between the private producers behind quasi-physical properties of things, instead of revealing these relations plainly.
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In support of the claim that the money form conceals, Marx describes next what “plainly revealing” would have meant in this situation:

If I say that coats or boots relate to linen as the general incarnation of abstract human labor, it is plain how bizarre an expression this is. The producers of coats and boots, however, when they relate their commodities to linen (or to gold and silver, which does not change the matter in the least) as the General equivalent, experience and express the relation of their own private labor to the aggregate labor of society in exactly this bizarre form.

These two sentences deserve a close reading. Let us first look at the first sentence.

If it were possible to see the invisible content instead of the form—if one could, so-to-say, take an X-ray look at the economic core relations underlying the exchange—one would see

Wenn ich sage, Rock, Stiefel, usw. beziehen sich auf Leinwand als die allgemeine Verkörperung abstrakter menschlicher Arbeit, so springt die Verrücktheit dieses Ausdrucks ins Auge. Aber wenn die Produzenten von Rock, Stiefel, usw. diese Waren auf Leinwand—oder auf Gold und Silber, was nichts an der Sache ändert—als allgemeines Äquivalent beziehen, erscheint ihnen die Beziehung ihrer Privatarbeiten zu der gesellschaftlichen Gesamtarbeit genau in dieser verrückten Form.
with amazement that the producers relate their concrete labors to the labor producing gold as the incarnation of human labor in the abstract, although the labor producing gold is just as concrete as any other labor. Everybody would be aware that this is a bizarre and deficient method of establishing a connection between the many interdependent labor processes. In the first edition, 37:1, in what was to become section 3 of chapter One, Marx illustrates well how bizarre this is:

37:1 It is as if, besides lions, tigers, hares, and all other real animals, ... also the animal existed, the individual incarnation of the whole animal kingdom.

It would not only be bizarre, but it would also be easy to see that it is bizarre.

Before we go to the second sentence, which presents the difficulty. let’s look at the difference between first and second sentences. The first sentence uses the words “general incarnation of abstract human labor,” which is a core category, while the second sentence speaks of the “General equivalent,” which is a surface category. Also, the first sentence states that it is an obviously bizarre relation, but Marx does not use the word “form.” He does use the
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word “expression,” but by this he means his verbal representation of the core relations (“if I say”).

In the second sentence, Marx turns off the X-ray machine of his scientific analysis and looks at the form in which these bizarre relations present themselves to the practical surface activity. The fact that coat, boots, etc. are placed in relation to gold as the General equivalent is no longer obviously bizarre, on the contrary, it is a sensible procedure growing out of the necessities of exchange. But these sensible practical activities engage the economic agents in bizarre relations of production in the core. The forms themselves only become bizarre if one sees this content in them, i.e., if one recognizes that they mediate the relationship of the producers’s private labor to the social aggregate labor.

Marx has chosen here a very nice example showing how the finished forms conceal. The surface forms are “finished” in a fashion which gives them practical applicability. But the practical usefulness of these forms on the surface veils the bizarre character of the core relations mediated by them.

After this serious critique of bourgeois economics, Marx, surprisingly, nevertheless attributes “social validity” to it:
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169:1 It is precisely forms of this kind which yield the *categories* for bourgeois economics.

“Forms of this kind” refers to the finished surface forms, the bizarre (verrückten), false social forms, which veil the underlying relations. A “category” is a fundamental classification, something that can serve as starting point for an explanation but which itself cannot be explained. Bourgeois economics does not start with the fundamental underlying relations but with their bizarre surface reflections. Marx will remark on this again on p. 677:2, when he discusses capitalism’s false form par excellence, namely, the wage form, There as well as here Marx makes the argument that the erroneous view of the world generated by these surface categories cannot just be dismissed as a collection of subjective errors, but it has objective significance since it guides human actions:

These categories are socially accepted, and therefore objective, forms of thought for the relations of production of *this historically determined* social mode of production, namely, commodity production.

90:1 Derartige Formen bilden eben die *Kategorien* der bürgerlichen Ökonomie.

Es sind gesellschaftlich gültige, also objektive Gedankenformen für die Produktionsverhältnisse *dieser historisch bestimmten* gesellschaftlichen Produktionsweise, der Warenproduktion.
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This translation assumes that the "es sind" (it is) at the beginning of this sentence refers to "categories," or, more precisely, to those theories which are taken as categories by bourgeois economy, not to "forms." Grammatically this might easily be the case, especially since Marx wrote "es sind" instead of "sie sind," and also from the meaning I find it unlikely that Marx equates social forms with forms of thought.

Although bourgeois economics clings to the surface, it is valid: not because it reveals the inner structure of the commodity economy, but because it formulates its forms of thought, i.e., the spontaneous thinking which these relations of production induce in the practical agents. Marx calls these forms "valid" and "objective" without further elaboration. However his derivation of bourgeois economics as the scientific extension of the consciousness of the practical agents in the market implies that the validity and objectivity of these false appearances consists in the fact that they direct the activities of the economic agents on the surface of the economy.

The validity of these categories, whether located on the surface or in the core, must be qualified as indicated by the italicized phrase in the passage we just read: it is valid only historically. This gives the transition to section 1.4.d, the discussion of other societies.

The whole mystery of commodities, all the Aller Mystizismus der Warenwelt, all der
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magic and necromancy that surrounds the products of labor on the basis of commodity production, vanishes therefore as soon as we take refuge in other forms of production.

Zauber und Spuk, welcher Arbeitsprodukte auf Grundlage der Warenproduktion umnebelt, verschwindet daher sofort, sobald wir zu andren Produktionsformen flüchten.

1.4.d. [Examples of Non-Commodity Societies and the Role of Religion]

In 169:2–172:0, Marx gives examples of societies in which commodity production is not predominant, i.e., in which labor is not, as in commodity production, private labor which at the same time keeps its provider alive only as social labor (translated from 38:1).

Betrachten wir andre Formen der Produktion, worin die Arbeit nicht wie in der Waarenproduktion Privatarbeit ist, die zugleich nur als gesellschaftliche Arbeit ihren Verrichter am Leben erhält.

“All essential determinations of value” can nevertheless be found. They are (α) the equality of all human labor insofar as it is expenditure of human labor-power, (β) the social sig-
nificance of labor-time, and (γ) the existence of interactions between the producers through which their labors are integrated into the social labor process. The forms which (α), (β), and (γ) take may involve coercion and exploitation, but they are not mysterious. When discussing medieval society, Marx makes an important connection: if social relations are this transparent, exploitation is only possible through the direct exercise of force. He does not explicitly state the implication of this for capitalism: it can do away with the continual use of direct force only at the expense of being mystified.

At the end of this subsection, Marx looks at the character of religion in different societies. He claims that religion reflects the quality and transparency of social relations.

But now let us start with the detailed discussion:

169:2/o As political economists are fond of Robinson Crusoe stories,²⁹ let us first look at Robinson on his island. Undemanding though he is by nature, he still has needs to satisfy, and must therefore perform useful labors of various kinds: he must make tools, knock together furniture, tame lla-

90:2/o Da die politische Ökonomie Robinsonaden liebt,²⁹ erscheine zuerst Robinson auf seiner Insel. Bescheiden, wie er von Haus aus ist, hat er doch verschiedenartige Bedürfnisse zu befriedigen und muß daher nützliche Arbeiten verschiedener Art verrichten, Werkzeuge machen, Möbel fabrizieren,
mas, fish, hunt, and so on. Of his prayers
and the like we take no account here, since
our friend takes pleasure in them and sees
them as recreation. Despite the diversity of
his productive functions, he knows that they
are only different forms of activity of one
and the same Robinson, hence only differ-
ent modes of human labor. Necessity it-
self compels him to divide his time with
precision between his different functions.
Whether one function occupies a greater
space in his total activity than another de-
pends on the magnitude of the difficulties
to be overcome in attaining the useful ef-
fect aimed at. Our friend Robinson Crusoe
learns this by experience, and having saved
a watch, ledger, ink and pen from the ship-
Lama zählen, fischen, jagen usw. Vom Be-
ten u. dgl. sprechen wir hier nicht, da unser
Robinson daran sein Vergnügen findet und
derartige Tätigkeit als Erholung betrachtet.
Trotz der Verschiedenheit seiner produktiven
Funktionen weiß er, daß sie nur verschiedene
Betätigungsformen desselben Robinson, also
nur verschiedene Weisen menschlicher Arbeit
sind. Die Not selbst zwingt ihn, seine Zeit
genau zwischen seinen verschiedenen Funk-
tionen zu verteilen. Ob die eine mehr, die
andre weniger Raum in seiner Gesamttätig-
keit einnimmt, hängt ab von der größeren
oder geringeren Schwierigkeit, die zur Erzie-
lung des bezweckten Nutzeffektes zu über-
winden ist. Die Erfahrung lehrt ihn das, und
unser Robinson, der Uhr, Hauptbuch, Tinte
wreck, he soon begins like a good Englishman to keep a set of books. His stock-book contains a catalogue of the useful objects he possesses, of the different operations necessary for their production, and finally of the labor-time that specific quantities of these products have on average cost him. All the relations between Robinson and these objects that form his self-created wealth are here so simple and transparent that even Mr. Sedley Taylor could understand them. And yet those relations contain all the essential determinations of value.

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und Feder aus dem Schiffbruch gerettet, beginnt als guter Engländer bald Buch über sich selbst zu führen. Sein Inventarium enthält ein Verzeichnis der Gebrauchsgegenstände, die er besitzt, der verschieden Verrichtungen, die zu ihrer Produktion erheischt sind, endlich der Arbeitszeit, die ihm bestimmte Quanta dieser verschiednen Produkte im Durchschnitt kosten. Alle Beziehungen zwischen Robinson und den Dingen, die seinen selbstgeschaffnen Reichtum bilden, sind hier so einfach und durchsichtig, daß selbst Herr M. Wirth sie ohne besondere Geistesanstrengung verstehn dürfte. Und dennoch sind darin alle wesentlichen Bestimmungen des Werts enthalten.
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Note that “different” in “different operations” is underlined in Volksausgabe, to emphasize that under their useful aspects, labors are not equal. The Fowkes-translation “various” misses this, and the Moore-Aveling translation leaves this attribute out altogether.

Sedley Taylor is a fellow of Trinity College in Cambridge who had tried to slander Marx’s work, as described by Engels in the preface to the fourth German edition, p. 117:2/o.

Of course, it is not an accident that Robinson leads on this gallery of examples. Many economics books at Marx’s time start with one-man economies. Every epoch touts its socially created form of the individual as the outgrowth of human nature. See Grundrisse 83:1–85:0 and 87:1 about this.

It is almost surprising that Marx did not say more about it here. The atomistic attitude by which everyone considers himself a Robinson is exactly what Marx suspected to be the origin of the fetish-like character of the commodity. Footnote 29 (new in the second edition, although Marx merely quotes himself from his earlier Contribution) is, in a veiled form, such a critique:

29 Even Ricardo has his Robinson Crusoe story. ‘Ricardo makes his primitive fisherman and primitive hunter right away exchange their

29 Auch Ricardo ist nicht ohne seine Robinsonnade. „Den Urfischer und Urjäger läßt er sofort als Warenbesitzer Fisch und Wild austauschen, im
The annuity tables are not the only anachronism. Exchange itself is already an anachronism. Members of primitive tribes are not isolated individuals who consider their products their private property and have nothing else in common with their fellow tribesmen than the equality of their labors. The dissolution of the social unity into many individuals which we experience today is not the natural state; it is the result of a long historical process. Marx just made fun of the methodological individualism of mainstream economists by saying that they “are fond of Robinson Crusoe Stories” (first sentence in 169:2/o), and here he says that not even Ricardo escapes this.

In the conclusion of the footnote, Marx makes fun of Ricardo’s lack of any conception about non-capitalist societies:

29 ctd ‘It seems that the “parallelograms of Mr. Owen” are not the

29 ctd „Die ,Parallelogramme des Herrn Owen‘
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“Parallelograms” were, according to the utopian socialist Robert Owen, the best layout for the streets in a worker’s settlement, so that everyone has to walk the same distance to the central assembly hall [Owe13]. Ricardo refers to this in [Ric22, p. 21].

After the footnote let us look at the main text. The essential determinations of value play an important role in Robinson’s one-man-society, although they are not expressed in relations between the products. Rather, they are reflected in the uses which Robinson makes of some of the things salvaged from the shipwreck, things which he found ready-made for him because they play important roles also in the society from which his ship came:

(α) Despite their differences, all labors are performed by the same individual, Robinson.

(β) Robinson uses his watch to keep track of how much labor-time is taken up by his various activities.

(γ) The decision how to allocate his time efficiently, which is critical for his survival, does
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not involve a coordination of the actions of different producers, but a coordination between what Robinson does today and what he does tomorrow. Robinson’s logbook helps with these decisions.

Since Robinson is alone, no direct coercion is involved. In this respect, Robinson is just the opposite of the example Marx brings next:

170:1 Let us now transport ourselves from Robinson’s island, bathed in light, to medieval Europe, shrouded in darkness. Here, instead of one independent man, we find everyone dependent—serfs and lords, vassals and suzerains, laymen and clerics. Personal dependence characterizes the social relations of material production as much as it does the other spheres of life based on that production. But precisely because relations of personal dependence form the given foundation, there is no need for la-

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The commodity and its products to assume a fantastic form different from their reality. They enter the social structure as services in kind and payments in kind. The natural form of labor, its particularity—and not, as in a society based on commodity production, its universality—is here its immediate social form. The corvée is as much measured by time as is the labor which produces commodities, but every serf knows that what while serving his lord he expends a specific quantity of his own personal labor-power. The tithe owed to the priest is more clearly apparent than the priest’s blessing. Whatever we may think, then, of the different character masks in which men confront each other in such a society, the social relations Arbeiten und Produkte nicht eine von ihrer Realität verschiedene phantastische Gestalt anzunehmen. Sie gehn als Naturaldienste und Naturalleistungen in das gesellschaftliche Getriebe ein. Die Naturalform der Arbeit, ihre Besonderheit, und nicht, wie auf Grundlage der Warenproduktion, ihre Allgemeinheit, ist hier ihre unmittelbar gesellschaftliche Form. Die Fronarbeit ist ebenso gut durch die Zeit gemessen wie die Waren produzierende Arbeit, aber jeder Leibeigne weiß, daß es ein bestimmtes Quantum seiner persönlichen Arbeitskraft ist, die er im Dienst seines Herrn verausgabt. Der dem Pfaffen zu leistende Zehnten ist klarer als der Segen des Pfaffen. Wie man daher immer die Charaktermasken beurteilen mag, worin sich
which individuals enter in the labor process
do appear here as their own personal rela-
tions, and are not disguised as social rela-
tions between things, between the products
of labor.

In medieval Europe, the three determinants of value play the following roles:

(\(\alpha\)) Not the generality but the particularity of the labor is its immediately social form. A
tithe was usually paid in kind, and society even established standards regarding work
procedures and use-values.

(\(\beta\)) Corvée measured by time. Also the word “tithe” (one-tenth) designates a given propor-
tion of the peasant family’s labor-time regardless of how big the output turns out to
be.

(\(\gamma\)) Social relations take the form of personal relationships, not of relations between things.
Nevertheless, the individuals are not the authors of these relations; the relations are
mere character masks (see 178:1/o) forced on them by society. King by the grace of
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God, peasant or artisan by birth, etc. Also in medieval Europe, society did not consist of individuals.

The sentence: “Precisely because relations of personal dependence form the given foundation, there is no need for labor and its products to assume a fantastic form different from their reality” indirectly also says something about capitalism: After the dissolution of the feudal direct dependencies, exploitative relations could only reemerge as long as they were hidden under a mystified form. It will become clear also from things said later that Marx views it it a necessary ingredient of capitalist exploitation that it be hidden.

171:1 For an example of labor in common, i.e., directly associated labor, there is no need to go back to the spontaneously developed form which we find at the threshold of the history of all civilized peoples.³⁰

We have one nearer to hand in the patriarchal rural industry of a peasant family which produces corn, cattle, yarn, linen and clothing for its own use. These things confront...
the family as so many products of its collective labor, but they do not confront each other as commodities. The different kinds of labor which create these products—such as tilling the fields, tending the cattle, spinning, weaving and making clothes—are already in their natural form social functions; for they are functions of the family, which, just as much as a society based on commodity production, possesses its own spontaneously developed division of labor. The distribution of labor within the family and the labor-time expended by the individual members of the family are regulated by differences of gender and age as well as by seasonal variations in the natural conditions of labor.

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These labors therefore do not have to be reduced to abstract labor in order to be integrated into the social context:
The time-measured expenditure of the individual labor-powers takes here from the outset the form of an social attribute of these labors themselves, since the individual labor-powers act, from the outset, only as organs of the family’s joint labor-power.

Primitive societies, but also rural patriarchal industry serve as examples of joint labor:

(α) The physiological truth that all labors are equal has no social significance. The question who does what is determined exactly by the differences of age and gender. This division of labor is “spontaneously developed” (naturwüchsig), i.e., it is based on tradition instead of the free decision and consent of the participants.

(β) Labor-time is assigned along with the tasks in (α); the work load varies seasonally (i.e., in certain months they have to work a lot, and in others they may have lots of
free time).

(γ) All work is performed in direct coordination, workers are “organs” of the whole family. No special social forms are needed except perhaps traditional ways of doing things and of division of labor.

The different determinations are not separated here. Mental abstraction is necessary to extract them from the direct co-operation of the family members.

Footnote 30, new in the second edition (but, like Footnote 29, a quote from the earlier Contribution), argues that the original state of society was indeed communal property:

30 ‘A ridiculous notion has spread recently that communal property in its natural, spontaneous form is specifically Slav, indeed exclusively Russian. In fact, it is the primitive form that we can prove to have existed among Romans, Teutons and Celts, and which indeed still exists to this day in India, in a whole range of diverse patterns, albeit sometimes only as remnants. A more exact study of the Asiatic,
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and specifically of the Indian form of communal property would show how different forms of spontaneous, primitive communal property lead to different forms of its dissolution. Thus the different original types of Roman and Germanic private property can be deduced from the different forms of Indian communal property’. (Karl Marx, Zur Kritik etc., p. 10.)

Marx’s last example is a mode of production which does not yet exist, socialism:

Let us finally imagine, for a change, an association of free individuals, working with the means of production held in common, in which the labor-power of all the different individuals is consciously applied as the combined labor-power of the community.

“Imagining” (vorstellen) is a pre-scientific form of thinking. Concerning future modes
of production, Marx claims that not much else is possible. This “imagination” also quietly rebuts the notion that the capitalist economy is the only imaginable one.

My translation of the second half of the sentence leans on the Moore-Aveling translation which is free but excellent. Moore-Aveling write:

Let us now picture to ourselves, by way of change, a community of free individuals, carrying on their work with the means of production in common, in which the labor-power of all the different individuals is consciously applied as the combined labor-power of the community.

Fowkes translates the second half as:

expending their many different forms of labour-power in full self-awareness as one single social labour force.

This is closer to the German but far less clear. Fowkes’s efforts to make the text run smoothly introduce unwanted connotations and obscure the meaning. His translation suggests that the organization is by kind of labor (the form of the labor-power) rather than by individual circumstances, and by translating “Arbeitskraft” the first time with “labor-power” and the second time with “labor force” the message is lost that in socialism each individual labor-power is treated as equal part of the social labor-power. Marx wrote “selbstbewußt” because the individuals are conscious about how they themselves are linked into the social connection;
Fowkes’s “self-awareness” does not capture this at all.

In socialism, each individual labor-power is treated as part of the social labor-power. In this respect socialism resembles commodity production, but this time the pooling of the individual labor-powers is done *consciously* rather than as the unintended byproduct of market competition.

All the characteristics of Robinson’s labor are repeated here, but with the difference that they are *social* instead of *individual*. All of Robinson’s products were exclusively the result of his own personal labor and they were therefore directly objects of utility for him personally. The total product of our imagined association is a *social* product. One part of this product serves as fresh means of production and remains social. But another part is consumed by the
members of the association as means of subsistence. This part must therefore be divided amongst them. The way this division is made will vary with the particular kind of social organization of production and the corresponding level of social development attained by the producers. We shall assume, but only for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labor-time. Labor-time would in that case play a double part. Its apportionment in accordance with a definite social plan maintains the correct proportion between the different functions of labor and the various needs of the associations. On the other hand, labor-time also unter sie verteilt werden. Die Art dieser Verteilung wird wechseln mit der besonderen Art des gesellschaftlichen Produktionsorganismus selbst und der entsprechenden geschichtlichen Entwicklungshöhe der Produzenten. Nur zur Parallele mit der Warenproduktion setzen wir voraus, der Anteil jedes Produzenten an den Lebensmitteln sei bestimmt durch seine Arbeitszeit. Die Arbeitszeit würde also eine doppelte Rolle spielen. Ihre gesellschaftlich planmäßige Verteilung regelt die richtige Proportion der verschiedenen Arbeitsfunktionen zu den verschiedenen Bedürfnissen. Andrerseits dient die Arbeitszeit zugleich als Maß des individuellen Anteils des Produzenten an der Gemeinschaftsarbeit und daher auch an dem individuell verzehrmbaren
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serves as a measure of the contribution of each individual to the common labor, and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, both towards their labor and the products of their labor, are here transparent in their simplicity, in production as well as in distribution.

All determinations of Robinson’s labor are repeated, but this time socially instead of individually.

(α) People consciously treat everyone’s labor-power as one social labor-power. Instead of the market automatism, which forces the participants to equalize their labors, Marx envisages conscious decisions about who should do what, reconciling social necessities with individual skills and preferences.

(β) Labor-time is not only a relevant factor in the production decision, but here it is also
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assumed to be the criterion for distribution. Thus labor-time has two roles. It has this same dual role in commodity production, although the mechanism is quite different.

\( \gamma \) Social relations (association of free individuals) are transparent.

In this example of a socialist society, a transformational view as we found it in 163:3/o is not evident. It rather evokes a Rousseau-type scenario of “free,” i.e., independent, individuals coming together to arrange their production. On the other hand, Marx is aware that this isolation of the individuals is not their natural state but the result of a long social process.

Religion is not only a metaphor for commodity fetishism, it is a social phenomenon which needs its own explanation. The next two paragraphs discuss the connection between the mystifications of social relations and religion. They also give important information about how Marx viewed the relationship between productive powers (technology), relations of production, and “superstructural” phenomena such as religion.

172:1/o For a society of commodity producers, whose general social relation of production consists in the fact that they treat 93:1/o Für eine Gesellschaft von Warenproduzenten, deren allgemein gesellschaftliches Produktionsverhältnis darin besteht, sich
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their products as commodities, hence as values, and in this objectified form bring their private labors into relation with each other as homogeneous human labor, Christianity with its religious cult of the abstract human, especially in its bourgeois development, i.e., in Protestantism, Deism, etc., is the most fitting form of religion.

Just as the value relation abstracts from the concrete usefulness of labor and from the individual circumstances of production, so Christianity also makes an abstraction: namely, from some of the more “bodily” aspects of humans. Just as the labor process must rise above its local and traditional character to withstand the test of the market, so humans must strip off their bodily encumbrances to become pure souls. But this correspondence between religion and commodity relations only holds for modern religions in modern time. Religion is a very old phenomenon, and the question arises how the old religions related to the socio-economic conditions of their time. This will be discussed next.
other such modes of production, the transformation of the product into a commodity, and therefore individuals in the capacity of commodity producers, play a subordinate role—although this role increases in importance as these communities approach nearer and nearer to the stage of their dissolution. Trading nations, properly so called, exist only in the interstices of the ancient world, like the gods of Epicurus in the intermundia, or Jews in the pores of Polish society.

Since the commodity relation was subordinate in the ancient modes of production, it must be ruled out as the material basis for the ancient religions. Next, Marx also rules out any other complexity or obscurity of social relations, and then gives his explanation of the religions of those times:

Those ancient social production-organisms | Jene alten gesellschaftlichen Produktionsor-
are a lot simpler and more transparent than those of bourgeois society. But they are based either on the immaturity of humans as individuals, who have not yet torn themselves loose from the umbilical cord of their natural species-connection with other humans, or on direct relations of dominance and servitude. They are conditioned by a low stage of development of the productive powers of labor, and by correspondingly limited relations of men within the process of creating and reproducing their material life, hence also between each other and between man and nature. These real limitations are reflected in the ancient worship of nature, and in other elements of tribal religions.

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Marx gives two reasons for the early religions: immaturity of the individual and direct relations of dominance and subordination. Both are conditioned by the low development of productivity, which allows only limited relations within the production process, therefore also in society at large (compare also footnote 89 to paragraph 492:3/o in the machinery chapter). Religions which are worship of nature are evidently based in the low level of productive forces, and tribal religions in the immaturity of individuals who have not yet cut their umbilical chord to the tribe.

It seems that this “immaturity” of the individual is not considered here to be generated by the social relations. Apparently, Marx sees an independent historical development also on the level of interpersonal relations, which is conditioned by, but not reducible to, and presumably slower than, the succession of social modes of production. Relevant here is also Marx’s remark in 775:1/o that “the soil of commodity production can bring forth production on a large-scale only in capitalist form.”

Marx concludes his discussion of religion with a statement about the conditions under which religion can “fade away.” For this, he returns to the modern conditions, in which religion cannot be explained by the immaturity or the direct subordination of the individual, but by the mystification of the social relations:
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The echo of the real world in religions of any kind can fade away only when the relations of everyday practical activity present themselves to the individuals all the time as transparently rational interactions with each other and with nature. The mystical veil will not be lifted from the countenance of the social life-process, i.e., of the process of material production, until it becomes the product of freely associated men, and stands under their conscious and planned control.

Mankind’s ability to seize this social control is the result of developments which are beyond its control:

This, however, requires that society possess a material foundation, or a number of material conditions of existence, which in their...
The mystification of the commodity relation not only makes people religious, it also breeds the science of “bourgeois economics.” Subsection 1.4.c derived the necessity of such a scientific enterprise from the spontaneous theoretical needs of those participating in a fetish-like economy. The emancipatory potential, which this science has like any science, is overshadowed by its social function. Its passivity, and the hopeless starting point with the finished surface categories emphasized in 1.4.c, are the legacies imprinted on this science by the social need that spawned it. But the ability of bourgeois economics to satisfy its social role—instead of leading to emancipatory action—depends not only on its method but also on the theories it provides. Subsection 1.4.e concentrates on the basic theoretical errors of bourgeois economics. These errors show that bourgeois economics is the institutionalization of commodity fetishism.
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173:1/oo Political economy has indeed, however incompletely,\textsuperscript{31} analyzed value and its magnitude, and has uncovered the content concealed within these forms. But it has never once asked why this content takes that form, that is to say, why labor is expressed in value, and why the measure of labor by its duration is expressed in the magnitude of the value of the product.\textsuperscript{32} These forms, which have it written on their foreheads that they belong to a social formation in which the production process has the mastery over men, and man does not yet master the production process, are considered by the political economists’ bourgeois consciousness to be self-evident and nature-imposed necessities, just as necessary as productive labor it-

94:1/oo Die politische Ökonomie hat nun zwar, wenn auch unvollkommen,\textsuperscript{31} Wert und Wertgröße analysiert und den in diesen Formen versteckten Inhalt entdeckt. Sie hat niemals auch nur die Frage gestellt, warum dieser Inhalt jene Form annimmt, warum sich also die Arbeit im Wert und das Maß der Arbeit durch ihre Zeitdauer in der Wertgröße des Arbeitsprodukts darstellt?\textsuperscript{32} Formen, denen es auf der Stirn geschrieben steht, daß sie einer Gesellschaftformation angehören, worin der Produktionsprozeß die Menschen, der Mensch noch nicht den Produktionsprozeß bemeistert, gelten ihrem bürgerlichen Bewußtsein für ebenso selbstverständliche Naturnotwendigkeit als die produktive Arbeit selbst.
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In German, the third sentence above reads: “Formeln, denen es auf der Stirn geschrieben steht …” This seems to be a typographical error in the second and later German editions. I assume it should be “Formen” instead of “Formeln.” Apparently this error was never corrected except in the French translation. (It says “Formen” in the First edition and “formes” in the French edition.)

By the way, the enlightening phrase “why this content takes that form” was, inexplicably to me, omitted in the Moore-Aveling translation!

“Forms which have it written on their foreheads”: Marx’s first criticism of bourgeois political economy is not its inability to accurately decipher these forms, but its failure to ask those questions which led him to write section 1.4, compare page 354 above. Although the immanent theoretical development cries out for a scrutiny of the historical character of these forms and the conditions under which they can endure, bourgeois economists do not ask this question. This shows that they suffer under the higher forms of fetishism discussed earlier in 166:2/o.

In footnote 89 to paragraph 492:3/o at the beginning of the Machinery chapter, Marx reiterates the importance of not just deciphering the forms, but also understanding how they arose.
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Besides its silence on this crucial question which it should have asked, bourgeois economics also made errors in answering those questions which it did ask. The long footnotes 31 and 32 detail the immanent shortcomings of political economy. The first footnote concentrates on the substance of value (after deferring the discussion of the quantity of value to later), and the second on the form of value.

31 The insufficiency of Ricardo’s analysis of the magnitude of value—and his analysis is by far the best—will become apparent from the third and fourth books of this work.

By this Marx means *Capital III* and *Theories of Surplus Value*. The quantity of value will therefore not be discussed here. But its quality will:

31 *ctd* As regards value itself, classical political economy nowhere makes the explicit and consciously clear distinction between the labor represented in the value of a product and the same labor manifest in its use-value.

Although classical economists do not make this distinction *expressly* and with *full aware-
ness, the subject of their science, the economy, induces them to make this distinction implicitly and without knowing it:

Of course the classical economists do, in actual fact, make this distinction, for they treat labor sometimes from its quantitative aspect, and at other times qualitatively. It does not occur to them that a purely quantitative difference between different kinds of labor presupposes their qualitative unity or equality, and therefore their reduction to abstract human labor.

These general remarks are backed up by a very specific “smoking-gun” proof that Ricardo was not aware of the distinction between concrete and abstract labor.

For instance, Ricardo declares himself in agreement with Destutt de Tracy when the latter says: ‘As it is certain that our physical and moral faculties are alone our original riches, the employment of those faculties, labor of some kind, is our original treasure, and it is always from
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With the two distinct values of a commodity Destutt means use-value and exchange-value. If Ricardo agrees with Destutt that both of these come from labor, instead of correcting Destutt that use-value comes from concrete and exchange-value from abstract labor, then this is incontrovertible evidence that Ricardo is not aware of the difference between the two aspects of labor.

Marx is conscientious enough to point out an additional wrinkle in his example, which is however less relevant for the subject under discussion: the passage quoted from Destutt also contains a blatant contradiction, and Ricardo only picks up one of the two contradictory messages—namely the correct one:
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I shall content myself here with pointing out that Ricardo puts his own more profound interpretation upon the words of Destutt. The Frenchman does, in fact, say on the one hand that all things which constitute wealth ‘represent the labor which has created them,’ but he also says, on the other hand, that they acquire their ‘two different values’ (use-value and exchange-value) from ‘the value of labor.’ He thus lapses into the shallowness of the vulgar economist, who presupposes the value of one commodity (labor, in this case) so that he can then determine the values of the other commodities. But Ricardo reads him as if he had said that labor (not the value of labor) is represented both in use-value and in exchange-value.

The point that value comes from labor itself, not from the value of labor, will be made in great detail in chapter Nineteen.
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The rest of the footnote is more to the point again. Ricardo’s failure to distinguish between the two aspects of labor makes it difficult for him to rebut Say’s trivialities. In Marx’s view, Ricardo had the right instincts, but had difficulties arguing his point because he did not distinguish between concrete and abstract labor.

Nevertheless, Ricardo himself pays so little attention to the twofold character of labor behind its twofold expression, that his whole chapter ‘Value and Riches, their Distinctive Properties’ is largely devoted to laborious refutation of the trivialities of a J. B. Say.

Finally, footnote 31 concludes with another reference to Destutt:

And at the end he is therefore quite astonished to find that while Destutt agrees with him that labor is the source of value, Destutt nevertheless also agrees with Say about the concept of value.

All this is simultaneously subtle and condensed, and only someone with an intimate knowledge of Ricardo will be able to fully appreciate this argument.
The second footnote, number 32, gives an additional detail which the main text brings only implicitly. It emphasizes that political economy investigated value and the magnitude of value, but it never even discovered the form of value—because this would have led to questions it wanted to avoid.

It is one of the chief failings of classical political economy that it has never pursued the analysis of commodities and more specifically of commodity value to the point where it yields the form of value, i.e., that what turns value into exchange-value. Even its best representatives, Adam Smith and Ricardo, treat the form of value as something quite indifferent or extraneous to the nature of the commodity itself.

It is not only important to know what value is and how its magnitude is determined, but also to relate the form which value takes on the surface of the economy, i.e., the exchange relation of commodities, to its quality and quantity. The reason why this aspect is so often ignored is twofold. On the one hand, the practical activity on the market does not throw up this question, but first and foremost requires an explanation of the magnitude of value. On
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the other hand, even the best representatives of bourgeois political economy consider the capitalist form of production as the eternally given one. This causes them to overlook the specificity of the value form.

32 ctd The reason for this is not solely that their attention is entirely absorbed by the analysis of the magnitude of value. It lies deeper. The value form of the product of labor is the most abstract, but also the most general form of the bourgeois mode of production. It characterizes this mode of production as a particular species of social production, and therewith as one of a historical and transitory character. If one considers it to be the eternal natural form of social production, one necessarily overlooks the specificity of the value form as well—and consequently that of the commodity form, together with its further developments, the money form, the capital form, etc.

Again, this general claim is backed by specific examples. Marx brings two arguments
why economists who understand that value comes from labor nevertheless do not understand money: (1) the theories they come up with contradict each other, and (2) these errors become especially apparent when they theorize the higher forms of money, such as the banking system.

The fear to unmask the capitalist system interferes more with the explanation of the more developed forms than that of the most basic and abstract ones:

32 ctd That is why certain economists who are entirely agreed that labor-time is the measure of the magnitude of value, have the strangest and most contradictory notions concerning money, the universal equivalent in its finished form. This emerges sharply when they deal with banking, where the commonplace definitions of money will no longer do. Hence there has arisen in opposition to the classical economists a restored Mercantilist System (Ganilh etc.), which sees in value only the social form, or rather the insubstantial ghost of that form.—

32 ctd Man findet daher bei Ökonomen, welche über das Maß der Wertgröße durch Arbeitszeit durchaus übereinstimmen, die kunterbuntesten und widersprechendsten Vorstellungen von Geld, d.h. der fertigen Gestalt des allgemeinen Äquivalents. Dies tritt schlagend hervor z.B. bei der Behandlung des Bankwesens, wo mit den gemeinplätzlichen Definitionen des Geldes nicht mehr ausgereicht wird. Im Gegensatz entsprang daher ein restauriertes Merkantilsystem (Ganilh usw.), welches im Wert nur die gesellschaftliche Form sieht oder vielmehr nur ihren substanzen...
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The error Marx is alluding to here is that of considering money to be only a social agreement and forget its substance. Marx will say more about this in chapter Two, 184:3/oo.

A detailed sociology-of-science explanation of the role of political economy is given in the afterword to the second edition, see e.g. 96:3/o. Here only the following remark:

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Let me point out once and for all that by classical political economy I mean all the economists who, since the time of W. Petty, have investigated the real inner structure of bourgeois relations of production, as opposed to the vulgar economists who only flounder around within the apparent structure of those relations, ceaselessly ruminate on the materials long since provided by scientific political economy, in order to lend plausibility to the crudest phenomena for bourgeois daily food. Apart from this, the vulgar economists confine themselves to systematizing in a pedantic way, and proclaiming for everlast-

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Um es ein für allemal zu bemerken, verstehe ich unter klassischer politischer Ökonomie alle Ökonomie seit W. Petty, die den innern Zusammenhang der bürgerlichen Produktionsverhältnisse erforscht im Gegensatz zur Vulgarökonomie, die sich nur innerhalb des scheinbaren Zusammenhangs herumtreibt, für eine plausible Verständlichmachung der sozusagen größten Phänomene und den bürgerlichen Hausbedarf das von der wissenschaftlichen Ökonomie längst gelieferte Material stets von neuem wiederkaut, im übrigen aber sich darauf beschränkt, die banalen und selbstgefälligen Vorstellungen der bürgerli-
Let us now return from the footnotes to the main text, which was not so much concerned with the factual theoretical errors of political economy but with its uncritical avoidance of certain questions. Since mainstream political economy accepts the historically specific forms as nature-given necessities, it has no better way out, when confronted with historically different economic formations, than a religion that is confronted with other religions: Hence the pre-bourgeois forms of the social organization of production are treated by political economy in much the same way as pre-Christian religions were treated by the Fathers of the Church.\textsuperscript{33}

With this, Marx dives into another long footnote. It elaborates on the inadequate treatment of pre-bourgeois modes of production by political economy, stemming from their failure to
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recognize the historical specificity of their own mode of production, and then says something about modes of production in general. It starts with a quote from Misery of Philosophy:

33 “The economists have a singular way of proceeding. For them, there are only two kinds of institutions, artificial and natural. The institutions of feudalism are artificial institutions, those of the bourgeoisie are natural institutions. In this they resemble the theologians, who likewise establish two kinds of religion. Every religion which is not theirs in an invention of men, while their own is an emanation of God . . . Thus there has been history, but there is no longer any.” (Karl Marx, Misère de la philosophie. Réponse à la philosophie de la misère de M. Proudhon, 1847, p. 113).

The example of a blatant mis-representation of earlier economies by a bourgeois economist illustrates this general statement:

33 Truly comical is M. Bastiat, who imag-

33 „Die Ökonomen verfahren auf eine sonderbare Art. Es gibt für sie nur zwei Arten von Institutionen, künstliche und natürliche. Die Institutionen des Feudalismus sind künstliche Institutionen, die der Bourgeoisie natürliche. Sie gleichen darin den Theologen, die auch zwei Arten von Religionen unterscheiden. Jede Religion, die nicht die ihre ist, ist eine Erfindung der Menschen, während ihre eigene Religion eine Offenbarung Gottes ist.—Somit hat es eine Geschichte gegeben, aber es gibt keine mehr.“ (Karl Marx, Misère de la philosophie. Réponse à la philosophie de la misère de M. Proudhon, 1847, p. 113.)

33 Wahrhaft drollig ist Herr Bastiat, der sich
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ines that the ancient Greeks and Romans lived by plunder alone. For if people live by plunder for centuries there must, after all, always be something there to plunder; in other words, the objects of plunder must be continually reproduced. It seems, therefore, that even the Greeks and the Romans had a process of production, hence an economy, which constituted the material basis of their world as much as the bourgeois economy constitutes that of the present-day world. Or perhaps Bastiat means that a mode of production based on the labor of slaves is based on a system of plunder? In that case he is on dangerous ground. If a giant thinker like Aristotle could err in his assessment of slave labor, why should a dwarf economist like Bastiat be right in his assessment of wage labor?

If Bastiat means by plunder the plundering of the defeated provinces, then the argument is that the things plundered must also be produced. If Bastiat means that slave labor is plunder,
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then one has to wonder whether wage labor should be called plunder too.

Footnote 33 concludes with a highly interesting additional remark, in which Marx refers back to his famous passage in the preface to the *Contribution to the Critique of Political Economy*. The importance of this remark was pointed out by Balibar in [AB70, p. 217].

Footnote 33

I seize this opportunity of briefly refuting an objection made by a German-American publication to my work *A Contribution to the Critique of Political Economy*, 1859. My view is that each particular mode of production, and the relations of production corresponding to it at every given moment, in short ‘the economic structure of society’, is ‘the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness’, and that ‘the mode in which material life is produced conditions the general process of social, political and intellectual life’. In the opinion of the German-American publication this is

Footnote 33

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does sei zwar richtig für die heutige Welt, wo die materiellen Interessen, aber weder für das Mittelalter, wo der Katholizismus, noch für Athen und Rom, wo die Politik herrschte.

Before responding to the argument, Marx indicates that this is not a new interpretation of Middle Ages and the ancient world. By implication: if there is something to it, he, Marx, would have considered it. And indeed, Marx shows again and again, especially in his *Theories of Surplus-Value*, that he is very familiar with the literature. Although he is very critical of the writings of his contemporaries, it is second nature to him to consider it carefully—not only because of the insights it may contain but also because they are “socially valid . . . forms of thought” (169:1) generated by the capitalist relations of production.

33 ctd In the first place, it strikes us as odd that anyone should suppose that these well-worn phrases about the Middle Ages and the ancient world were unknown to anyone else.

33 ctd Zunächst ist es befremdlich, daß jemand vorauszusetzen beliebt, diese weltbekannten Redensarten über Mittelalter und antike Welt seien irgend jemand unbekannt geblieben.

In his substantive response, Marx reaffirms an explanation which seems to say that production is the ultimate determinant because nothing can happen in a society before people are clothed and fed.
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One thing is clear: the Middle Ages could not live on Catholicism, nor could the ancient world on politics. On the contrary, it is the manner in which they gained their livelihood which explains why in one case politics, in the other case Catholicism, played the main role. Regarding the Roman Republic, for instance, one needs no more than a slight acquaintance with its history to be aware that its secret history is the history of landed property. On the other hand, already Don Quixote had to pay for the mistake of believing that knight erranty was equally compatible with all economic forms of society.

This argument for the centrality of the mode of production seems at first sight (a) quite unrelated to the topic under discussion, and (b) false, a non sequitur. (a) One might wonder what it has to do with commodity fetishism, and (b) it has also been often remarked that the fact that the economy provides the basic necessities for the survival of society does not necessarily imply that the economic sphere directs society.

Soviel ist klar, daß das Mittelalter nicht vom Katholizismus und die antike Welt nicht von der Politik leben konnte. Die Art und Weise, wie sie ihr Leben gewannen, erklärt umgekehrt, warum dort die Politik, hier der Katholizismus die Hauptrolle spielt. Es gehört übrigens wenig Bekanntschaft z.B. mit der Geschichte der römischen Republik dazu, um zu wissen, daß die Geschichte des Grundeigentums ihre Geheimgeschichte bildet. Andrerseits hat schon Don Quixote den Irrtum gebüßt, daß er die fahrende Ritterschaft mit allen ökonomischen Formen der Gesellschaft gleich verträglich wählte.
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In order to answer these two objections, one has to see them in their relationship. If one understands why this topic is discussed here, in the commodity fetishism section, one also understands how economics is so dominant. The missing link is people’s lack of consciousness. Balibar [AB70, p. 216] noticed some of this when he pointed out that the preponderance of the economic sphere was most direct when fetishism was most thorough.

Now back to the main text:

176:1 How utterly some economists are deceived by the fetishism attached to the world of commodities, or by the objective appearance of the social characteristics of labor, is shown, among other things, by the dull and tedious dispute over the part played by nature in the formation of exchange-value. Since exchange-value is a specific social manner of expressing the labor bestowed on a thing, it can have no more nat-
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ural content than do, for example, international currency exchange rates.

This may seem a silly dispute, since it seems so simple to look through the fetish-like character of the commodity. Things look different as soon as more developed forms are considered.

176:2 As the commodity-form is the most general and the least developed form of bourgeois production, it makes its appearance at an early date, though not in the same predominant and therefore characteristic manner as nowadays. Hence its fetish character seems still relatively easy to penetrate. But when we come to more concrete forms, not even the appearance of simplicity remains. Where did the illusions of the Monetary System come from? The adherents of the Monetary System did not see

97:2 Da die Warenform die allgemeinste und unentwickeltste Form der bürgerlichen Produktion ist, weswegen sie früh auftritt, obgleich nicht in derselben herrschenden, also charakteristischen Weise wie heute, scheint ihr Fetischcharakter noch relativ leicht zu durchschauen. Bei konkreteren Formen verschwindet selbst dieser Schein der Einfachheit. Woher die Illusionen des Mone-

garsystems? Es sah dem Gold und Silber nicht an, daß sie als Geld ein gesellschaftliches Produktionsverhältnis darstellen, aber in der
that gold and silver, as money, represent a social relation of production, albeit in the form of natural objects with peculiar social properties. And what of modern political economy, which looks down so disdainfully on the Monetary System? Does not its fetishism become quite palpable as soon as it deals with capital? How long is it since the disappearance of the Physiocratic illusion that ground rent grows out of the soil not out of society?

Both the Moore-Aveling and the Ben Fowkes translations say it “is” still relatively easy to see through, instead of “seems.” However the first edition and also Contribution, 275:1/o, both say: it is relatively easy (although right afterwards Contribution says: “verschwindet dieser Schein der Einfachheit.”) And Marx did make the change from “is” to “seems” during the revisions of this chapter for the second edition, emphasizing that the mystification is not really simple; is only seems so.
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When Marx says that the fetish-like character of the commodity *seems* relatively easy to penetrate, the implication is that it *is* not really easy. The error which one is likely to commit here is discussed in chapter Two, 184:3/oo, and also footnotes 27 and 32 here: it is equally wrong to consider commodities merely as social symbols without appreciating the importance of the objectified form of social relations.

In *Contribution* 275:1/o, Marx gives the following poignant formulation:

All the illusions of the monetary system arise from the failure to perceive that money, although a physical object with distinct properties, represents a social relation of production. As soon as the modern economists, who sneer at the illusions of the monetary system, deal with the more complex economic categories, such as capital, they display the same illusions. This emerges clearly in their confession of naive astonishment when the phenomenon that they have just ponderously described as a thing reappears as a social relation and, a moment later, having been defined as a social relation, teases them once more as a thing.

Marx ends the chapter with some comical remarks:
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176:3/o But, to avoid anticipating, we will content ourselves here with one more example concerning the commodity-form itself. If commodities could speak, they would say this: our use-value may interest humans, but it does not belong to us as objects. What does belong to us as objects, however, is our value. Our own intercourse as commodities proves it. We relate to each other only as exchange-values.

The speaking commodities exemplify a symmetric counterpart of commodity fetishism. While people act as if they were thinking that the social properties of commodities come from nature, commodities relate to each other as if they were thinking that the natural properties of commodities come from the humans. The following quotes show that this nonsense is echoed by published economists:

Now listen how the economist makes himself the mouthpiece of the commodities:


Man höre nun, wie der Ökonom aus der Warenseele heraus spricht:
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177:1 ‘Value (i.e. exchange-value) is a property of things, riches (i.e. use-value) of man. Value, in this sense, necessarily implies exchanges, riches do not.’

34 (Observations on Some Verbal Disputes in Pol. Econ., particularly relating to value, and to supply and demand, Lond. 1821, p. 16.)

Marx brings a second quote, which is almost identical although it comes from a different source: These sources are, according to footnotes 34 and 35, [Ano21, p. 16] and [Bai25, p. 165 seq.]

177:2 ‘Riches (use-value) are the attribute of man, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable … A pearl or a diamond has value as pearl or diamond.’

„Reichtum“ (Gebrauchswert) „ist ein Attribut des Menschen, Wert ein Attribut der Waren. Ein Mensch oder ein Gemeinwesen ist reich; eine Perle oder Diamant ist wertvoll … Eine Perle oder Diamant hat Wert als Perle oder Dia-
The first of these two quotes is discussed by Marx at some length in *Theories of Surplus-Value* [mecw32]316:7:

RICHES in this context are use-values. It is true, use-values are wealth only in relation to humans. But it is by its own PROPERTY that something is a use-value and therefore an element of wealth for humans. Take away from the grape the properties which make it a grape, and the use-value which it has as a grape for humans disappears; and it ceases to be, as a grape, an element of wealth. Riches as identically with use-value are *properties of things* THAT ARE MADE USE OF BY MEN AND WHICH EXPRESS A RELATION TO THEIR WANTS. As against this, “value” is supposed to be the “PROPERTY OF THINGS”!

In *Capital*, Marx expresses similar thoughts as follows:
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177:3–4 So far no chemist has ever discovered exchange-value in pearl or diamond. The economists who claim to have discovered this chemical substance with their special critical acumen, come to the conclusion that the use-value of material objects belongs to these objects independently of their material properties, while their value, on the other hand, forms a part of them as objects. What confirms them in this view is the curious fact that the use-value of a thing is realized for the humans without exchange, i.e., in the direct relation between thing and person, while, inversely, its value is realized only in exchange, i.e., in a social process.

98:1–2 Bisher hat noch kein Chemiker Tauschwert in Perle oder Diamant entdeckt. Die ökonomischen Entdecker dieser chemischen Substanz, die besonderen Anspruch auf kritische Tiefe machen, finden aber, daß der Gebrauchswert der Sachen unabhängig von ihren sachlichen Eigenschaften, dagegen ihr Wert ihnen als Sachen zukommt. Was sie hierin bestätigt, ist der sonderbare Umstand, daß der Gebrauchswert der Dinge sich für den Menschen ohne Austausch realisiert, also im unmittelbaren Verhältnis zwischen Ding und Mensch, ihr Wert umgekehrt nur im Austausch, d.h. in einem gesellschaftlichen Prozeß.
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“The ökonomischen Entdecker dieser chemischen Substanz” (literally: economic discoverer of this chemical substance) refers again to the incongruity between economic form and physical content. The translation misses that! In the first edition it was simply “our authors” (unsere Verfasser).

The bourgeois economists thought they were “confirmed” in their absurd views by the following arguments

1. Use-value is realized in the relation between object and man, therefore the economists think it comes from man, not the object. This is also how the speaking commodities themselves in 176:3/o conclude that their use-values cannot be attributed to them as objects.

2. Value is realized only in the exchange. Exchange is seen as a relation between things, therefore value seems to belong to the things. Again this is exactly what the speaking commodities themselves said.

By his appositions “without exchange” to 1. and “i.e., in a social process” to 2., Marx shows the absurdity of this reasoning.

This inversion of the natural and social is reminiscent of the following passage from Shakespeare’s Much Ado About Nothing:
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Who would not be reminded at this point of the advice given by the good Dogberry to the night-watchman Seacoal?

‘To be a well-favored man is the gift of *fortune*; but reading and writing comes *by nature*.’

A “well-favored man” is here a good-looking man, unambiguously in Marx’s German translation.

Footnote 36 takes up once more the theme of footnote 32 to paragraph 173:1/oo.

36 Both the author of *Observations etc.* and S. Bailey accuse Ricardo of converting exchange-value from something merely relative into something absolute. He did exactly the reverse. He reduced the seeming relativity, which these things (diamond, pearls, etc.) possess as exchange-values to the true relation hidden behind this semblance, namely their relativity as mere expressions of human labor. If the followers of Ricardo...
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Ricardo answer Bailey rudely, but not convincingly, this is because they are unable to find in Ricardo’s own works any elucidation of the inner connection between value and the form of value (exchange-value).
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The stimulation of my optical nerve by light coming from a thing outside is experienced in my brain as the shape (i.e. a physical property) of a thing outside me.

But in the act of seeing, the light stimulating my optical nerve comes from a physical thing outside the eye;

The relation of my labor to social aggregate labor is experienced in my practical activity as the exchange-value (i.e. a quasi-physical property) of my product.

whereas in commodity production, that what I experience as quasi-physical properties of the things I am handling is the result of my own activity.

Table 1.1: Correspondence Table for Analogy of Eye
2. The Exchange Process

Marx showed in chapter One that production, under capitalism, is organized around the allocation of society’s labor-power (which is treated as one homogeneous mass with only quantitative differences) to the different branches of production. Marx showed furthermore that the social coordination of production is established through the market relations between the products. Section 1.3 pursued the process through which the inner measure of all commodities, abstract labor, finds a fitting surface representation in money.

Chapter Two looks at the individual actions and relations on the surface of the economy, i.e., the market. It explores how individuals depend on and reproduce the structural relations of production discussed in chapter One. The relation between society and individual can be compared with that between two animals in symbiosis. Society does not determine what
2. Exchange Process

the individuals do, nor does it guarantee the individuals their survival. Rather, individuals must use the social relations and institutions in order to pursue their own goals. The social structures come to life because their need to survive forces people to accept the “character masks” provided for them by the social relations. On the other hand, this social framework must enable individuals to survive and reproduce, otherwise individuals would be forced to act outside the social framework.

The main result of chapter Two will be that commodity owners can best achieve their goals in the commodity exchange if they implement in practice those social forms, derived in section 1.3 of chapter One, by which commodities express their values. The technical difficulties of the exchange are resolved by social forms which were derived not as instruments to facilitate the exchange, but as the forms in which value appropriately expresses itself.

It is not surprising that the forms which are most appropriate expressions of the inner makeup of the commodity also facilitate their interactions with other commodities. But it is also not a tautology, and the fit is not perfect. Chapters Four, Five, and Six will show that money not only facilitates exchange, but that money carries with itself a “curse” fostering behaviors which go beyond the economic necessities of simple commodity production.

Marx did not subdivide chapter Two, but for the purpose of this commentary it is divided
into four sections.

The first section, *Social Prerequisites of Commodity Production*, consists of one paragraph only, 178:1/o. It gives a very brief overview of the social relations that are necessary for production to take the form of commodity production. People must recognize each other as private owners, i.e., treat each other as disconnected strangers.

In the second section, *Dilemmas Inherent in the Commodity Exchange* 179:1–181:1, Marx asks the opposite question: how do commodity relations affect individual actions and interactions. Marx describes the dilemmas which a commodity owner encounters who is trying to make exchanges in such a way that his or her personal interests are met.

Marx argues that these dilemmas are unsolvable on an individual level, but that the social act of separating money from the ordinary commodities creates the framework for its resolution. The next section, *Historical Development of the Commodity Form* 181:2–184:2, shows how this social act came to be performed in history.

The final section, *Ideologies of Money and its Fetish-Like Character* 184:3–187, discusses the false consciousness generated by the practical market interactions: money as a symbol, the quantitative expression of the value of the money commodity, and the magic of money.
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2.1. [Social Prerequisites of Commodity Production]

178:1/o Commodities cannot go to market by themselves in order to exchange themselves. In chapter One, the commodity was depicted as something active. Chapter Two begins with the sobering observation that commodities, by themselves, cannot even walk to the market. We must therefore look what their keepers are doing, the commodity owners.

99:1/o Die Waren können nicht selbst zu Markte gehen und sich nicht selbst austauschen. Wir müssen uns also nach ihren Hütern umsehen, den Warenbesitzern.

Although chapter Two is a discussion of volitional individual agency, this formulation shows that center stage is still occupied by the commodity, not its owner. The exchange process is introduced as something which the commodities need to do, not their owners. The word “keeper” or “guardian” (Hüter) indicates that the main actor is not the owner but the commodity. The owners of the commodities get our attention only because nothing in society happens unless some individual carries it out—but this does not mean that the individual is in charge. In our mental image we should not visualize owners carrying their commodities to the market, but commodities dragging their owners along with them to the
2.1. [Prerequisites of Commodity Production]

The keeper of the commodity is its private owner, i.e., Marx introduces here the concept of private property. The first thing to know about private property is that it is not a relation between thing and person, but a social relation, because everybody else in society must respect your property:

Commodities are things, and can therefore not put up resistance against man. If they do not comply with his will, he can use force—in other words, he can take them.\(^{37}\)

“Take possession” is a too formal translation of the German word “nehmen,” which denotes a simple practical act disregarding social rules.

Marx not only says here that private property is a social relation, but he puts his own spin on this: he describes the commodity as having its own will. The commodity belongs to \(P\) and therefore only wants to be used by \(P\). It would like to see its will respected by the humans—but the commodity itself has no recourse if the non-owner \(Q\) ignores the social
2. Exchange Process

relations crystallized in the commodity and treats it as a thing which he can simply take (see *Grundrisse*, 94:1).

Footnote 37 brings a juicy illustration in which commodities literally have their own wills—they are human beings—and where the “taking” consists in sexual and other violations:

37 In the twelfth century, so renowned for its piety, very delicate things often appear among these commodities. Thus a French poet of the period enumerates among the commodities to be found in the fair of Lendit, alongside clothing, shoes, leather, implements of cultivation, skins, etc., also ‘women crazy of their bodies’.

The medieval French poet is Guillot de Paris. Lendit is a town near Paris where a great fair had been held annually from the 12. to the 19. centuries. The quote is taken from the satirical poem “Dit du Lendit.”

Commodities, as things, are just as powerless as these women selling their sexual favors. Just as these women have very little protection if their buyers do not treat them humanely,
so are the commodities powerless if the members of society do not respect their commodity relations.

Therefore, a social relation between the commodity owners is necessary. It is society, not the commodity itself, which prevents \( Q \) from taking the commodity unless its owner \( P \) agrees to it.

In order to relate these objects to one another as commodities, their keepers must relate to each other as persons, whose wills reside in these objects. The persons whose “wills reside in these objects” are the private owners of these objects. If \( P \) steals \( Q \)’s commodity, he automatically violates the will of \( Q \), whether or not \( Q \) witnesses the theft or actually needs the commodity that is stolen from him. Whoever wants to use something that is the property of \( Q \) must have the permission of \( Q \). \( Q \)’s will refers not only to his or her body, but to a circle of things around it. If you use a hammer, your will does not reside in the hammer; having one’s will reside in an object is a different relationship than that of using the object. People’s wills reside no longer in their persons, activities, interpersonal relations, but in things.
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Usually $Q$ will only then get $P$’s permission to use $P$’s commodity if he can give one of his own commodities in exchange. This leads us back to the topic of this chapter, the exchange process:

In order to appropriate the commodity of the other, and alienate his own, each owner has to consent with the other, i.e., it is an act of will common to both parties. 

... so daß der eine nur mit dem Willen des andren, also jeder nur vermittelst eines, beiden gemeinsamen Willensaktes sich die fremde Ware aneignet, indem er die eigne veräußert.

With personal property (clothes, books, car, home) one has the right to exclude others from using these things because they are part of your person. Commodity exchange gives a different reason why you must be able to exclude others from using the things belonging to you: they cannot have your things unless they give you some of theirs. Private property becomes the means to access others’ property.

Although both parties freely agree to the exchange, the parties do not share a common goal. In certain acts of exchange, these goals diverge so much that that the transaction is best considered an act of coercion, but it is accompanied by a ritual which makes it look like a voluntary act. This “voluntary” nature of property transfers is one of the means by which
private property hooks its owners. Property is not assigned and/or denied to you by some authority, which can become the target of your hatred, but you acquire everything you have by an act of your own will. The worker receiving a minimum wage must tell herself that she consented to her employment relation and that she can always quit her job.

The producers are separated in production and connected in the exchange. The legal relation reflects this separation by the concept of private property, and the connection by the contract [Cat89, p. 25]. These two aspects are very contradictory to each other.

This agreement between commodity owners necessary to transfer ownership is only one of many examples of a pervasive “split will” on the part of private owners, about which Marx comments elsewhere. On the one hand, the property owners have complete control over their privately owned objects. On the other hand, they must subordinate their wills to a legal framework which forces them to put the respect of private property above everything else, even above their own lives. The private owner’s will is therefore split. To be private owner of a commodity means, on the one hand, that one is very selfish, since one can dispose over one’s private property without being responsible to anyone. On the other hand, private property can only then be a generally respected principle if the laws of private property take precedence over any human needs. The laws of private property, therefore, turn you into an
absolute despot on the one hand, and into a piece of dust on the other. This is a pervasive contradiction for everyone living in a capitalist society. It is especially obvious in situations where ownership of a thing is transferred from one person to another, but this is by far not the only situation where this contradiction comes to the surface.

The keepers must therefore recognize each other as the private owners of their commodities.

This is the first time Marx uses the word “private” owners or property. Commodity exchange is only possible if the individuals treat each other as the private owners of their respective commodities. But this does not mean that the commodity owners first have to enter a legal relation before they can exchange commodities. Rather, by exchanging commodities they implicitly recognize each other as private owners and enter a contract with each other.

This juridical relation, whose form is the contract, whether as part of a developed legal system or not, is a relation between wills in which the economic relation reflects it-
2.1. [Prerequisites of Commodity Production]

The laws do not create this relation but they only make it explicit. This is argues much more explicitly in Notes on Wagner, p. [mecw24]553:4–554:1.

By the way, Marx does not say that the juridical relation is a mirror-image of the economic relation, but the juridical relation is like a mirror in which one can see the reflection of the economic relation. This formulation allows the interpretation that the juridical relation has its own autonomy, a modern term for this is “relative autonomy,” it is not a mere derivative of the economic relation.

Although this legal relation is a relation of wills, its content is not created by the individuals but by the economic relations.

In this relationship of wills, individuals consider the laws of private property more important than the next person. Individuals remain strangers to each other and only enter into mutual “scratch your back” relations, as described in Grundrisse 243–244. Marx’s assertion that the content of this relation is given by the economy is reason for hope: people...
2. Exchange Process

relate to each other in this way not because of human nature, but people are forced to relate this way because of the structure of the society they find themselves in.

The emphasis that this relation of wills obtains its content from the economy is again an implicit criticism of Hegel, for whom the state is the incarnation of the will of the people. Marx says, yes, they have to enter a relation of wills, but its content is not theirs but is given to them by the economy. If they want something that is not prescribed to them by the economy, they face bankruptcy, money pump, loss of job, etc.

Footnote 38 illustrates what it means that the content of the legal relation is given by the economy. Proudhon’s ideals of justice are only desirable in the context of commodity production, yet he considers them “eternal” principles:

38 Proudhon draws the inspiration for his ideal of justice, of ‘eternal justice’, from the juridical relations which the production of commodities has made necessary. This, by the way, also furnishes proof, to the consolation of all would-be capitalists, that the commodity form of the product is as eternal as justice.

\[\uparrow\]

It must be comforting for the capitalists and their dupes to read that commodity relations

38 Proudhon schöpft erst sein Ideal der Gerechtigkeit, der justice éternelle, aus den der Warenproduktion entsprechenden Rechtsverhältnissen, wodurch, nebenbei bemerkt, auch der für alle Spießbürger so tröstliche Beweis geliefert wird, daß die Form der Warenproduktion ebenso ewig ist wie die Gerechtigkeit.
2.1. [Prerequisites of Commodity Production]

conform with the principles of justice. They infer from this that such a just system must last forever. This erroneous subordination of the actual commodity relations to an ideal of eternal justice leads to the desire to modify the actual relations wherever they do not conform with this ideal:

38 ctd Then Proudhon turns round and seeks to reform the actual production of commodities, and the corresponding legal system, in accordance with this ideal. What would one think of a chemist who, instead of studying the laws governing actual molecular interactions, and on that basis solving specific problems, claimed that those interactions must be modified in order to conform to the ‘eternal ideas’ of ‘naturalness’ and ‘affinity’? When we say ‘usury’ contradicts ‘eternal justice’, ‘eternal equity’, ‘eternal mutuality’, and other ‘eternal truths’, we do not know any more about it than the fathers of the church did when they said usury was incompatible with

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‘eternal grace’, ‘eternal faith’, and ‘God’s everlasting will’.

Also the main text argues that (at least at this level of abstraction) the economic relations determine what people want. Commodities act through people:

The persons exist here for one another only as representatives of commodities, therefore as commodity owners.

Marx’s remark that individuals exist “here” only as representatives of commodities must be seen in the same spirit as his remark in footnote 15 to paragraph 134:3/o of chapter One that “wages is a category that does not exist yet at this stage of our presentation.” Marx does not mean that people are nothing other than representatives of the commodity relation; he rather means that right now, at the present stage of the presentation of the basic laws of the capitalist economy, this is all we need to know about individuals. Only after having understood the capitalist social relations can we discuss in depth the specific ways in which individuals fit themselves into or act to transform these relations.

Although people are more than the representatives of commodities, the legal relations necessary for unhindered commodity circulation reduce them to such representatives. In
2.1. [Prerequisites of Commodity Production]

capitalism, people relate to each other not first and foremost as people but first and foremost as property owners. If you as a human being need something, for instance, food for survival, or medicine because you are ill, but you as a property owner cannot pay for it, then the property-owner aspect of you is considered by society more important than the human-being aspect of you. This makes capitalism an inherently violent system.

As we proceed to develop our investigation, we shall find, in general, that the persons’ economic character masks are mere personifications of the economic relations as whose carriers they confront each other.

Wir werden überhaupt im Fortgang der Entwicklung finden, daß die ökonomischen Charaktermasken der Personen nur die Personifikationen der ökonomischen Verhältnisse sind, als deren Träger sie sich gegenüberstehen.

Fowkes translates Charaktermasken with “the characters who appear on the economic stage” Neither the Moore-Aveling nor the Fowkes translation uses the term character mask. (The French has “masques divers.”) The term “Charaktermaske” was already used in 170:1. Something extraneous to human beings, often taken on only temporarily.

The word “character mask” comes from Greek theatre, where the actors wore masks rep-
representing the characters they were representing. A character mask is a surface relationship: it consists of the social roles which people play in their interactions. These roles are not a creation of the individuals themselves, but an outgrowth of the economic relations in which these individuals find themselves.

When we meet character masks again in the later development, they will be less innocuous than the fleeting character masks of buyer and seller discussed here. Marx wrote to Engels on April 2, 1858:

[mew29]317:2/o Diese einfache Zirkulation, considered as such ... evinces no distinction between the objects of exchange, save formal and evanescent ones ... While everything may be "lovely" here, it will soon come to a sticky end, and this as a result of the law of equivalence.

[mecw40]303 This simple circulation, for sich betrachtet, und sie ist die Oberfläche der bürgerlichen Gesellschaft, worin die tieferen Operationen, aus denen sie hervorgeht, ausgelöscht sind, zeigt keinen Unterschied zwischen den Subjekten des Austauschs, außer nur formelle und verschwindende ... Kurz, es ist hier alles „scheene“, wird aber gleich ein Ende mit Schrecken nehmen, und zwar infolge des Gesetzes der Äqui-
2.2. [Dilemmas of Barter]

In chapter Twenty-Three, 711:3/0, Marx shows how the character masks of capitalist and worker are no longer transitory but remain attached to the same persons.

2.2. [Dilemmas Inherent in the Barter of Commodities]

The long first paragraph of chapter Two said: products of labor can become commodities only if the commodity owners relate to each other in certain specific ways. This paragraph explored the relations of wills necessary for commodity production to be possible. After this, Marx addresses the opposite question: how does the commodity relation, once it is established, affect the interests and therefore the wills of the commodity owners?

The exchange process is the simplest economic interaction between individuals on the surface of the economy. In the first edition of Capital, 51:1, at the very end of what in later editions was to become chapter One, Marx explains why he wants to look at the exchange process now:

The commodity is immediate unity of use-value and exchange-value, i.e., of two oppo-

Die Ware ist unmittelbare Einheit von Ge-

brauchswert und Tauschwert, also zweier
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sitite moments. It is, therefore, an immediate \emph{contradiction}. This contradiction must develop as soon as the commodity is not, as it has been so far, analytically considered once under the angle of use-value, once under the angle of exchange-value, but as soon as it is placed as a whole into an actual relation with other commodities. The \emph{actual} relation of commodities with each other, however, is their \emph{exchange process}.

Entgegengesetzten. Sie ist daher ein unmittelbarer \emph{Widerspruch}. Dieser Widerspruch muß sich entwickeln, sobald sie nicht wie bisher analytisch bald unter dem Gesichtspunkt des Gebrauchswerts, bald unter dem Gesichtspunkt des Tauschwerts betrachtet, sondern als ein Ganzes wirklich auf andere Waren bezogen wird. Die \emph{wirkliche} Beziehung der Waren aufeinander ist aber ihr \emph{Austauschprozeß}.

Here is an attempt to formulate in my own words, and to elaborate, the same ideas which Marx expressed quite tersely in the above passage. It is not incorrect to say that chapter One discusses the inner anatomy of each commodity, and chapter Two discusses the most direct interactions between commodities. However, a characterization which goes a little deeper beneath the surface, and better expresses the connection between the two chapters, would be: chapter One discusses use-value and exchange-value separately, while Two discusses the relationship between use-value and exchange-value. Use-value and exchange-value do not
relate with each other within the commodity. If we look at the commodity by itself, use-value and exchange-value just sit next to each other like strangers in an airplane or train. This is what Marx means by “immediate unity.” There is no mediation between the two. Yet the commodity silently points to the place where the connection between use-value and exchange-value matters—because it is a commodity only in relation to other commodities. And if we look for a situation where this relation is not merely theoretical but practical we arrive at the exchange process. The exchange process is a transaction in which the relation between use-value and exchange-value plays a role: the owners trading their commodities must take both use-value and exchange-value into consideration.

2.2.a. [The Commodity Versus its Owner]

A simple commodity producer who goes to market in order to barter his products pursues two goals in the same transaction. On the one hand, he wants this exchange to yield the use-value that best suits his needs (this is the personal dimension of the transaction), and on the other, he wants to realize the value of his commodity which he is giving in exchange (this is the social dimensions of the transaction). These two goals do not complement each other
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harmoniously but on the contrary pull in different directions and obstruct each other. They are so much at odds that Marx metaphorically represents them as the goals of two different agents, of the commodity producer himself on the one hand, and his commodity on the other.

Marx first discusses the point of view of the commodity. The commodity is depicted as having its own will because the market relations between commodities are beyond the control of the commodity owner. The commodity, representing the social dimension of the exchange transaction, is single-mindedly interested in realizing its value, and is therefore willing to exchange itself with any other commodity which has the same value as itself.

What chiefly distinguishes a commodity from its owner is the fact that the commodity considers the body of every other commodity only as the form of appearance of its own value. A born leveller and cynic, it is always ready to exchange not only soul, but body, with each and every other commodity, even one that is more repulsive than Maritornes herself.
The first few words “was den Warenbesitzer namentlich von der Ware unterscheidet” lead us to expect that the commodity owner will be discussed. And taken as a whole, this paragraph does indeed discuss the commodity owner. But the second half of the first sentence and the second sentence turn to the commodity as the main subject, not the commodity owner. The thing in which the commodity owner is interested is introduced as the thing in which the commodity itself is not interested. And before he gets to this, Marx delineates what commodities are interested in. In other words, Marx starts with the commodity owner, then switches to the commodity, and then goes back to the commodity owner. This back-and-forth is confusing and clumsy. Therefore I eliminated one of these reversals in the translation: in the translation I first speak of the commodity and then of the commodity owner.

The phrase “exchange not only soul but body” suggests a sexual analogy: a person’s animal instincts are eager to perform the sex act regardless with whom, while the person as a human being is selective about the person they want to share their life with.

Maritornes is a character from Cervantes’ novel Don Quixote.

Whenever a commodity owner tries to exchange a commodity, he or she is entering a society-wide relationship—because this exchange determines whether the commodity offered fits into the social division of labor. Any exchange (short of a liquidation sale) is validation of the labor inside the commodity as socially necessary labor. The use-value of the other commodity for which a given commodity is exchanged is irrelevant for this valida-
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tion. This is why Marx says: the commodities (which represent this social relation) are not interested in the use-values of the other commodity for which they are exchanged.

The exchange transaction also has a private dimension, because it also decides whether the commodity producer will be rewarded for the labor he or she put into the commodity. This is a different point of view than the social point of view. Now the use-value of the commodity received in exchange matters very much. If the commodity which the producer gets in return is not useful to him or her, then the producer’s labor may be socially validated, yet the producer’s personal objective, to receive the use-value he or she needs, is not achieved. This private dimension of the exchange is depicted here as the point of view of the commodity-owner. In contrast to the commodity itself, the commodity owner is very interested in the use-value of the other commodity:

The commodity’s lacking sense for the concrete bodily features of the other commodity is supplemented by the five or more senses of the commodity owner.
One can even say that the owner’s actions are only governed by use-values—if one extends the concept of use-value a little. The five or more senses of the commodity owner do not include a sense for the social relations in which the commodity is embedded. For the owner, his commodity possesses no immediate use-value. If it did, he would not bring it to market. It has use-value for others. For him, immediately, its only use-value is that of being a carrier of exchange-value, and therefore a means of exchange. This is why he wants to relinquish it, in exchange for commodities whose use-values are of service to him.

This is the Hegelian conclusion that becoming a use-value is the union of not being a use-value and being a use-value. But while Hegel begins with being, Marx begins here with
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non-being. The commodity (say a sandal) is not an immediate use-value for its producer. This non-being implies being: the sandal has use-value as a means of exchange exactly because it does not have immediate use-value. The aim of the exchange is then the becoming, since the intention is to turn the sandal into something which the owner can actually use.

Marx distinguishes here two kinds of use-value. The immediate use-value is the use-value we know from the beginning of chapter One, this is the use-value which only realizes itself in use or consumption (see 126:1). The use-value referred to in the fourth sentence, the use-value of a commodity as means of exchange, is its formal use-value, see 184:1 later in chapter Two. Footnote 39 clarifies once more the distinction between immediate and formal use-value, and at the same time documents that this distinction goes all the way back to Aristotle:

39 ‘For twofold is the use of every object … The one is peculiar to the object as such, the other is not, as a sandal which may be worn and is also exchangeable. Both are uses of the sandal, for even he who exchanges the sandal for the money or food he is in need of, makes use of the sandal as a sandal. But not in its natural way. For it 39 „Denn zweifach ist der Gebrauch jedes Guts.—Der eine ist dem Ding als solchem eigen, der andre nicht, wie einer Sandale, zur Beschuhung zu dienen und austauschbar zu sein. Beides sind Gebrauchswerte der Sandale, denn auch wer die Sandale mit dem ihm Mangelnden, z.B. der Nahrung austauscht, benutzt die Sandale als San-
2.2. [Dilemmas of Barter]

2.2.b. [A Circle of Conditions]

Marx has not yet specified how this “becoming” of the use-value in the exchange-process is achieved. A common-sense solution would be that the commodity producers simply barter their goods with each other. Against this, Marx argues that direct barter is so contradictory that a different solution is needed. This is not the first time that Marx points out a real-life contradiction which may not be obvious to the practical agents. This time, it is especially unintuitive to argue that direct barter is plagued with prohibitive contradictions, because in simple situations, direct barter is clearly possible and often used. Marx is therefore very thorough and formulates these contradictions in three different ways. The contradictions which Marx is taking pains to point out make direct barter infeasible in any other than the simplest situations.

Since it is possible, in a simple situation, to so-to-say sneak through between the blades...
of this contradiction, one should not be surprised that Marx’s opening move in the argument is to get away from the individual situation and to generalize. Not only the weaver but also every other commodity producer enters the market with the intention to convert the use-value for others into something they themselves can use.

All commodities are non-use-values for their owners, and use-values for their non-owners. Consequently, they all must change hands.

↑ This itself is not yet contradictory. A transfer of products from producer to consumer must occur in every society that has division of labor. ↓ The next sentence begins with a “but.”

But this change of hands is accomplished by their exchange. The exchange places them in relation with each other as values and realizes them as values.

Alle Waren sind Nicht-Gebrauchswerte für ihre Besitzer, Gebrauchswerte für ihre Nicht-Besitzer. Sie müssen also allseitig die Hände wechseln.

Aber dieser Händewechsel bildet ihren Austausch, und ihr Austausch bezieht sie als Werte aufeinander und realisiert sie als Werte.
2.2. [Dilemmas of Barter]

“Is accomplished by” is a somewhat free translation of “bildet.” I chose this translation because I believe Marx should have written “dieser Händewechsel wird durch ihren Austausch gebildet” instead of “dieser Händewechsel bildet ihren Austausch.”

⇑ This abstract argument is easier to understand if one looks at one individual barter situation. I am able to get the use-value I want only if my commodity is accepted in exchange by the other person (who owns the commodity I want). The paradigm of modern economics sees here only the “double coincidence of wants,” i.e., the only condition which it sees is that my commodity’s use-value must therefore satisfy the other person’s needs. This argument overlooks that the other person deals not only with me but stands in market relations with all other producers as well. Even if he wants exactly the same use-value which I am offering he may turn to someone who is offering this use-value at better terms of trade than I. The condition for me to be able to get the use-value I want is therefore a general social condition, not restricted to this one other commodity owner: the condition is that my commodity must be realized as value. ⇩ The individual and social dimension of the exchange seem therefore connected in the following way: the social condition must be satisfied before the individual decision can be made. It follows that commodities must be realized
as values before they can be realized as use-values.

Let’s therefore look what are the conditions for my commodity being realized as value. Two conditions must be satisfied for this. On the one hand, the labor going into my commodity must be socially necessary labor only, and on the other, the use-value I am producing must be needed by others. Marx formulates here only the second of these conditions, because this is the condition which leads us in a circle.

On the other hand, they must stand the test as use-values before they can be realized as values. For the labor expended on them only counts in so far as it is expended in a form which is useful for others.

In other words, the social dimension of the exchange of my commodity depends on the private dimension of the exchange of my trading partner’s commodity. Now we could follow the same argument around again: my trading partner can only pick the use-value he needs if his commodity is accepted by me, etc.

In other words, we are in a circle in which the
2.2. [Dilemmas of Barter]

condition for the exchange of commodities is—the exchange of commodities already:
However, only their exchange can prove whether that labor is useful for others, and its product consequently capable of satisfying the needs of others.

↑ In *Contribution*, 284:1/o, Marx calls this “a defective circle of problems, since the solution of one problem presupposes the solution of the other.” This circularity is not located on the surface, where it would prevent the action to happen altogether, but it is a circularity of the underlying motive forces, which manifests itself in a lack of guidance that would be needed to make barter possible if the exchange relations become intricate enough.

2.2.c. [Not only a Circle but even a Contradiction]

We have arrived, once again, at an impasse situation: the selection of the use-values by the commodity consumer relies on the realization of the values they have produced, but this realization already presupposes the selection of use-values by other consumers, and if one repeats the cycle, one ends up with the same consumer where one started. Before developing
a solution, Marx shows that this impasse is even deeper than what we have seen so far. Not only do realization of value and selection of use-values pre-suppose each other in a circular way, they also contradict each other. Here is one pole of this contradiction:

180:1 The owner is willing to part with his commodity only in return for other commodities whose use-values satisfy his needs. To that extent, exchange is for him a purely individual process.

101:1 Jeder Warenbesitzer will seine Ware nur veräußern gegen andre Ware, deren Gebrauchswert sein Bedürfnis befriedigt. Sofern ist der Austausch für ihn nur individueller Prozeß.

⇑ Regarding the commodity the market participant is acquiring, the exchange process is a purely individual process; the commodity owner does not have to consult with anyone and is not bound by any social constraints regarding the use-value he is choosing. ⇩ The only constraint he is willing to accept is the value constraint. After all, he wants to make an exchange, not receive a present. Therefore he is willing to give a full equivalent for the use-value he has chosen.

On the other hand, he wishes to realize his commodity as a value, i.e., in any other commodity of equal value which suits him, Andrerseits will er seine Ware als Wert realisieren, also in jeder ihm beliebigen andren Ware von demselben Wert, ob seine eigne
2.2. [Dilemmas of Barter]

regardless of whether his own commodity has any use-value for the owner of the other commodity or not.

Although to the individual commodity producer this seems fair, why should he not receive any use-value he desires if he is willing to give a full equivalent in exchange for it, this attitude denies others the freedom to choose their use-values which he claims for himself. Rather he wants everybody to be forced, by the rules of society, to accept his commodity in exchange for their own if his commodity has the same value as theirs. In order to indicate that this is a contradiction, Marx says that viewed from this side, the exchange process is not an individual but a general social process:

To this extent, exchange is for him a general social process.

These two requirements do not fit together. According to the second requirement, everyone has to accept any use-value in exchange for their own which has the same value of their own, therefore they are not free to choose which use-value they receive for their own commodity. The same act cannot exclusively depend on their individual will and at the same time be entirely prescribed by society.
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But the same process cannot be both: be exclusively individual for all owners of commodities, and at the same time be exclusively social and general.

This contradiction between the individual and the social dimension of the exchange process is a matter of our daily experience. We are confronted with this contradiction whenever we have to decide whether we want to buy exactly the use-value we want and pay premium price for it, or whether we prefer to make do with whatever is on sale.

2.2.d. [Alternative Formulation of the Contradiction]

Through a “closer” look, Marx arrives at an alternative formulation of the contradiction—a formulation from which he will derive, in the next step, a solution for this contradiction:

180:2 Let us take a closer look. The owner of a commodity considers every other commodity as the Particular equivalent of his own commodity, which makes his own
commodity the General equivalent for all other commodities.

I translated the passive “gilt” with the active “considers” because the next sentence refers to this as an act.

The commodity-owner expresses the value of his commodity in a large circle of use-values of other commodities, i.e., if we apply the categories developed in section 3 of chapter One, his own commodity is in the Expanded relative form, see 155:2.

This can only then be a social expression of value if the others consider his commodity as the General equivalent (which is simply the expanded form of value read backwards). Marx makes here exactly the same reversal as in 157:3. Unfortunately, it is impossible for the others to consider his commodity as the General equivalent:

But since every owner does the same thing, none of the commodities is General equivalent, and the commodities do not possess a General relative form of value in order to...
2. Exchange Process

equate each other as values and compare the magnitudes of their values.

For every commodity producer, her own product is the point of reference, it is her treasure, whose value she wants to express in all other products. It is the “money” with which she wishes to buy the other commodities. But overall, there can only be one money in society. Therefore the points of view of different individuals—which by their nature do not spontaneously fit together but have to be adjusted to each other—cannot even be formulated in a common language that make such an adjustment possible. This is why Marx writes that in this situation, the commodities do not have a general form of value. Their confrontation on the market does not take a form which reflects the social fact that they are commodities. Therefore they do not even confront each other as commodities, but only as products or use-values.

They are commodities, but they do not have an interactive relation with each other which does justice to this. Giving the objects a commodity form means providing a common social language in which the individuals can express, in a socially coherent manner, their individual attitudes towards the use-values and exchange-values of the things they are producing.
2.2.e. [The Deed]

The lack of social coordination in the alternative formulation of the contradiction gives a hint where the solution of this contradiction must be found. It cannot be resolved on an individual level but require a social act. Society has a way out, even if the individuals do not. Society can agree to accept a certain commodity as General equivalent. It can give the commodities a social form in which the inherent dilemmas of the commodity, though still present, are expressed equally for everyone. If the individuals view their connection to the social labor process no longer in a different and incoherent manner, they are able to align their activities with each other. The “preparatory act of circulation” necessary for this took place a long time ago:

180:3–181:1 In their dilemma our commodity-owners think like Faust: ‘In the beginning was the deed.’ They have therefore already acted before thinking.

↑ This is a reference to Goethe’s *Faust*, Part I, Scene 3, Faust’s Study.

The laws of the commodity nature come to fruition in the natural instinct of the com-

101:3–4 In ihrer Verlegenheit denken unsre Warenbesitzer wie Faust. Im Anfang war die Tat. Sie haben daher schon gehandelt, bevor sie gedacht haben.

Die Gesetze der Waren­natur betätigen sich im Naturinstinkt der Warenbesitzer.
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The word “natural instinct” is a pun: it is not an instinct which the commodity owners have by nature, but it is an instinct for the commodity nature which the commodity owners gain by their spontaneous market activity. The remainder of this paragraph, which is a nutshell summary of section 1.3, explain this process:

They can only relate their commodities to each other as values, and therefore as commodities, if they place them in a polar relationship with a third commodity that serves as the General equivalent. We concluded this from our analysis of the commodity. But only a social deed can turn one specific commodity into the General equivalent. The social action of all other commodities, therefore, excludes one specific commodity, in which all others represent their values. The natural form of this commodity thereby
becomes the socially recognized equivalent form. Through the agency of the social process it becomes the specific social function of the excluded commodity to be the general equivalent. It thus becomes—money.

‘These have one mind, and shall give their power and strength unto the beast’ (Revelation 17:13). ‘And that no man might buy or sell, save that he had the mark, or the name of the beast, or the number of his name’ (Revelation 13:17).

And indeed, there are no direct exchanges of commodities in modern markets. Everything is sold and purchased, only a tiny fraction of the goods are directly bartered. The form $C - M - C$, which replaces the direct barter, will be discussed in chapter Three. In 199:2, Marx will pick up the thread from here.
Since the resolution of the contradictions of commodity exchange requires a social deed, Marx looks now at the history of the commodity form in order to see when this deed happened. It turns out that this social deed was not a one-time act (so that commodity production first existed before this social deed and then after it), but that the commodity form gradually emerged along with commodity production itself.

The money crystal is a necessary product of the exchange process, in which different products of labor are in fact equated with each other, and thus are in fact converted into commodities.

Whenever the producers exchange their products of labor and thus turn their products of labor into commodities, money necessarily develops as well. Marx gives a very abstract argument why this must be so: The next sentence is parallel to 160:4: The historical broadening and deepening of exchange develops the opposition between
2.3. [History of Commodity]

use-value and value dormant in the nature of the commodity.

Both translations (Moore-Aveling and Fowkes) say “latent” instead of “dormant.” This is the epistemic fallacy. One does not become invisible if one falls asleep.

↑ With the increasing variety of commodities on the market, the value and use-value of each commodity come more and more in contradiction with each other.

↓ In order to practically handle this contradiction, its two poles have to be spread over two different commodities: the ordinary commodity representing the use-value, and the money commodity representing the value.

The need to have an external representation of this opposition for the purposes of commercial intercourse generates the drive towards an independent form of value. It finds neither rest nor peace until this independent form has been achieved once and for all by the differentiation of commodities into com-

Das Bedürfnis, diesen Gegensatz für den Verkehr äußerlich darzustellen, treibt zu einer selbständigen Form des Warenwerts und ruht und rastet nicht, bis sie endgültig erzielt ist durch die Verdopplung der Ware in Ware und Geld.
modities and money.

Important connection between the external expression of the inner nature and the practical necessities of commerce. Since commodity production develops gradually, and with its (initially dormant) inner contradictions, and since these contradictions immediately need external expression, the development of commodity to money parallels the development of commodity production.

At the same rate, then, as the transformation of the products of labor into commodities is accomplished, one particular commodity is transformed into money.\(^{40}\)

In the light of this close historical connection between form and content, Gray’s theory of labor money seems especially absurd.\(^{40}\)

From this we may form an estimate of the craftiness of petty-bourgeois socialism, which wants to perpetuate the production of commodities while simultaneously abolishing the ‘antagonism between money and commodities’, i.e. while abolishing money itself, since money only...
exists in and through this antagonism. One might just as well abolish the Pope while leaving Catholicism in place. For more on this point see my work *A Contribution to the Critique of Political Economy*, p. 320:2–321:3 ff.

This footnote 40 has a similar theme as footnote 24 to paragraph 161:1 in section 3 of chapter One.

The first stage in the historical development of the commodity form is what Marx calls the direct barter of products:

181:3/o The direct barter of products in one respect does and in another respect does not yet have the form of the Simple expression of value. That form was $x$ commodity $A = y$ commodity $B$. The form of the direct barter of products is: $x$ use-value $A = y$ use-value $B$.  

102:1/o Der unmittelbare Produktenaus tausch hat einerseits die Form des einfachen Wertausdrucks und hat sie andererseits noch nicht. Jene Form war $x$ Ware $A = y$ Ware $B$. Die Form des unmittelbaren Produktenaus tausches ist: $x$ Gebrauchsgegenstand $A = y$ Gebrauchsgegenstand $B$.

Footnote 41 refers to a situation which, as it so happens, is described at the very begin-
2. Exchange Process

ning of Jevons’s [Jev75]. But Jevons did not recognize that this was not barter but a social form preceding barter:

41 So long as a chaotic mass of articles is offered as the equivalent for a single article (as is often the case among savages), instead of two distinct objects of utility being exchanged, we are only at the threshold of even the direct exchange of products.

⇓ The remainder of the paragraph describes the transition from direct barter of use-values to the exchange of commodities.

The articles $A$ and $B$ in this case are not as yet commodities, but become so only through the act of exchange.

Two conditions must be met for products to become commodities.

The first mode in which an object of utility is potentially an exchange-value is that it is a non-use-value for its owner, a certain amount of use-value exceeding its owner’s
immediate needs.

Whenever Marx uses the word “Dasein” he refers to specific relations in which a thing stands. An accurate though verbose translation of the term “Dasein” in the sentence: “Die erste Weise . . . ist sein Dasein als Nicht-Gebrauchswert” would be: “The first mode . . . is to stand in a relation in which it is a non-use-value.” We are talking here about an object of utility, i.e., something which, by definition, has a use-value. Such an object can become a commodity only if it stands in a relation in which its use-value is, so to say, turned off—in other words, if it does not have a use-value for its owner. Instead of the above accurate translation I chose to unpack the concept, i.e., instead of saying “is to stand in a relation in which it is a non-use-value” I named this relation and said: “is to be a non-use-value for its owner.” It is significant that Marx specifies here “a certain amount” (quantum). Because by assumption, the object of utility as such is useful, but its owner has too much of it.

But this condition only gives the potential of becoming a commodity. A second condition is necessary before this potential can be actualized. Before formulating this condition makes a little digression into some very general underlying facts:

Things are in and for themselves external | Dinge sind an und für sich dem Menschen
2. Exchange Process

to man, and therefore separable from him. In order that this separation may be reciprocal, it is only necessary that humans tacitly treat each other as the private owners of these separable things and, by this very act, confront each other as independent persons.

The word "tacit" is explained in Notes on Wagner, p. [mecw24]553:4–554:1. The mutual recognition as commodity owners does not have to precede the exchange but comes with the exchange. (By contrast, marriage does not come with having sex but for many years was required to precede the sex act.) A similar use of the phrase "tacitly recognize" also in the Critique of the Gotha Programme, immediate[mew19]20:4/o.

From this very general truth follows the other condition: Since humans are not Robinsons but very social animals, this mutual independence can only be a social product. In human pre-history, individuals are independent only if they belong to different tribes:

But this relationship of reciprocal isolation and foreignness does not exist for the members of a primitive community of natural origin:

Solch ein Verhältnis wechselseitiger Fremdheit existiert jedoch nicht für die Glieder eines naturwüchsigen Gemeinwesens, habe es...
gin, whether it takes the form of a patriarchal family, an ancient Indian commune or an Inca state. The exchange of commodities begins where communities have their boundaries, at their points of contact with other communities, or with members of the latter. However, as soon as products have become commodities in the external relations of a community, they also, by reaction, become commodities in the internal life of the community. Their quantitative exchange-relation is at first determined purely by chance. They become exchangeable through the mutual desire of their owners to alienate them.

To sum up: The immediate product exchange is a mutual giving away of products based on the mutual desire of their owners to exchange them. This possibility always exists, because...
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things are external to man and can therefore be given away. But also a set of other conditions must be satisfied.

1. The individuals who make this trade must have no need for the use-values of their own things. This is not the only situation in which people trade use-values but it is the “first modality.”

2. The two traders must have authority to dispose over these things and to transfer ownership. Today this looks as follows: If $P$ receives commodity $B$ from $Q$ in exchange for his commodity $A$, and later it turns out that $Q$ was not the owner of commodity $B$, then $P$ does not own $B$ either. People cannot transfer ownership of things they do not own. In the ancient tribal situation, the traders receive this authority not from some set of codified property laws, but they must recognize each other as the private owners of these things.

In this immediate product-exchange, the quantitative exchange-proportion is accidental. Not only is the deviation of prices from values accidental, as in the fully developed circulation, but the magnitude of the full price is accidental. The proportions in which the two exchangers agree to exchange their things can be anything; there is no force or “dull compulsion” to
do it proportionally to labor-time or whatever.

Next Marx describes the process by which this becomes exchange of commodities.

In the meantime, the need for others’ objects of utility gradually establishes itself. The constant repetition of exchange makes it a normal social process. In the course of time, therefore, at least some part of the products must be produced intentionally for the purpose of exchange. From that moment the distinction between the usefulness of things for direct consumption and their usefulness in exchange becomes firmly established. Their use-value becomes distinguished from their exchange-value. On the other hand, the quantitative proportion in which the things are exchangeable becomes dependent on their production itself. Cus-
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tom fixes their values at definite magnitudes.

Transition to commodities. Now the commodity-owners do not merely exchange surplus products, but produce things for exchange and depend on the products they get in return for them. The commodities are socially related even before the exchange takes place. Already the labors going into these products stand in relation to each other, they form a general system of division of labor. And the quantitative proportions are no longer subject to the will of the exchangers but depend on the market. If the products are commodities, the direct exchange is no longer adequate for them.

After the development of commodity production, now the development of the exchange:

182:1 In the direct barter of products, each commodity is a direct means of exchange to its owner, and an equivalent to those who do not possess it, although only in so far as it has use-value for them. At this stage, therefore, the articles exchanged do not acquire a value form independent...
of their own use-value, or of the individual needs of the exchangers. The need for this form first develops with the increase in the number and variety of the commodities entering into the process of exchange.

One facet of the problem is discussed concretely in Grundrisse. In the direct barter of the products, the product serves for the producer as a means of exchange. This can no longer be the case if these products are fully grown-up commodities, since the division of labor is so deep and the use-values become so differentiated that it becomes less and less likely that the double coincidence of use-values occurs.

The further the division of labor develops, the more the product ceases to be means of exchange. The necessity arises for a general means of exchange, which is independent of the specific production of each individual. If production is aimed at the immediate subsistence, then not each article can be exchanged against each other one; a specific activity can be exchanged only against specific products. The more the products becomes particular, manifold, dependent on each other, the more a general means of exchange becomes necessary. (Grund-
2. Exchange Process

At the same time that this problem arises, also the means of its solution come into existence. How? With the development of commodity production spontaneously leads to it that, for some of the central articles of trade, the Simple form of value develops into the Expanded form of value:

The problem and the means for its solution arise simultaneously. Commercial intercourse in which the commodity owners exchange and compare their own articles with various other articles never takes place without different kinds of commodities, that belong to different owners, being exchanged for, and equated as values with, one single further kind of commodity. This further commodity, by becoming the equivalent of various other commodities, directly acquires the form of a General or social equiv-
This “further” commodity is often one of the central commodities (cattle), and since there is so much of it and everybody needs it, it naturally acquires the expanded relative form in the hands of those who produce it. As the need for a General equivalent becomes more and more acute, these commodities are then the logical candidates.

Next Marx discusses the transition from the General equivalent to the Money form. There are two kinds of use-values which initially served as money:

The General equivalent form comes and goes with the momentary social contacts which call it into existence. It is transiently attached to this or that commodity in alternation. But with the development of exchange it fixes itself firmly and exclusively onto particular kinds of commodity, i.e. it crystallizes out into the money-form. The particular kind of commodity to which it sticks is at first a matter of accident. Nev-
2. Exchange Process

ertheless there are two circumstances which are by and large decisive. The money-form comes to be attached either to the most important articles of exchange from outside, which are in fact the most naturally arising forms of manifestation of the exchange-value of local products, or to the object of utility which forms the chief element of indigenous alienable wealth, for example cattle. Nomadic peoples are the first to develop the money-form, because all their worldly possessions are in a movable and therefore directly alienable form, and because their mode of life, by continually bringing them into contact with foreign communities, encourages the exchange of products. Men have often made man himself into the prim-
itive material of money, in the shape of the slave, but they have never done this with the land and soil. Such an idea could only arise in a bourgeois society, and one which was already well developed. It dates from the last third of the seventeenth century, and the first attempt to implement the idea on a national scale was made a century later, during the French bourgeois revolution.

Marx does not explain why the main articles do not remain general equivalents: because then their production would not be regulated by the market, since the equivalent form does not have quantitative determination.

But in the end, that commodity becomes money whose use-value best allows it to be the independent incarnation of value, i.e., whose physical properties fitted best for the functions of money.

183:1 In the same proportion as exchange bursts its local bonds, and the value of
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commodities accordingly expands more and
more into the material embodiment of hu-
man labor as such, in that proportion does
the money-form become transferred to com-
modities which are by nature fitted to per-
form the social function of a General equi-
valent. These commodities are the precious
metals.

183:2/o The truth of the statement that
‘although gold and silver are not by na-
ture money, money is by nature gold and
silver’,\textsuperscript{42} is shown by the congruence be-
tween the natural properties of gold and sil-
ver and the functions of money.\textsuperscript{43}

After a reference to \textit{Contribution}, Footnote 42 brings a Galiani quote which Marx had to reverse to make it true:

\textsuperscript{42} Karl Marx, op. cit., p. 387:1. ‘The metals sprengt, der Warenwert sich daher zur Ma-
teriatur menschlicher Arbeit überhaupt aus-
weitet, geht die Geldform auf Waren über,
die von Natur zur gesellschaftlichen Funkti-
on eines allgemeinen Aequivalents taugen, auf
die edlen Metalle.

104:2 Daß nun, „obgleich Gold und Silber
nicht von Natur Geld, Geld von Natur Gold
und Silber ist“,\textsuperscript{42} zeigt die Kongruenz ihrer
Natureigenschaften mit seinen Funktionen.\textsuperscript{43}

\textsuperscript{42} Karl Marx, l.c. p. 387:1. „Die Metalle . . . sind
2.3. [History of Commodity]

... are by their nature money’. Galiani [Gal03, t. III, p. 137]

Marx would say instead: money is by nature gold and silver.

43 For further details on this subject see the chapter on ‘The Precious Metals’ in my work cited above.

↑ The reference is 385:1.

For now we only know one function of money, namely, to serve as the form of appearance of the value of commodities, i.e., as the material in which the magnitudes of their values are socially expressed. Only a material whose every sample possesses the same uniform quality can be an adequate form of appearance of value, that is a material embodiment of abstract and therefore equal human labor. On the other hand, Bisher kennen wir aber nur die eine Funktion des Geldes, als Erscheinungsform des Warenwerts zu dienen oder als das Material, worin die Wertgrößen der Waren sich gesellschaftlich ausdrücken. Adäquate Erscheinungsform von Wert oder Materiatur abstrakter und daher gleicher menschlicher Arbeit kann nur eine Materie sein, deren sämtliche Exemplare dieselbe gleichförmige Qualität besitzen. Andrerseits, da der Unterschied der Wert-
2. Exchange Process

since the difference between the magnitudes of value is purely quantitative, the money commodity must be capable of purely quantitative differentiation, it must therefore be divisible at will, and it must also be possible to assemble it again from its component parts. Gold and silver possess these properties by nature.

The development of the forms of value look, from the side of the money commodity, like a development of a new use-value:

184:1 The money commodity acquires a dual use-value. Alongside its particular use-value as a commodity (gold, for instance, serves to fill hollow teeth, forms the raw material for luxury articles, etc.) it acquires a formal use-value, arising out of its specific social function.
2.4. [Ideologies of Money and its Fetish-Like Character]

The last three paragraphs of chapter Two form a unit, whose secret organizing principle is a discussion of quality, quantity, and form.

Marx discusses here some misconceptions about money, documenting the wrong and right things written about them, their causes, and their kernels of truth. These are good examples
of immanent critique.

The first misconception is the notion that money itself does not have value but its value comes from social agreement. As in some other instances, Marx does not give indication to the reader that this is the problematic which he is going to discuss, but simply plunges into the discussion. On the other hand, Marx converses with the reader in such a way as if the reader knew which question was being answered.

We have seen that the Money form is only the reflection, attached to one particular commodity, of the relationships of all other commodities.

Marx means here the Money form of value discussed in subsection 1.3.D, not the money form or the price of a commodity. A commodity becomes money by the joint action of all other commodities, by a social agreement which decides that every commodity should express its value in that specific commodity.

Why is there an “only” in Marx’s sentence which we are presently discussing? Because the question Marx is addressing here (without explicitly announcing it to the reader) is: to what extent is the function of money based on a social agreement? Marx concedes that yes,
2.4. [Ideologies]

a social agreement is involved, but this social agreement does not say, let’s all act as if the thing that circulates as money had a value. Rather, this social agreement only consists in the selection of a specific kind of commodity to which a form of value is to be permanently attached namely, the form of General equivalent. In principle, any commodity can have this form, but by its nature, this form needs to become the specialty of one specific commodity. 162:5/o is important here; this is the bridge to the next sentence following below. (Marx is acutely aware of what can and what cannot be decided by social agreement. It cannot be decided by a social agreement that everyone should accept an intrinsically valueless money in exchange for their valuable commodities. These kinds of decision must remain based on competition. But it can be decided by social agreement which use-value everyone uses as general equivalent.

Since commodities can express their values only in something that has value itself (because only in this way can the other commodities say that they have as much value as this thing there), Marx continues:

That money is a commodity\(^45\) is therefore a discovery only for those who proceed from its finished shape in order to analyze it after-
2. Exchange Process

wards.

The Moore-Aveling translation omits the “fertig.”

In other words, only those people are surprised that money is a commodity who ask: “What is money?” Marx asks instead: “How can commodities express their values?” In the analysis tracing the development of money it is clear from the beginning that money must be a commodity.

45 ‘Silver and gold themselves, which we may call by the general name of Bullion, are ... commodities ... rising and falling in ... value ... Bullion then may be reckoned to be of higher value, where the smaller weight will purchase the greater quantity of the product or manufacture of the country etc.’ (S. Clement, A Discourse of the General Notions of Money, Trade, and Exchange, as They Stand in Relations to Each Other. By a Merchant, London 1695, p. 7). ‘Silber und Gold an sich, die wir mit dem allgemeinen Namen Edelmetall bezeichnen können, sind im ... Werte ... steigende und fallende ... Waren ... Dem Edelmetall kann man dann einen höheren Wert zuerkennen, wenn ein geringeres Gewicht davon eine größere Menge des Produkts oder Fabrikats des Landes etc. kauft.’ ([S. Clement,] „A Discourse of the General Notions of Money, Trade, and Exchange, as they stand in relations to each other. By a Merchant“, Lond. 1695,
2.4. [Ideologies]

...ver and gold, coined or uncoined, tho’ they are used for a measure of all other things, are no less a commodity than wine, oyl, tobacco cloth or stuffs’ (J. Child, A Discourse Concerning Trade, and That in Particular of the East-Indies etc., London, 1689, p. 2). ‘The stock and riches of the kingdom cannot properly be confined to money, nor ought gold and silver to be excluded from being merchandize’ (T. Papillon, The East-India Trade a Most Profitable Trade, London, 1677, p. 4).

First misconception: the value of money is imaginary. This misconception arises because gold gets its specific form of value from a different place than where it gets its value. The exchange process gives to the commodity which it has designated as money not its value but its specific value form.

p. 7.) „Silber und Gold, gemünzt oder ungemünzt, werden zwar als Maßstab für alle anderen Dinge gebraucht, sind aber nicht weniger eine Ware als Wein, Öl, Tabak, Tuch oder Stoffe.“ ([J. Child,] „A Discourse concerning Trade, and that in particular of the East Indies etc.“, London 1689, p. 2.) Vermögen und Reichtum des Königreiches können genau genommen nicht auf Geld beschränkt, noch können Gold und Silber als Waren ausgeschlossen werden. ([Th. Papillon.] „The East India Trade a most Profitable Trade“„, London 1677, p. 4.)

Der Austauschprozeß gibt der Ware, die er in Geld verwandelt, nicht ihren Wert, sondern ihre spezifische Wertform.
Through the exchange process, one commodity is selected as the General equivalent. This selection process does not give the General equivalent its value but gives it a “specific” form of value, i.e., a form of value which, from then on, will be associated with that use-value alone.

Confusion between these two attributes has misled some writers into maintaining that the value of gold and silver is imaginary.\footnote{‘Gold and silver have value as metals before they are money’ Galiani, [Gal03, p. 72]. Locke says, ‘The universal consent of mankind gave to...\footnote{„Gold und Silber haben Wert als Metalle, bevor sie Geld sind.“ Galiani, [Gal03, p. 72]. Locke sagt: „Die allgemeine Übereinstimmung der Men-}
silver, on account of its qualities which made it suitable for money, an imaginary value’ [John Locke, [Loc77, p. 15].] Law retorts ‘How could different nations give an imaginary value to any single thing . . . or how could this imaginary value have maintained itself?’ But he himself understood very little of the matter, for example ‘Silver was exchanged in proportion to the use-value it possessed, consequently in proportion to its real value. By its adoption as money it received an additional value (une valeur additionnelle)’. Jean Law, [Law43, pp. 469–70].

It cannot be decided by a social agreement how much value a commodity has, but it can be decided by social agreement which use-value everyone uses as general equivalent.

Second misconception: Money is merely a symbol. Again Marx takes pains to explain how this misconception could arise.
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The fact that money can, in certain functions, be replaced by mere symbols of itself, gave rise to another mistaken notion, that it is itself a mere symbol.

A wedding ring is a symbol: it symbolizes a relation which exists independently of it. Gold coin, on the other hand, does not symbolize value, it is value.

Nevertheless, this error did contain the hunch that the money-form of the thing is external to the thing itself, being simply the form of appearance of human relations hidden behind it. In this sense every commodity is a symbol, since, as value, it is only the material shell of the human labor expended on it.\(^47\)

Money is not a symbol. It is true that money is only the materialized form of a social relation; but this does not license us to forget that this social relation has a materialized form.
Imagine you are standing in a boat in New York Harbor close to the Statue of Liberty and just making some photos of it when it creaks, and a big part of the statue crashes into the water barely missing you. You cannot argue: the collapse of the statue could not have hurt you, because the statue is only the symbolic expression of one of the principles on which our government is based. Yes it is the expression of an idea, but the near-miss is a reminder that it is a very material expression of that idea.

The footnote starts with a few quotes: from wrong (Forbonnais, Montesquieu) to right (Le Trosne) to lucid (Hegel):

47 ‘Money is their (the commodities’) symbol’ (V. de Forbonnais, Éléments du commerce, new edn, Leyden, 1776, Vol. 2, p. 143). ‘As a symbol it is attracted by the commodities’ (ibid. p. 155). ‘Money is a symbol of a thing and represents it’ (Montesquieu, [Mon69, p. 3, vol. 2]). ‘Money is not a mere symbol, for it is itself wealth; it does not represent the values, it is their equivalent’ (Le Trosne, [LT46, p. 910]). ‘If we consider the concept of value, we must look on the thing itself

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only as a symbol; it counts not as itself, but as what it is worth’ (Hegel, [Heg40, p. 100]).

In the rest of the footnote, Marx describes historical situations in which this false theory was a handy excuse for the enrichment of the king.

47 ctd Long before the economists, it was the lawyers who made fashionable the idea that money is a mere symbol, and that the value of the precious metals is purely imaginary. This they did in the sycophantic service of the royal power, supporting the right of the latter to debase the coinage, during the whole of the Middle Ages, by the traditions of the Roman Empire and the conceptions of money to be found in the Digest. ‘Let no one call into question,’ says their apt pupil, Philip of Valois, in a decree of 1346, ‘that the trade, the composition, the supply, and the power of issuing ordinances on the currency
2.4. [Ideologies]

... belongs exclusively to us and to our royal majesty, to fix such a rate and at such a price as it shall please us and seem good to us.’ It was a maxim of Roman Law that the value of money was fixed by Imperial decree. It was expressly forbidden to treat money as a commodity. ‘However, it shall not be lawful for anyone to buy money, for, as it was created for public use, it is not permissible for it to be a commodity’. There is a good discussion of this by G. F. Pagnini, in Saggio sopra il giusto pregio delle cose, 1751, printed in Custodi’s collection, Parte moderna, Vol. 2. In the second part of his work Pagnini directs his polemic especially against the legal gentlemen.

Third misconception: Money is an arbitrary product of human reflection.

By declaring that the social characteristics which material objects obtain on the basis of their economic and social uses cannot be arbitrary creations of human reflection, but are necessarily determined by the economic and social structure of society, Pagnini defends a more humanistic interpretation of money and value. He argues that the value of money is not determined by its mere utility or exchange function, but by its role in the social and political processes of society. This view contrasts with the mechanical and deterministic approach of physiocrats and others who saw money as a mere tool of exchange, independent of human society.

Indem man aber die gesellschaftlichen Charaktere, welche Sachen, oder die sachlichen
of a specific mode of production, or that the material characteristics which the social determinations of labor obtain, are mere symbols, one declares them at the same time to be deliberate products of human reflection. This was the kind of explanation favored by the eighteenth century: in this way the Enlightenment endeavoured, at least for the time being, to remove the semblance of strangeness from the mysterious shapes assumed by human relations whose origins one was as yet unable to decipher.

The error of declaring social relations as arbitrary products of human reflection is called “voluntarism.” The effect of this explanation is that the relations no longer seem unfamiliar—at least initially, until one has noticed that this explanation is not satisfactory.

After quality of value, the second of the three concluding paragraphs of chapter Two discusses the quantity. First: how does the quantity of value of money express itself in
2.4. [Ideologies]

circulation? Marx ties here into 147:3/o.

186:1 It has already been remarked earlier that the equivalent form of a commodity does not include a determination of the magnitude of its value. Therefore, even if we know that gold is money, and consequently directly exchangeable with all other commodities, this still does not tell us how much 10 lb. of gold is worth. Money, like every other commodity, can express the magnitude of its value only relatively, in other commodities. Its value is determined by the labor-time required for its production, and is expressed in the quantity of every other commodity in which the same amount of labor-time is congealed.48 Its relative value is therefore established at the source of its

106:1/o Es ward vorhin bemerkt, daß die Äquivalentform einer Ware die quantitativ Bestimmung ihrer Wertgröße nicht einschließt. Weiß man, daß Gold Geld, daher mit allen andern Waren unmittelbar austauschbar ist, so weiß man deswegen nicht, wieviel z.B. 10 Pfund Gold wert sind. Wie jede Ware kann das Geld seine eigne Wertgröße nur relativ in andern Waren ausdrücken. Sein eigner Wert ist bestimmt durch die zu seiner Produktion erheischte Arbeitszeit und drückt sich in dem Quantum jeder andern Ware aus, worin gleichviel Arbeitszeit geronnen ist.48 Diese Festsetzung seiner relativen Wertgröße findet statt an seiner Produktionsquelle in unmittelbarem Tauschhandel. Sobald es als Geld in
2. Exchange Process

production, where it is engaged in immediate barter. As soon as it enters into circulation as money, its value is already given.

Therefore one does not see how the price level is determined. Marx could bring lots of quotes here about the quantity theory of money. Instead he only brings the quote of someone who sees it right:

48 ‘If a man can bring to London an ounce of silver out of the Earth of Peru, in the same time that he can produce a bushel of corn, then the one is the natural price of the other: now, if by reason of new or more easie mines a man can procure two ounces of silver as easily as he formerly did one, the corn will be as cheap at ten shillings the bushel as it was before at five shillings, caeteris paribus’ William Petty [Pet67, p. 31].

All previous misconceptions could be cleared up by emphasizing that money is a com-
2.4. [Ideologies]

modity. But this is not enough to understand money. An additional misconception about 

money, the fourth, is the failure to identify that what distinguishes money from the other 

commodities.

In the last decades of the seventeenth cen-
tury the first step in the analysis of money, 
the discovery that money is a commodity, 
had long been taken; but this was merely 
the first step, and nothing more. The diffi-
culty lies not in comprehending that money 
is a commodity, but in discovering how, why 
and through what a commodity is money.49

Wenn es schon in den letzten Dezennien des 
17. Jahrhunderts weit überschrittner Anfang 
der Geldanalyse, zu wissen, daß Geld Wa-
re ist, so aber auch nur der Anfang. Die 
Schwierigkeit liegt nicht darin zu begreifen, 
daß Geld Ware, sondern wie, warum, wo-
durch Ware Geld ist.49

Fowkes’s translation: “how, why 
and by what means a commodity 
becomes money” misses the whole 
point: the emphasis is not that it 
becomes money but that it already 
is money. Also the word “means” 
is misleading, since a commodity 
does not need an (external) means 
to become money, but it has inner 
money traits.

This echoes Marx’s emphasis on the genesis of money out of the commodity in 139:1.
2. Exchange Process

49 The learned Professor Roscher, after first informing us that ‘the false definitions of money may be divided into two main groups: those which make it more, and those which make it less, than a commodity’, gives us a motley catalogue of works on the nature of money, which does not provide even the glimmer of an insight into the real history of the theory. He then draws this moral: ‘For the rest, it is not to be denied that most of the later economists do not bear sufficiently in mind the peculiarities that distinguish money from other commodities’ (it is then, after all, either more or less than a commodity!) … ‘So far, the semi-mercantilist reaction of Ganilh is not altogether without foundation’ (Wilhelm Roscher, Die Grundlagen der Nationalökonomie, 3rd edn, 1858, pp. 207–10). More! Less! Not sufficiently! So far! Not altogether! What a way of determining one’s concepts! And this eclec-

49 Nachdem Herr Professor Roscher uns belehrt: „Die falschen Definitionen von Geld lassen sich in zwei Hauptgruppen teilen: solche, die es für mehr, und solche, die es für weniger halten als eine Ware“, folgt ein kunterbunter Katalog von Schriften über das Geldwesen, wodurch auch nicht die entfernteste Einsicht in die wirkliche Geschichte der Theorie durchschimmert, und dann die Moral: „Zu leugnen ist übrigens nicht, daß die meisten neueren Nationalökonomen die Eigentümlichkeiten, welche das Geld von andern Waren unterscheiden“ (also doch mehr oder weniger als Ware?), „nicht genug im Auge behalten haben … Insofern ist die halbmerkantilistische Reaktion von Ganilh etc. nicht ganz unbegründet.“ Wilhelm Roscher [Ros58, p. 297–210]. Mehr—weniger—nicht genug—insofern—nicht ganz! Welche Begriffsbestimmungen! Und dergleichen eklektische Professoralfaselei tauft Herr Roscher bescheiden
tic professorial twaddle is modestly baptized by Herr Roscher ‘the anatomico-physiological method’ of political economy! However, he does
deserve credit for one discovery, namely, that 
money is ‘a pleasant commodity’.

The third paragraph covers the form of value, especially the equivalent form:

187:1 We have already seen, from the 
simplest expression of value, \( x \) commodity 
\( A = y \) commodity \( B \), that the thing in which 
the magnitude of the value of another thing 
is represented seems to have the equivalent 
form independently of this relation, as a so-
cial property which it possesses by nature. We followed the process by which this false 
semblance solidified itself.

107:1/o Wir sahen, wie schon in dem ein-
fachsten Wertausdruck, \( x \) Ware \( A = y \) Ware 
\( B \), das Ding, worin die Wertgröße eines and-
ren Dings dargestellt wird, seine Äquivalent-
form unabhängig von dieser Beziehung als 
gesellschaftliche Natureigenschaft zu besit-
zen scheint. Wir verfolgten die Befestigung 
dieses falschen Scheins.
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Fowkes’s “We followed the process by which this false semblance became firmly established” sounds as if the process was the one that more and more people believed in this false semblance. This is a misunderstanding of the text. Moore-Aveling have: “We followed up this false appearance to its final establishment.” This leads the possibility open, which I consider to be the right interpretation, that Marx does not mean the establishment in the minds of the observers, but the establishment as a reality.

It is as if not only the observer but the world itself was misled, and therefore the world allowed this false semblance to become reality.

Now the next pronoun, “Er,” should strictly be “Sie”:

This process was completed when the universal equivalent form became identified with the natural form of a particular commodity, and thus crystallized into the money-form. Although a particular commodity only becomes money because all other commodities express their values in it, it seems,
on the contrary, that all other commodities universally express their values in a particular commodity because it is money. The movement which mediated this process vanishes in its own result, leaving no trace behind. Without any initiative on their part, the commodities find their own valuemateriality ready to hand, in the form of a physical commodity existing outside and alongside them.

Marx is talking here about the fetish-like character of money. Money is so mysterious because the mediating movement has vanished and has left no trace in the result.

This physical object, gold or silver in its crude state, becomes, as soon as it emerges from the bowels of the earth, the immediate incarnation of all human labor. Hence the magic of money. The merely atomistic behavior of commodities can only be explained by the disappearance of the mediating movement and the absence of any trace in the result.

Die Dinge, Gold und Silber, wie sie aus den Eingeweiden der Erde herauskommen, sind zugleich die unmittelbare Inkarnation aller menschlichen Arbeit. Daher die Magie des Geldes. Das bloß atomistische Verhalten der
2. Exchange Process

behavior of men in their social process of production, and hence the fact that their own relations of production take on an objectified form which is beyond their control and independent of their conscious individual striving, manifest themselves at first in the fact that the products of labor generally take the form of commodities. The riddle of the money fetish is therefore merely the riddle of the commodity fetish, has become visible and blinding the eyes.

The German says “Verhalten,” not “Verhältnis,” which can either mean “behavior” or also “way of relating”; Moore-Aveling translate it with “behavior,” while Fowkes writes “are related.” I considered “die sachliche Gestalt ihrer Produktionsverhältnisse” (literally: objectified form of their own relations of production) to be an abbreviated formulation for: “die Tatsache daß die Produktionsverhältnisse eine sachliche Gestalt annehmen” (the fact that their own relations of production take on an objectified form), rather than that form itself. Instead of “dazzling” I translated “blendend” with “blinding,” since it does make blind.

Menschen in ihrem gesellschaftlichen Produktionsprozeß und daher die von ihrer Kontrolle und ihrem bewußten individuellen Tun unabhängige, sachliche Gestalt ihrer eignen Produktionsverhältnisse erscheinen zunächst darin, daß ihre Arbeitsprodukte allgemein die Form der Ware annehmen. Das Rätsel des Geldfetischs ist daher nur das sichtbar gewordne, die Augen blendende Rätsel des Warenfetischs.
Again, as in section 1.4.b, Marx looks for the roots of this fetish-like character in the direct relations of the producers. This is a remarkable passage, because Marx is here quite critical of these producers. He says here quite explicitly that “the merely atomistic behavior of men in their social process of production” is not a consequence of but in some way prior to the commodity form. Marx seems to blame the fetish-like character of the commodity on the atomistic behavior of the individual producers. However, in the French edition, this criticism of the individual producers is omitted again. In French, the last sentence of chapter Two is: “Hence the magic of money.” The two long sentences after this are missing.
Why is the topic of this chapter described as money or the circulation of commodities? Aren’t these two different things? Yes, but they are closely related. Marx calls money the “crystallization” of the form changes of the commodities in circulation. In *Contribution*, 323:1, he writes:

In the process establishing prices, the commodities acquire the form in which they are able to circulate, and gold acquires its monetary character. After this has been

Nachdem die Ware im Prozeß der Preisgebung ihre zirkulationsfähige Form und das Gold seinen Geldcharakter erhalten hat, wird die Zirkulation die Widersprüche, die der
accomplished, circulation will at the same time express and resolve the contradictions contained in the exchange process of commodities. The actual exchange of commodities, i.e., the process of social metabolism, takes place through a form change in which the dual nature of the commodity as a use-value and exchange-value unfolds itself, but where at the same time its own form change crystallizes itself in the various determinate forms of money.

Just as a solid dissolved into a liquid under certain circumstances precipitates in the form of crystals, the transitional phase in the form change of a commodity crystallizes out in the form of money. Elsewhere in Contribution, p. 393:1–396:0, Marx uses the formulation

393:1–396:0 The processing movement of commodities, which springs from the contradiction of exchange-value and use-

137:1–140:0 Die prozessierende Bewegung der Waren, die aus dem in ihnen enthaltenen Gegensatz von Tauschwert und Ge-
3. Money or the Circulation of Commodities

value contained in them, which is reflected in the circulation of money, and which is crystallized in the various form determinations of money, . . .

And here is a very similar quote:

292:2 As they develop, the interrelations of commodities crystallise into distinct aspects of the universal equivalent, and thus the exchange process becomes at the same time the process of formation of money. This process as a whole, which comprises the carrying out of several processes, constitutes circulation.

Here is a different, unrelated, remark, before we get into the chapter itself. Money is for Marx the complex of several things. There is not one property which makes something money, but several things together which are inseparable but distinct. In order to delineate the scope of chapter Three, it should be noted that drawing interest etc. are not functions of

brauchswert entspringt, in dem Umlauf des Geldes erscheint und in den verschiedenen Formbestimmtheiten des letztern sich kristallisiert, . . .

37:2 Die prozessierenden Beziehungen der Waren aufeinander kristallisieren sich als unterschiedene Bestimmungen des allgemeinen Äquivalents, und so ist der Austauschprozeß zugleich Bildungsprozeß des Geldes. Das Ganze dieses Prozesses, der sich als ein Verlauf verschiedener Prozesse darstellt, ist die Zirkulation.
money but functions of capital. Again, Contribution is helpful here, look at 303:2:

The main difficulty in the analysis of money is overcome as soon as one has grasped its origin out of the commodity itself. Once this is accomplished, the only task remaining is to comprehend the peculiar determinations of its form without alien admixtures, which is not very easy, because all bourgeois relations appear gilded, i.e., as money relations, and the money form, therefore, seems to possess an infinitely varied content, which is alien to the money form as such.

3.1. Measure of Value

Chapter One, section 1.3, showed how the Money form of the commodity arose as the culmination of a long development. Now this same Money form is the starting point for a new
3. Money or the Circulation of Commodities

development, in which various functions of money are derived. This is a new beginning, not the continuation of the earlier development. This new beginning has become possible because of the special nature of the step from the General equivalent form to the Money form. In 162:3, Marx stresses that this step no longer represents a development of the form of value itself, but it means that “by social custom” a certain form of value coalesces with a certain use-value. Such a merging of several determinations is what Marx calls something “concrete”:

The concrete is concrete because it is the meeting point of many determinations, thus a unity of the diverse. Grundrisse, 101p.

The Money form of the commodity is the meeting point of two determinations: a certain use-value (gold) and a certain form of value (General equivalent). Once these two disparate things are reliably conjoined, so that the same use-value, gold, always occupies the role of General equivalent, new possibilities are opened up and new developments are set in motion. The economic determinations of money therefore greatly exceed those of a General equivalent. Chapter Three develops the further determinations flowing from this synthesis.

Section 1 of chapter Three moves back and forth several times between the relative form of value and the equivalent form. After one side has reached a certain stage of development,
also the other side is developed further. This is a common research procedure: one first understands one thing better, then this throws light on a related thing, then that throws light on the first thing again, and so it goes back and forth. However here it is meant as an social process: since the General equivalent has by a social convention become fixed on gold, new social functions accrue to it due to the creative practical activity of the individuals involved. These new social functions modify the relative General form of value, then this acts back on the equivalent form, and so on.

Here is a summary of this back-and-forth:

(0) The final transition in section 1.3 of chapter One, p. 162:1, was the concerted act by which the “ordinary” commodities always select the same commodity, gold, as General equivalent. This is an activity emanating from the relative form of value.

(1) This has the effect on the equivalent form that gold becomes the measure of values.

(2) The development of the equivalent into measure of value acts back on the relative form, which becomes the Price form.

From the Price form, Marx identifies two causal influences back on the equivalent form:
For its function as measure of value, gold need not be physically present. Only its quality, not the quantity counts.

Since different commodities relate through their prices not only to gold but also to each other, a certain quantity of gold must be socially fixed as standard of prices.

The standard of prices (which is a development of the equivalent form) turns prices into mere numbers, the “money names.”

The abstractness of the money names (the money name of a commodity is a version of its relative form of value) also causes the equivalent form to become abstract and turns it into money of account.

Money of account, the most abstract form of the General equivalent, is the climax of the repeated back-and-forth motion in this section. After this, Marx makes one more cycle, which no longer develops the form but goes over to something new. The transition from the equivalent form to the relative form is again twofold.

Although it is the surface representation of the quantity of value, the relative form of value is also subject to influences that have nothing to do with value but with demand.
3.1. Measure of Value

and supply. This is not a defect but it is necessary to ensure that those things are produced which are needed.

(6b) The general function of money as measure of value of all commodities leads to it that also other things, which are not commodities, are measured in money.

These two transitions discuss therefore the quantitative and qualitative discrepancies between price and value.

(7) The general acceptance of money as measure of value also leads to it that money itself must enter the circulation process.

This final step is the transition to section 2, Means of Circulation.

3.1.a. [First Function of Gold: Measure of Value]

After this overview let us discuss section 3.1 paragraph by paragraph.

188:1 Throughout this work I assume, for the sake of simplicity, that gold is the | 109:1 Ich setze überall in dieser Schrift, der Vereinfachung halber, Gold als die Geld-

Chapter Two, starting with 183:1, explains why the money form attaches itself to one of the noble metals. In order to simplify the discussion, Marx disregards the fact that not one but two commodities, gold and silver, served as international money during his time. Paragraph 190:1 below, and footnote 108 to paragraph 241:1 in the subsection 3.3.c about World Money discuss this “bimetallism.”

The next paragraph picks up the thread from section 1.3 of chapter One. At the end of that section, the commodities, by their joint action, turn gold into money. As the formulation in 162:1 makes very clear, this is an act on the part of the relative value form. As step (1) in his series of back-and-forth steps, Marx asks: what does this mean for the equivalent form? It means that the money commodity becomes “measure of value.” Contribution, 304:1/o, formulates it as follows:

304:1/o Gold becomes the measure of value because the exchange-value of all commodities is measured in gold, is expressed in the relation of a definite quantity of gold and a definite quantity of commodity

50:1/o Weil alle Waren ihre Tauschwerte in Gold messen, in dem Verhältnis, worin bestimmte Quantität Gold und bestimmte Quantität Ware gleich viel Arbeitszeit enthalten, wird das Gold zum Maß der Werte, . . .
containing equal amounts of labor-time. Here is the formulation in *Capital*:

188:2 The first function of gold is: to provide the world of commodities with the material in which they can express their values, or: to represent the values of the commodities as magnitudes of the same denomination, qualitatively equal and quantitatively comparable.

109:2 Die erste Funktion des Goldes besteht darin, der Warenwelt das Material ihres Wertausdrucks zu liefern oder die Warenwerte als gleichnamige Größen, qualitativ gleiche und quantitativ vergleichbare, darzustellen.

The Moore-Aveling translation says “first function of money” where the German says “first function of gold.” Fowkes says “gold.” I think “gold” is better. Marx is not yet talking about money but about the noble metal which has monopolized the role of General equivalent and through this becomes money. Until section 3.2 of chapter Three, only the becoming of money is discussed. In those parts of section 1.3 of chapter One which discuss the money form (pp. 162:1–163:2) Marx never says: “Gold is money,” but always uses formulations such as: “Gold becomes the money commodity,” or “functions as money,” “gold faces the other commodities as money.” Also the presently discussed passage at the beginning of chapter Three, section 3.1 (p. 188:2) reads: “gold . . . become(s) money.” It is not until section 3.3 of chapter Three that Marx indicates that this
becoming of money has been completed: “The commodity which functions as measure of value and therefore also as means of circulation is money. Gold is therefore money. It functions as money …” (p. 227:1).

Marx calls this the first function of *gold*, not of money, because it is the first function of the material which by social custom now and everywhere is the General equivalent. Something that serves as an occasional General equivalent plays, as Marx argued before, a very passive role. If it the General equivalent all the time, then this role is no longer so passive but develops into a function of that thing.

It thus functions as a general measure of value, and it is at first only by this function that gold, the specific equivalent commodity, becomes money.

The “specific equivalent commodity” is, by definition, that commodity whose natural form has become irrevocably joined with the form of universal exchangeability or the General equivalent form. “At first” because in section 3 we will see that this is only the beginning of a development in which gold “becomes” money. If Marx says here that gold at first becomes money by its function of measure of value, he means that this is what is needed in order to...
trigger the whole process of becoming detailed throughout this chapter. Even though today’s money is no longer *commodity* money, it can still be argued that its first function is ‘measure of value’.

The next paragraph reminds us that the function of money as measure of value is the result of the activity on the side of the commodities in the relative form of value.

188:3 The commodities do not become commensurable through of money. Quite the contrary. Only because all commodities, as values, are objectified human labor, and are therefore in and for themselves commensurable, can they jointly measure their values in one and the same specific commodity, and thus turn this commodity into the common measure of their values, i.e. into money.

↑ Causality goes from production to the circulation and from the relative form of value to the equivalent form. ↓ Also the next sentence implies that the inner measure, labor-time, is

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the primary driving force, and the exterior measure, money, is its “form of appearance.” Money as a measure of value is the necessary form of appearance of the immanent measure of value of the commodities, namely labor-time.\(^{50}\)

At Marx’s time, paper money represented gold. Today it represents credit. Neither now nor then did it represent labor. Footnote 50 explains why money cannot represent labor:

\(^{50}\) The question why money does not directly represent labor-time itself, so that a piece of paper may represent, for instance, \(x\) labor hours, comes down simply to the question why, on the basis of commodity production, the products of labor must take the form of commodities, since their assuming the form of commodities implies their differentiation into commodities on the one hand and the money commodity on the other. It is the question why private labor cannot be treated as its opposite, directly social labor. Elsewhere I

Geld als Wertmaß ist notwendige Erscheinungsform des immanenten Wertmaßes der Waren, der Arbeitszeit.\(^{50}\)

\(^{50}\) Die Frage, warum das Geld nicht unmittelbar die Arbeitszeit selbst repräsentiert, so daß z.B. eine Papiernote \(x\) Arbeitsstunden vorstellt, kommt ganz einfach auf die Frage heraus, warum auf Grundlage der Warenproduktion die Arbeitsprodukte sich als Waren darstellen müssen, denn die Darstellung der Ware schließt ihre Verdopplung in Ware und Geldware ein. Oder warum Privatarbeit nicht als unmittelbar gesellschaftliche Arbeit, als ihr Gegenteil, behandelt werden kann. Ich habe den seichten Utopismus eines Arbeitsgelds auf Grund-
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have given an exhaustive discussion of the shallow utopianism of the idea of ‘labor money’ in a society founded on the production of commodities (op. cit., p. 320:2–321:3 ff.)

↑ Marx refers here to his discussion of Gray’s labor money in Contribution. ↓ The second half of the footnote reminds us that Gray’s theory should not be confused with that of Robert Owen. Gray wants to maintain commodity production, while Owen wants to abolish it. Marx’s critique of labor money only refers to Gray, not to Owen:

50 ctd At this point I will only say further that Owen’s ‘labor money’, for instance, is no more ‘money’ than a theater ticket is. Owen presupposes directly socialized labor, a form of production diametrically opposite to the production of commodities. The certificate of labor is merely evidence of the part taken by the individual in the common labor, and documents his claim to a portion of the common product that has been set aside for consumption. But Owen never makes

50 ctd Hier sei noch bemerkt, da z.B. das Owen-sche „Arbetsgeld“ ebensowenig „Geld“ ist wie etwa eine Theatermarke. Owen setzt unmittelbar vergesellschaftete Arbeit voraus, eine der Warenproduktion diametral entgegengesetzte Produktionsform. Das Arbeitszertifikat konstatiert nur den individuellen Anteil des Produzenten an der Gemeinarbeit und seinen individuellen Anspruch auf den zur Konsumtion bestimmten Teil des Gemeinprodukts. Aber es fällt Owen nicht ein, die Wa-
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the mistake of presupposing the production of commodities and hoping that he can, by tinker- ing with money, avoid the necessary conditions for that form of production.

3.1.b. [Exchange-Value Becomes Price]

Step (2) goes back from the equivalent to the relative form of value. What happens to the relative form of value if gold becomes the measure of value? It becomes the price. The next two pages discuss the price of one single commodity, one ton of iron.

189:1 The expression of the value of a commodity in gold—\(x\) commodity \(A = y\) money commodity—is the commodity’s money form or its price. A single equation, such as 1 ton of iron = 2 ounces of gold, now suffices to express the value of iron in a socially valid manner. There is no longer any need for this equation to line up together

110:1 Der Wertausdruck einer Ware in Gold—\(x\) Ware \(A = y\) Geldware—is ihre Geldform oder ihr Preis. Eine vereinzelte Gleichung, wie 1 Tonne Eisen = 2 Unzen Gold, genügt jetzt, um den Eisenwert gesellschaftlich gültig darzustellen. Die Gleichung braucht nicht länger in Reih und Glied mit den Wertgleichungen der andren Waren auf-
with all other equations that express the values of the other commodities, because the equivalent commodity, gold, already possesses the character of money. The commodities’ general relative value form has thus the same shape as their original relative value form, the Simple or Individual form of value.

Definition of price. One single equation, which looks like the Simple form of value, is now a “socially valid” expression of the value of one ton of iron. The word “single” in the second sentence of Marx’s text above is in German “vereinzelt,” indicating that this single-ness is not original but produced, the result of a social process. A social relation takes form of a relationship between two individual commodities.

Whereas the expression of the value of any ordinary commodity looks now like the Simple form of value, the expression of the value of money looks like the Expanded form of value:

On the other hand, the Expanded relative expression of value, the endless series of equations...
3. Money or the Circulation of Commodities

tions, has now become the specific relative form of value of the money commodity.

| Usually the commodity in the relative form of value plays an active role. This is not the case here:
| The endless series, however, is already socially given in the prices of the commodities. We only need to read the quotations of a price list backwards, to find the magnitude of the value of money expressed in all possible commodities.

money does not have to work to establish its form of value, but this form of value is already given. Since all goods express their values in money, money becomes “directly exchangeable” for them. Compare 159:2/o. The fact that money can buy everything is a powerful expression of the value of money.

There is also something that is called the “price of gold,” namely, the mint price at which is converted into coins. This “price” of gold however is not an expression of its value: A price, however, money does not have.
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This uniform relative form of value of the other commodities is not open to money, because money cannot be brought into relation with itself as its own equivalent.

The so-called “price of gold” or “mint price of gold” in a monetary system based on the gold standard is not a true price. It is not connected with the function of money as measure of value, but with the function of money as standard of prices. Marx will say more about this shortly.

189:2–190 The price or money form of commodities, like their form of value generally, is a form different from their palpable and real bodily forms, i.e., it is a merely notional or imagined form.

Marx says here something about the price form which is true for all value forms of a commodity: it is “notional.” The German word translated here by “notional” is “ideell.” It is incorrect to translate “ideell” with “ideal.” Marx makes a strict distinction between the German terms “ideal” and “ideell.” Something which is ideal is by definition not real, it
3. Money or the Circulation of Commodities

is an idealization of something real. The price of a commodity is not ideal in this sense. Marx held the view that social relations are real forces, that they are independent causal powers. A defense of this causal criterion of “reality” is given by Bhaskar in [Bha89, p. 69:2]. Nevertheless, certain social relations “exist” most importantly in the heads of the individuals, i.e., they are “notional” (ideell). One should not be confused by this formulation and think Marx wanted to deny their reality.

⇓ The value of a commodity is a core category. It represents the social relations under which it was produced, namely, the abstract human labor which it contains. This value is “invisible,” i.e., it does not enter the interactions of the economic agents directly.

Although invisible, the value of iron, linen and corn exists in these very articles: it is made accessible through their equality with gold, a relation with gold which exists, so to speak, only in their heads.

⇑ The labor which the producer puts into a commodity is entirely his or her private affair. However the price the commodity can fetch on the market is, due to the competition be-
3.1. Measure of Value

tween producers, an indicator of this invisible labor-content. This is why Marx says that the value is “vorgestellt,” i.e., represented, introduced into social interactions, by its exchange relationship with gold on the surface of the economy. But the last half of this sentence above seems to indicate that we have not made much headways, since this relation is also inside the heads of the commodity owners. But all they have to do is write this relation down in form of a price sign:

The guardian of the commodities must therefore lend them his tongue, or hang a ticket on them, in order to communicate their prices to the outside world.51

51 Savages and semi-savages use the tongue differently. Captain Parry says of the inhabitants of the West coast of Baffin’s Bay: ‘In this case (the case of barter) they licked it (the thing represented to them) twice to their tongues, after which they seemed to consider the bargain satisfactorily concluded.’ In the same way, among the Eastern Eskimos, the exchanger licked each arti-

Der Warenhüter muß daher seine Zunge in ihren Kopf stecken oder ihnen Papierzettel umhängen, um ihre Preise der Außenwelt mitzuteilen.51

51 Der Wilde oder Halbwilde braucht die Zunge anders. Kapitän Parry bemerkt z.B. von den Bewohnern an der Westküste der Baffin’s Bay: „In diesem Falle“ (beim Produktenaustausch) „...beleckten sie es“ (das ihnen Angebotene) „zweimal mit der Zunge, wonach sie das Geschäft als zur Zufriedenheit abgeschlossen zu betrachten schienen.“ Ebenso beleckte bei den östlichen Es-
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cle on receiving it. If the tongue is thus used in the North as the organ of appropriation, it is no wonder that in the South the stomach serves as the organ of accumulated property. A Kaffir estimates the wealth of a man by the see of his belly. The Kaffirs know what they are doing, for at the same time as the official British Health Report of 1864 was bemoaning the deficiency of fatforming substances among a large part of the working class, a certain Dr. Harvey (not, however, the man who discovered the circulation of the blood) was doing well by advertising recipes for reducing the surplus fat of the bourgeoisie and the aristocracy.


Marx’s source for Captain Parry’s report is [Par21, p. 227].

By their price tags, the commodities tell the world what they are worth (or at least what their owner thinks they are worth). This is not merely a theoretical musing but has practical
implications: the price tag commits the owner to hand the commodity over to anyone who is willing to pay the marked price.

Since expression of the value of commodities in gold is a purely notional act, it requires only imagined or notional gold. Every owner knows that by giving price form (i.e., imagined gold form) to the value of his commodities he is nowhere near turning them into gold. It also does not require the tiniest particle of real gold to give a valuation in gold of millions of pounds’ worth of commodities.

3.1.c. [Commodity Prices and the Value of Gold]

The process of giving a price does not require actual gold and also does not immediately yield actual gold. This observation seems too trivial to be worth repeating. However it
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opens up the nontrivial question: what is the real basis of the act of price-giving? Marx claims that gold does enter this process. Since it does not have to be present and also will not necessarily be present, Marx calls it “imagined”.

In its function as measure of value, money serves therefore—as only imagined or no-

**In seiner Funktion des Wertmaßes dient das Geld daher—als nur vorgestelltes oder ideelle Geld.**

This is the step (3a), going back to the equivalent form. Now Marx uses the word “money,” not “gold,” because this is true for all other forms of currency too. Since this invites false theories of money, this would be a good place to give some theory-critical remarks. Instead of making such remarks here, Marx refers to *Contribution*:

This circumstance has given rise to the wildest theories. 52

52 See Karl Marx, *Contribution to the Critique* etc., ‘Theories of the Standard of Money’, pp. 53 ff. [English translation, pp. 76 ff.].

Marx asks now: what information about money is needed?

But, although the money that performs the
function of a measure of value is only imagined, the price depends entirely on the actual substance that is money. The value, i.e. the quantity of human labor contained in a ton of iron, is expressed by an imagined quantity of the money commodity containing the same amount of labor as the iron. Therefore according to whether it is gold, silver or copper which is serving as the measure of value, the value of the ton of iron obtains very different price expressions, or will be represented by very different quantities of those metals.

One should not take this to mean that the seller needs to know how much labor is contained in gold. There is a connection, but it is more complicated than this.

To illustrate the role played by the actual money material, Marx discusses next the relation between gold prices and silver prices of commodities.
3. Money or the Circulation of Commodities

190:1 If therefore two different commodities, such as gold and silver, serve simultaneously as measures of value, all commodities will have two separate price-expressions, the price in gold and the price in silver, which will quietly co-exist as long as the ratio of the value of silver to that of gold remains unchanged, say at 1:15. However, every alteration in this ratio disturbs the ratio between the gold prices and the silver prices of commodities, and thus proves in fact that a duplication of the measure of value contradicts the function of that measure.  


53 ‘Wherever silver and gold exist side by side as legal money, i.e. as measure of value, the vain attempt has invariably been made to treat them as equal in value’,  

53 Note zur 2. Ausg. „Wo Gold und Silber gesetzlich als Geld, d.h. als Wertmaß nebeneinander bestehen, ist stets der vergebliche Versuch
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as one and the same substance. If one assumes that a given labor-time must be objectified in the same unchanging proportion in silver and gold, then one assumes, in fact, that gold and silver are the same substance, and that silver, the less valuable metal, represents a constant fraction of gold. From the reign of Edward III to the time of George II, the history of money in England consists of one long series of perturbations caused by the clash between the legally fixed ratio between the values of gold and silver, and the fluctuations in their real values. At one time gold was too high, at another, silver. The metal that was estimated below its value was withdrawn from circulation, melted down and exported. The ratio between the two metals was then again altered by law, but the new nominal ratio soon came into conflict, in its turn, with the real ratio. In our own times, the slight and transient gemacht worden, sie als eine und dieselbe Materie zu behandeln. Unterstellt man, daß dieselbe Arbeitszeit sich unveränderlich in derselben Proportion von Silber und Gold vergegenständlichen muß, so unterstellt man in der Tat, daß Silber und Gold dieselbe Materie sind und daß eine bestimmte Masse des minder wertvollen Metalls, des Silbers, den unveränderlichen Bruchteil einer bestimmten Goldmasse bildet. Von der Regierung Edwards III. bis zur Zeit von Georg II. verläuft sich die Geschichte des englischen Geldwesens in eine fortlaufende Reihe von Störungen, hervorgehend aus der Kollision zwischen der gesetzlichen Festsetzung des Wertverhältnisses von Gold und Silber und ihren wirklichen Wertschwankungen. Bald war Gold zu hoch geschätzt, bald Silber. Das zu niedrig geschätzte Metall wurde der Zirkulation entzogen, umgeschmolzen und exportiert. Das Wertverhältnis beider Metalle wurde
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fall in the value of gold compared with silver, which was a consequence of the Indian and Chinese demand for silver, produced on a far more extended scale in France the same phenomena, export of silver, and its expulsion from circulation by gold. During the years 1855, 1856 and 1857, the excess in France of gold-imports over gold-exports amounted to £41,580,000, while the excess of silver-exports over silver-imports came to £34,704,000. In fact, in countries in which both metals are legally measures of value, and therefore both legal tender, so that everyone has the option of paying in either metal, the metal that rises in value is at a premium, and, like every other commodity, measures its price in the over-valued metal which alone serves in reality as the measure of value. All the experience of history in this area can be reduced simply to this fact, that where two commodities perform by law the
functions of a measure of value, in practice only one maintains that position’ (Karl Marx, op. cit., pp. 52-3) [English edition, pp. 75-6].

More about bimetallism will be said in 241:1, especially Footnote 108.

From chapter One, section 1.3 we know that value must express itself in one commodity only. Bimetallism is a form of value which is in contradiction to its content, and therefore leads to crises (Gresham’s law: small differences in preferability induce the money holders to make huge shifts in money holdings).

The disturbances created by the duplication of the measure of value in bimetallism are proof that the production costs of gold and silver do matter and are closely watched.
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3.1.d. [Standard of Prices]

Next Marx discusses the function of gold as standard of prices. This is not a “higher” function than measure of value, but a function subsidiary to it. After gold, in its function as measure of value, has associated every commodity with a certain amount of gold, the need arises to measure these gold quantities themselves. In this measurement, gold functions as standard of prices.

The function of gold as standard of prices is introduced by an alternative transition from the relative form of value, i.e., the price, back to the equivalent form. In our numbering it is back-and-forth-step (3b). In prices, all commodities have a uniform value expression which expresses two things:

- the value of each commodity differs from its use-value.
- the values of different commodities are qualitatively equal, they only differ by their quantities.

While 189:1–190:1 discussed the price of one single commodity, one ton of iron, step (3b) latches on to the second aspect and looks at the prices of several commodities together.
191:1/o After they are given their prices, all commodities present themselves in the form: \( a \) commodity \( A = x \) gold; \( b \) commodity \( B = y \) gold; \( c \) commodity \( C = z \) gold, etc., where \( a, b, c \) represent definite quantities of the commodities \( A, B, C \), and \( x, y, z \) definite quantities of gold. The values of these commodities are therefore transformed into imagined amounts of gold of different magnitudes. Despite the colorful variety of the commodities themselves, their values become magnitudes of the same denomination, gold-magnitudes.

After the qualitative homogenization is accomplished for all commodities, the need arises to compare the quantities of gold, which represent the values of different commodities, with each other:

As different quantities of gold, they are ca-
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able of being compared with each other and measured, and for technical reasons the need arises to relate them to some fixed quantity of gold as their unit of measurement. This unit, by subsequent division into aliquot parts, becomes itself a whole scale, the standard of measurement.

This need is already resolved, because the commodities gold, silver, copper had standards of measurement already before they became gold.

Before they become money, gold, silver and copper already possess such standards in their weights, so that, for example, a pound, which serves as a unit of measurement, can on the one hand be divided into ounces, and on the other hand be combined with others to make up hundredweights.54

Conclusion: prices are denominated in measurement units whose names derive from
weight units (e.g. Pound Sterling).

It is owing to this that, in all metallic currencies, the names given to the standards of money or of price were originally taken from the preexisting names of the standards of weight.

The peculiar circumstance that while the ounce of gold serves in England as the unit of the standard of money, it is not divided up into aliquot parts, has been explained as follows: ‘Our coinage was originally adapted to the employment of silver only, hence an ounce of silver can always be divided into a certain adequate number of pieces of coin; but as gold was introduced at a later period into a coinage adapted only to silver, an ounce of gold cannot be coined into an aliquot number of pieces’ (Maclaren, A Sketch of the History of the Currency, London, 1858, p. 54).

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3.1.e. [Complementarity and Conflict between Measure of Values and Standard of Prices]

Even under the gold standard, the price signs in the stores are not denominated in \( x \) amounts of gold, but in Pound Sterling or other currencies. The Pound Sterling is here a specific quantity of gold which serves as measuring unit. In the equation a commodity \( A = z \) Pound Sterling, money serves therefore in two functions: on the one hand as measure of value which leads to the equation a commodity \( A = x \) gold, and then as standard of prices which specifies the gold quantity \( x \) by comparing it to the gold quantity which represents 1 Pound Sterling. Although the function of money as a standard of prices is a trivial function, Marx devotes quite a bit of room to it because economists often confuse changes in the measure of value with those in the standard of prices. Modern mainstream economics is only aware of the function of money as standard of prices (money as the numeraire commodity), it completely ignores its function as measure of value. In an effort to combat such theoretical errors, Marx compares the two functions:
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192:1 As measure of value and as standard of price, money performs two quite different functions. It is the measure of value as the social incarnation of human labor; it is the standard of price as a quantity of metal with a fixed weight. As the measure of value it serves to convert the values of all the manifold commodities into prices, into imagined quantities of gold; as the standard of price it measures those quantities of gold. The measure of values allows commodities to measure themselves as values; the standard of price, by contrast, measures quantities of gold by a unit quantity of gold, not the value of one quantity of gold by the weight of another.

Marx emphasizes here the contrast between the fundamental economic function of

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Money as measure of value and its trivial merely technical function as standard of prices. These two different functions have different and even conflicting requirements. As measure of value, gold must have a variable value like every other commodity, but as standard of prices it must be a fixed quantity:

For the standard of price, a certain weight of gold must be fixed as the unit of measurement. In this case, as in all cases where quantities of the same denomination are to be measured, the stability of the measurement is of decisive importance. Hence the less the unit of measurement (here a quantity of gold) is subject to variation, the better the standard of price fulfils its office. But gold can serve as a measure of value only because it is itself a product of labor, and therefore potentially variable in value.\footnote{With English writers the confusion over...}

\footnote{Note zur 2. Ausg. In englischen Schriften...}

\footnote{55 With English writers the confusion over...}
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measure of value and standard of price ('standard of value’) is indescribable. Their functions, and therefore their names, are constantly interchanged.

This looks like a contradiction: on the one hand the standard must be fixed, on the other hand it must be variable. How can this be achieved? A careful look at what happens when the value of the gold changes shows that this contradictory requirement is met beautifully:

192:2 It is, first of all, quite clear that a change in the value of gold in no way impairs its function as standard of prices. No matter how the value of gold varies, different quantities of gold always remain in the same value-relation to each other. If the value of gold fell by 1,000 per cent, 12 ounces of gold would continue to have twelve times the value of one ounce of gold, and when we are dealing with ounces we are

113:2 Es ist zunächst klar, daß ein Wechsel des Goldes seine Funktion als Maßstab der Preise in keiner Weise beeinträchtigt. Wie auch der Goldwert wechle, verschiedene Goldquanta bleiben stets in selbem Wertverhältnis zueinander. Fiele der Goldwert um 1000%, so würden nach wie vor 12 Unzen Gold 12mal mehr Wert besitzen als eine Unze Gold, und in den Preisen handelt es sich nur um das Verhältnis verschiedener
only concerned with the relation between different quantities of gold. Since, on the other hand, an ounce of gold undergoes no change in weight when its value rises or falls, no change can take place in the weight of its aliquot parts. Thus gold always renders the same service as a fixed measure of price, however much its value may vary.

For trivial reasons, a change of value does not affect the role of gold as standard of prices at all. A change of value also does not affect its role as measure of values, but here the reason is not quite as trivial:

A change in the value of gold also does not prevent it from fulfilling its function as measure of value. The change affects all commodities simultaneously, and therefore, other things being equal, leaves the mutual relations between their values unaltered, al-
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though those values are now all expressed in higher or lower gold-prices than before.

The variability of the value of gold does not preclude it from functioning as measure of value because it leaves the relative prices unchanged. Next Marx looks at the laws how variability in value affects prices. (This will lead to an even stronger statement: variability of prices is even necessary for the function of money as measure of value.)

193:1 Just as in the case of the representation of the value of one commodity in the use-value of any other commodity, so also in this case, where commodities measure their values in gold, we assume nothing more than that the production of a given quantity of gold costs, at a given period, a given amount of labor. As regards the fluctuations of commodity prices in general, they are subject to the laws of the simple relative expression of value which we developed in

114:1 Wie bei der Darstellung des Werts einer Ware im Gebrauchswert irgendeiner anderen Ware, ist auch bei der Schätzung der Waren in Gold nur vorausgesetzt, daß zur gegebenen Zeit die Produktion eines bestimmten Goldquantums ein gegebenes Quantum Arbeit kostet. In bezug auf die Bewegung der Warenpreise überhaupt gelten die früher entwickelten Gesetze des einfachen relativen Wertausdrucks.
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an earlier chapter.

Despite the differences between simple equivalent and general equivalent, value changes affect both forms in the same way. These laws were developed earlier, starting 145:1.

193:2 A general rise in the prices of commodities can result either from a rise in their values, which happens when the value of money remains constant, or from a fall in the value of money, which happens when the values of commodities remain constant. The process also occurs in reverse: a general fall in prices can result either from a fall in the values of commodities, if the value of money remains constant, or from a rise in the value of money, if the values of commodities remain constant.

114:2 Die Warenpreise können nur allgemein steigen, bei gleichbleibendem Geldwert, wenn die Warenwerte steigen; bei gleichbleibenden Warenwerten, wenn der Geldwert fällt. Umgekehrt. Die Warenpreise können nur allgemein fallen, bei gleichbleibendem Geldwert, wenn die Warenwerte fallen; bei gleichbleibenden Warenwerten, wenn der Geldwert steigt.

A change in the price of a commodity evenly depends on both the value of the money and the value of the commodity. Those who worry about the variability of the value of money...
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should therefore also consider the variability of the values of ordinary commodities:

It therefore by no means follows that a rise in the value of money necessarily implies a proportional fall in the prices of commodities, or that a fall in the value of money implies a proportional rise in prices. This would hold only for commodities whose value remains constant. But commodities whose value rises simultaneously with and in proportion to that of money would retain the same price. And if their value rose either slower or faster than that of money, the fall or rise in their prices would be determined by the difference between the path described by their value and that described by the value of money. And so on.

As productivity rises, a given amount of gold represents less and less labor-time. This does
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not impair the ability of gold to function as measure of value because ordinary commodities also represent less and less labor. On the contrary, the variability of the value of money is an advantage, since prices remain more stable if gold takes part in the general development of productivity.

3.1.f. [Separation of Money Names from Weight Names]

Let us now return to our investigation of the price form.

After this short digression, clarifying certain issues regarding measure of value and standard of prices, let us see now what this new determination on the side of the equivalent form does to the side of the relative values. This is back-and-forth step (4): Price no longer expressed in weight quantities of gold but in a money name.

This step can be divided into two substeps. First substep: the names in which prices are called no longer coincide with the weight names of the money commodity but they are their own specific words. This is a somewhat unexpected transition, since this is the development of a form which is not true to its content. If it is true that prices are equivalent quantities of
gold, why are they not called this? As in the discussion starting in 680:3, Marx describes here the circumstances facilitating the transition from a truer form to a more mystified form.

For various reasons, the money names of the metal weights gradually diverge from their original weight-names. The historically decisive reasons are: (1) The introduction of foreign money among less developed peoples. This happened at Rome in its early days, where gold and silver coins circulated at first as foreign commodities. The names of these foreign coins were different from those of the indigenous weights. (2) With the development of material wealth, the more precious metal extrudes the less precious from its function as measure of value. Silver drives out copper, gold drives out silver, however much this sequence may con-
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tradict the chronology of the poets.\textsuperscript{56} The word “pound,” for instance, was the money-name given to an actual pound weight of silver. As soon as gold had driven out silver as a measure of value, the same name became attached to, say, one fifteenth of a pound of gold, depending on the ratio between the values of gold and silver. Pound as a money-name and pound as the ordinary weight-name of gold are now two different things.\textsuperscript{57} (3) Centuries of continuous debasement of the currency by kings and princes have in fact left nothing behind of the original weights of gold coins but their names.\textsuperscript{58}

\textsuperscript{56} In any case, its historical validity is not entirely universal.

\textsuperscript{56} Sie ist übrigens auch nicht von allgemein historischer Gültigkeit.

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57 Thus the pound sterling denotes less than one-third of its original weight, the ‘pound scots’ before the union, only one 36th, the French livre one 74th, the Spanish maravedi, less than one 1,000th, and the Portuguese rei a still smaller fraction.

57 Note zur 2. Ausg. So bezeichnet das englische Pfund weniger als ein Drittel seines ursprünglichen Gewichts, das schottische Pfund vor der Union nur noch 1/36, der französische Livre 1/74, der spanische Maravedi weniger als 1/1000, der portugiesische Rei eine noch viel kleinere Proportion.

58 ‘The coins which today have a merely ideal denomination are in all nations the oldest; once upon a time they were all real, and because they were real people reckoned with them’ [Gal03, p. 153].

58 Note zur 2. Ausg. „Die Münzen, deren Namen heute nur noch ideell sind, sind bei allen Nationen die ältesten; sie alle waren einst real, und eben weil sie real waren, hat man mit ihnen gerechnet.“ [Gal03, p. 153].

One should expect now that Marx goes back to the relative form of value, in order to look at the corresponding modifications in the price form. But he first gives a little more detail about what happens to the equivalent form when the money commodity obtains the function as standard of prices. In the first paragraph a historical fact about the measuring unit is quoted: it separates itself from the weight name.

194:1 These historical processes have 115:1 Diese historischen Prozesse machen
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made the separation of the money-name from the weight-name into a fixed popular custom. Since the standard of money is on the one hand purely conventional, while on the other hand it must possess universal validity, it is in the end regulated by law.

Role of the state: on the one hand the monetary unit is purely conventional, on the other it must have general validity, therefore regulated by law. The economic determinations are such that they require conscious intervention.

A given weight of one of the precious metals, an ounce of gold for instance, becomes officially divided into aliquot parts, baptized by the law as a pound, a thaler, etc. These aliquot parts, which then serve as the actual units of money, are subdivided into other aliquot parts with legal names, such as a shilling, a penny etc. But, despite

die Trennung des Geldnamens der Metallgewichte von ihrem gewöhnlichen Gewichtsnamen zur Volksgewohnheit. Da der Geldmaßstab einerseits rein konventionell ist, anderseits allgemeiner Gültigkeit bedarf, wird er zuletzt gesetzlich reguliert.

Ein bestimmter Gewichtsteil des edlen Metals, z.B. eine Unze Gold, wird offiziell abgeteilt in aliquote Teile, die legale Taufnamen erhalten, wie Pfund, Taler usw. Solcher aliquote Teil, der dann als die eigentliche Maßeinheit des Geldes gilt, wird untergeteilt in andre aliquote Teile mit gesetzlichen Taufnamen, wie Shilling, Penny etc. Nach wie
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this, a definite weight of metal remains the
standard of metallic money. All that has
changed is the subdivision and the denom-
ination of the money.

59 David Urquhart remarks in his ‘Familiar
Words’ [Urq55, p. 105] on the monstrosity (!) that nowadays a pound (sterling), which is the
unit of the English standard of money, is equal
to about a quarter of an ounce of gold. ‘This is falsifying a measure, not establishing a standard.’
In this ‘false denomination’ of the weight of gold, he finds what he finds everywhere else, the falsi-
ifying hand of civilization.

194:2 The prices, or quantities of gold, into which the values of commodities are
ideally changed, are therefore now ex-
pressed in the money-names, or the legally
valid names of the subdivisions of the gold

vor bleiben bestimmte Metallgewichte Maß-
stab des Metallgeldes. Was sich geändert, ist
Einteilung und Namengebung.

59 Note zur 2. Ausg. Herr David Urquhart be-
merkt in seinen „Familiar Words“ über das Unge-
heuerliche (!), daß heutzutage ein Pfund (£ St.),
die Einheit des englischen Geldmaßstabs, gleich
ungefähr 1/4 Unze Gold ist: „Das ist Fälschung ei-
nes Maßes und nicht Festsetzung eines Maßstabs“
[Urq55, p. 105]. Er findet in dieser „falschen Be-
nennung“ des Goldgewichts wie überall sonst die
fälschende Hand der Zivilisation.

115:2 Die Preise, oder die Goldquanta, worin die Werte der Waren ideell verwand-
delt sind, werden jetzt also ausgedrückt in
den Geldnamen oder gesetzlich gültigen Re-
chennamen des Goldmaßstabs. Statt also zu
standard made for the purpose of reckoning. Hence, instead of saying that a quarter of wheat is worth an ounce of gold, people in England would say that it was worth £3 17s. 10 1/2d. In this way commodities tell each other by their money-names how much they are worth, and money serves as money of account whenever it is a question of fixing a thing as a value and therefore in its money form.  

60 ‘When Anacharsis was asked what the Greeks used money for, he replied: for reckoning’ (Athenaeus, Deipnosophistae, Bk IV, 49, v. 2, ed. Schweighäuser, 1802)

Here Marx finally says what happens to the relative form of value, the prices, after the equivalent form developed into a standard of price. They are expressed in money names (i.e., sagen, der Quarter Weizen ist gleich einer Unze Gold, würde man in England sagen, er ist gleich 3 Pfd.St. 17 sh. 10 1/2 d. Die Waren sagen sich so in ihren Geldnamen, was sie wert sind, und das Geld dient als Rechengeid, sooft es gilt, eine Sache als Wert und daher in Geldform zu fixieren.  

60 Note zur 2. Ausg. „Als man den Anacharsis fragte, wozu die Hellenen das Geld brauchen, antwortet er: zum Rechnen.“ (Athen[aeus], „Deipn[osophistae]“, l. IV, 49, v. 2 [p. 120], ed. Schweighäuser, 1802.)
people do not even know anymore that prices represent certain quanta of gold). Therefore, by back-and-forth step (5), money is transformed into money of account.

195:1 The name of a thing is altogether external to its nature. I know nothing of a man if I merely know his name is Jacob. In the same way, every trace of the value relation disappears in the money names pound, thaler, franc, ducat, etc. It adds to the confusion about the hidden meaning of these cabalistic signs that these money names express both the values of commodities and, simultaneously, proportional parts of a certain weight of metal, namely of that amount of metal which serves as the standard of money.\(^{61}\) On the other hand, it is in fact necessary that value, as opposed to the multifarious objects of the world of commodi-
ties, should develop into this form which is objective and gives no hint at its conceptual origin, but which is also a simple social form.\textsuperscript{62}

Fowkes translates “Wirre über den Geheimsinn dieser kabbalistischen Zeichen” as “confusion caused by attributing a hidden meaning to these cabalistic signs” “begriffslos sachlich” as “material and nonmental”. These translations are clearly wrong.

\textsuperscript{61} ‘Because as standard of price gold is expressed by the same names of account as the prices of commodities—for example £3 17s. 10 d. may denote an ounce of gold just as well as a ton of iron—these names of account are called the mint-price of gold. Thus the strange notion arose that gold is estimated in its own material and that, unlike all other commodities, its price is fixed by the State. The establishing of names of account for definite weights of gold was mistaken

\textsuperscript{61} Note zur 2. Ausg. „Weil das Gold als Maßstab der Preise in denselben Rechennamen erscheint wie die Warenpreise, also z.B. eine Unze Gold ebensowohl wie der Wert einer Tonne Eisen in 3 Pfd.St. 17 sh. 10 1/2 d. ausgedrückt wird, hat man diese seine Rechennamen seinen Münzpreis genannt. Die wunderliche Vorstellung entstand daher, als ob das Gold (resp. Silber) in seinem eignen Material geschätzt werde und im Unterschied von allen Waren von Staats wegen einen fixen Preis
for the establishing of the value of these weights’ (Karl Marx, op. cit., p. 52) [English edition, p. 74].

This is a quote from *Contribution*, 312:2/oo.

62 Cf. ‘Theories of the Standard of Money’, in Zur Kritik etc., pp. 53 ff. [English edition, pp. 76 ff.]. Some theorists had fantastic notions of raising or lowering the ‘mint-price’ of money by getting the state to transfer to greater or smaller weights of gold or silver the names already legally appropriated to fixed weights of those metals, so that for example 1/4 ounce of gold could be minted into 40 shillings in the future instead of 20. However, Petty dealt with these so exhaustively in his *Quantulumcunque Concerning Money: To the Lord Marquis of Halifax*, 1682, at least in those cases where they aimed not at clumsy financial operations against public and private creditors but rather at eco-

erhalte. Man versah die Fixierung von Rechnennamen bestimmter Goldgewichte für Fixierung des Werts dieser Gewichte.“ (Karl Marx, l.c. p. 52.)

nomic quack remedies, that even his immediate followers, Sir Dudley North and John Locke, not to mention later ones, could only repeat in more shallow terms what he had said. ‘If the wealth of a nation,’ he remarks, ‘could be increased ten times by a proclamation, it were strange that such proclamations have not long since been made by our Governors’ (Petty, op. cit., p. 36).

With money of account we are back on the side of the equivalent. A name is an example of a form extraneous to its content. Fetish character of this highest developed form. Necessity of this.

This is the climax of this section. When Marx returns now to the relative form of value, he no longer pushes the derivation of the price form forward, but he discusses the (qualitative and quantitative) discrepancies, incongruities, between value and price.

3.1.g. [Incongruities between Value and Price]
First quantitative incongruity. This is what we called back-and-forth step (6a).
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195:2/o The price of a commodity is the money name of the labor objectified in it. It is therefore a tautology to say that the commodity, and the amount of money named by its price, are equivalents.\textsuperscript{63} The relative expression of the value of a commodity is always the expression of the equivalence of two commodities.

Exponent = that which exposes, indicator.

\textsuperscript{63} ‘Or indeed it must be admitted that a million in money is worth more than an equal value in commodities’ (Le Trosne, op. cit., p. 919), and hence ‘that one value is worth more than another value which is equal to it’.

But although price, being the exponent of the magnitude of a commodity’s value, is the exponent of its exchange ratio with money, it does not follow that the exponent

116:1/o Der Preis ist der Geldname der in der Ware vergegenständlichten Arbeit. Die Äquivalenz der Ware und des Geldquantums, dessen Name ihr Preis ist, ist daher eine Tautologie,\textsuperscript{63} wie ja überhaupt der relative Wertausdruck einer Ware stets der Ausdruck der Äquivalenz zweier Waren ist.

\textsuperscript{63} „Oder man muß schon zugeben, daß eine Million in Geld mehr wert ist als ein gleicher Wert in Waren“ (Le Trosne, l.c. p. 919), also „daß ein Wert mehr wert ist als ein gleicher anderer.“

Wenn aber der Preis als Exponent der Wertgröße der Ware Exponent ihres Austauschverhältnisses mit Geld, so folgt nicht umgekehrt, daß der Exponent ihres Austauschver-
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of its exchange ratio is necessarily the exponent of the magnitude of the commodity’s value.

There is no mechanism which causes the value of those things to rise that are traded at a high price. On the contrary.

There is a fundamental asymmetry between form and content. While the content has to express itself in the form, the form may also incorporate extraneous influences. This is due to the openness of the world and, more specifically, in the social realm, due to the fact that societies are composed of individuals who make their own decisions. Other influences may be active which override the economic laws which Marx is developing here.

The law that values express their magnitude in the quantity of prices is therefore only a tendential law. The socially necessary labor-time in a commodity is the most enduring factor regulating its exchange-relation with money, but this exchange-relation may also be influenced by factors that have nothing to do with labor-time.

Suppose equal quantities of socially necessary labor are represented by 1 quarter of wheat and £2 (approximately 1/2 ounce of gold) and in 2 Pfd.St. (ungefähr 1/2 Unze Gold)
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gold), respectively. £2 is the expression in money of the magnitude of the value of the quarter of wheat. It is its price. If circumstances now allow this price to be raised to £3, or compel it to be reduced to £1, then although £1 and £3 may be too small or too large to give proper expression to the magnitude of the wheat’s value, they are nevertheless prices of the wheat, for they are, in the first place, the form of its value, i.e. money, and, in the second place, the exponents of its exchange-ratio with money. If the conditions of production, or the productivity of labor, remain constant, the same amount of social labor-time must be expended on the reproduction of a quarter of wheat, both before and after the change in
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price. This situation is not dependent on the will of the wheat producer or that of the owners of the other commodities. The magnitude of the value of a commodity therefore expresses a necessary relation to social labor-time which is inherent in the process by which the commodity is produced.

The socially necessary labor-time in a commodity cannot be changed by decree, and also not by the exchange decisions of the commodity traders; this is why Marx calls the magnitude of value a “necessary relation.” Exchange relations however can be changed by voluntary acts. People are free to exchange things at exchange relations that do not conform with the value relations, but they cannot change those value relations themselves.

With the transformation of the magnitude of value into the price, this necessary relation appears as the exchange ratio between a given commodity and the money commodity which exists outside it. In this relation,
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however, not only the magnitude of value of
the commodity may express itself, but also
the greater or lesser quantity in which it can
be sold under the given circumstances. The
possibility, therefore, of a quantitative in-
congruity between price and magnitude of
value, i.e. the possibility that the price may
diverge from the magnitude of value, is in-
herent in the price form itself.

Marx argues that such incongruity is inherent in the form of value because price is
the exterior expression of the immanent value, and this exterior expression is open to other
influences as well.

But then he goes further and says this discrepancy between value and price is not a
defect but a necessity for private commodity production.

This is not a defect but, on the contrary,
it makes this form the adequate form for a
mode of production whose laws can only as-
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assert themselves as the blindly operating law of averages of constant irregularities.

These deviations of value and price are the mechanism by which the general necessities of the general division of labor are imposed on the individual producers and consumers.

This is already the second thing which looks like a flaw but which turns out to be necessary: after the variability of the value of money now also the deviation of prices from value.

Next comes what we called back-and-forth step (6b):

197:1 The price-form, however, is not only compatible with the possibility of a quantitative incongruity between magnitude of value and price, i.e. between the magnitude of value and its own expression in money, but it may also harbor a qualitative contradiction, with the result that price ceases altogether to express value, despite the fact that money is nothing but the value-

117:1 Die Preisform läßt jedoch nicht nur die Möglichkeit quantitativer Inkongruenz zwischen Wertgröße und Preis, d.h. zwischen der Wertgröße und ihrem eigenen Geldausdruck zu, sondern kann einen qualitativen Widerspruch beherbergen, so daß der Preis überhaupt aufhört, Wertausdruck zu sein, obgleich Geld nur die Wertform der Waren ist. Dinge, die an und für sich keine Waren sind,
form of commodities. Things which in and for themselves are not commodities, things such as conscience, honor, etc., can be offered for sale by their holders, and thus acquire the form of commodities through their price. Hence a thing can, formally speaking, have a price without having a value. The expression of price is in this case imaginary, like certain quantities in mathematics. On the other hand, the imaginary price-form may also conceal a real value-relation or one derived from it, as for instance the price of uncultivated land, which is without value because no human labor is objectified in it.

After the quantitative now the qualitative incongruity: once the price-form of commodities is developed, also things which do not have a value can obtain a price.
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This possibility, that things can obtain a price from circulation, is also expressed in 229:0c/o:

“Since money does not reveal what has been converted into it, everything, commodity or not, is convertible into money.”

Here is also a relevant passage from the Wage chapter:

In the expression ‘value of labor’, the concept of value is not only altogether extinguished, but it is turned into its opposite. It an imaginary expression, like, say, ‘value of the earth’. However these imaginary expressions arise from the relations of production themselves. They are categories for the forms of appearance of essential relations. That in their appearance things are often presented in an inverted way is something familiar in just about every science, except in political economy. (677:2).

A systematic analysis of the imaginary expressions: value of labor, value of the earth, value of money as capital (interest), etc., will be given in Part VI of Capital I and Part VII of Capital III.

The comparison with imaginary numbers will also be taken up in chapter Nineteen, p. 677:2.
On the other hand, such a price may still hide an underlying value relation. That the price of labor hides the value of labor-power is the most prominent example here, this will be discussed on p. 2053 below. Other examples: price of land hides ground rent, capitalization gives a fictitious value to a claim on an income, etc.

In Resultate 1072:4/0, Marx gives a slightly stronger argument, claiming that every price must be reducible to value:

Every price must be reducible to a value, because price, in and for itself, is nothing but the monetary expression of value. The circumstance that the actual price of a commodity may stand above or below the level corresponding to its value does not alter the fact that prices are an expression of the values of the commodities, even though the expression is in this case quantitatively too large or too small—quantitatively incongruent. But here in the price of labor the lack of congruence is qualitative.
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3.1.h. [From Measure of Value to Means of Circulation]

In order to make the transition to the function of money as means of circulation, Marx begins with a look at what the price tag means. This is the final back-and-forth step \((7)\). If the price of one ton of iron is one ounce of gold, then this obligates the owner of iron to give one ton of iron for each ounce of gold the gold owner is willing to pay (as long as the owner of iron has this much iron in stock, and there may be other circumstances where this obligation is voided). Marx says that one ounce of gold is “directly exchangeable for iron:”

197:2/o Just as any other relative form of value, the price is the expression of the value of a commodity. It expresses the value of a ton of iron, for instance, by asserting that a given quantity of the equivalent, an ounce of gold for instance, is directly exchangeable with iron. But the price form by no means asserts the converse, that iron is directly exchangeable with gold.

Marx’s last remark in the above passage, that the price tag does not make iron directly
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exchangeable for gold, seems almost too trivial to be worth saying. Every child knows that the owner of iron cannot approach the owner of money and demand one ounce of gold for each ton of iron the iron owner is willing to give him. However the producer of iron finds himself exactly in the position of having to exchange his iron for all other commodities, i.e., for him, iron must indeed serve as the general equivalent. Marx said this already in 180:2. At that earlier point, this was posed as an impossibility (all commodities cannot be general equivalent at the same time). But now a solution presents itself: if the producers first convert their ordinary commodities into money, then they will indeed hold a general equivalent in their hands.

In order to take effect in practice as an exchange-value, the commodity must therefore divest itself of its natural physical body. It must transform itself from merely imagined gold into real gold, although this act of transubstantiation may be more ‘burdensome’ for it than the transition from necessity to freedom for the Hegelian ‘con-
cept’, the casting of his shell for a lobster, or the putting-off of the old Adam for Saint Jerome.\footnote{64}

\footnote{64 If Jerome had to wrestle hard in his youth with the material flesh, as is shown by his fight in the desert with visions of beautiful women, he had also to wrestle in his old age with the spiritual flesh. ‘I thought’, he says, ‘I was in the spirit before the Judge of the Universe.’ ‘Who art thou?’ asked a voice. ‘I am a Christian.’ ‘Thou liest,’ thundered back the great Judge, ‘thou art nought but a Ciceronian’. [Letter XXII, Ad Eustochium].

\uparrow Marx emphasizes here the difficulties commodities have to be sold which are, of course, the necessary counterpart of the ease with which money buys. \downarrow Now Marx repeats on a more formal, abstract level what he just said: Alongside its actual shape (iron, for instance), a commodity may possess a no-}

Neben ihrer reellen Gestalt, Eisen z.B., kann die Ware im Preise ideelle Wertgestalt oder
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tional value shape or imagined gold shape in the form of its price, but it cannot simultaneously be both real iron and real gold. To establish its price it is sufficient for it to be equated with gold in the imagination. But to enable it to render its owner the service of a universal equivalent, it must be actually replaced by gold. If the owner of the iron were to go to the owner of some other earthly commodity, and were to refer him to the price of iron as its money form, he would receive as answer the terrestrial equivalent of the answer given by St. Peter in heaven to Dante, when the latter recited the creed: ‘Right well hath now been tested this coin’s alloy and weight—but tell me if thou hast it in thy purse’

vorgestellte Goldgestalt besitzen, aber sie kann nicht zugleich wirklich Eisen und wirklich Gold sein. Für ihre Preisgebung genügt es, vorgestelltes Gold ihr gleichzusetzen. Durch Gold ist sie zu ersetzen, damit sie ihrem Besitzer den Dienst eines allgemeinen Äquivalents leiste. Träte der Besitzer des Eisens z.B. dem Besitzer einer weltlustigen Ware gegenüber und verwiesse ihn auf den Eisenpreis, der Geldform sei, so würde der Weltlustige antworten, wie im Himmel der heilige Petrus dem Dante, der ihm die Glaubensformel hergesagt:

„Assai bene è trascorsa
D esta moneta già la lega e’l peso,
Ma dimmi se tu l’hai nella tua borsa.‘“
This passage brings a new aspect of the money form: in the presence of money, direct barter becomes more difficult. The dominant role of money as General equivalent deprives the other commodities of the capacity to serve as the expressions of value themselves. See 161:1! This implies that each commodity must be converted into money before it can act as exchange-value itself. The conclusion is: although the pricing of the commodity only required imagined money, this pricing implies that commodities must be turned into real gold in order to change hands. This gives the transition from the measure of value to the means of circulation.

198:1 The price form implies both the possibility to convert the commodities into money and the necessity of this conversion. On the other hand, gold serves as the notional measure of value only because it is already present as the money commodity in the process of exchange.
This is a very succinct formulation which leaves out many intermediary steps. The price form implies

1. the *possibility* of alienation (*Veräußerlichkeit*) of the commodity against money; i.e., the only condition necessary for someone to get the commodity is that he gives the money. Because of this possibility, commodity producers will no longer accept non-money commodities in exchange for their products. I.e., the possibility of alienation implies the

2. *necessity* of alienation (*Veräußerung*): Every commodity must be turned into money before it can be converted into other commodities. That means, the price form, which the commodities obtained without money actually being present, requires them to be exchanged against real money. Is this money available? The answer is yes, because

3. “on the other hand,” gold is the material in which commodities express their values only because gold is already present in circulation. I.e., the task implied in the price form arises together with the means to solve this task.

In the notional measure of values lurks | Im ideellen Maß der Werte lauert daher das
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therefore hard cash.  harte Geld.

3.2. Means of Circulation

3.2.a. The Metamorphosis of Commodities

“Metamorphosis” is the passing through different forms (metamorphosis of a butterfly).

Whereas the first section of chapter Three was a continuation of the development in section 1.3 of chapter One, this second section here is a continuation of chapter Two.

After some general preliminary remarks about contradiction in the first paragraph 198:2, the three next paragraphs 198:3–199:2 argue that one must look at the circulation process from its form side. After this Marx shows how these formal aspects interface with the purposeful individual activity of the commodity traders. A famous passage that Say’s law need not hold, i.e., that crises are possible, concludes subsection 3.2.a.

Marx begins with the following metaphor: the exchange process provides a stage where the contradictions of the direct barter can play themselves out, just as an elliptical orbit allows the contradictions between gravity and inertia to play themselves out. The very first
3.2. Means of Circulation

We saw that the process of exchanging commodities contains contradictory and mutually exclusive relationships. While the development of the commodity does not resolve these contradictions, it provides the form in which they can move.

The splitting-up of the barter into sale and purchase, made possible by the separation of the world of the commodities into ordinary commodities and money, gives the space in which the contradictory aspects can “move.”

One should note how Marx argues here. The separation of barter into sale and purchase is not described as a device deliberately introduced by the market participants in order to resolve the practical difficulties of direct barter. Rather, money has been introduced as a surface expression of the relations of production in the core of the economy. Money functions as “form of value,” i.e., it is a surface relation which induces individual behaviors through which the value relation between the producers, i.e., the pooling of their private labors as abstract labor, is actualized and reproduced. Marx stresses throughout this section that the...
activity on the market place must be seen “from the form side.” I.e., what is important about the market events is not the trades as better or poorer bargains for the market participants, or the transaction costs, but the “transfactual impact” of these activities on the core of the economy. The interest of the traders is relevant only in so far as it promotes or hinders these formal aspects of their activities. If the market fails to provide an appropriate form for the underlying relations of production, then it is will not continue to exist; the interests of the traders are here secondary. If the traders come up with technical devices facilitating their practical activities, which are such that they would inhibit the function of the market as the agency giving direction to the economy, then these technical devices are likely to be outlawed.

The next sentence comments on it that these value forms do not resolve the contradictions, but merely give them room to move:

This is generally the method how real contradictions resolve themselves.

A “real” contradiction is real but not necessarily actual. In order to actualize itself (or, as the translation below says, assert itself) it needs a form which allows it to do this. This actualization is not a resolution because the underlying contradiction still persists. We will
see in 208:2/o that the separation between sale and purchase makes crises possible, i.e., it does not eliminate the contradiction as a contradiction.

For instance, it is a contradiction that a material body constantly falls towards another and at the same time constantly flies away from it. The ellipse is one of the forms of motion in which this contradiction both asserts itself and resolves itself.

The Fowkes translation transferred the contradiction over to the transitive side: “For instance, it is a contradiction to depict a material body as constantly falling towards another and at the same time constantly flying away from it.”

And in both the sentence before and the one after it, Fowkes’s formulation is not that contradictions resolve themselves, but they are resolved: “This is, in general, the way in which real contradictions are resolved.” “The ellipse is a form of motion within which this contradiction is both realized and resolved.”

A distinction between surface and core is implicit in this example. Underneath, in the sphere of the real, two conflicting forces are at work: gravity which makes bodies fall into...
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each other, and inertia, which forces bodies to maintain the state of motion they already have. In an elliptical orbit, sometimes inertia and sometimes gravity is predominant (unless they balance each other exactly at every point, in which case the orbit is a circle). This is analogical to the metamorphosis of commodities, where, as we will see shortly, sometimes the use-value and sometimes the value is predominant. The example of the ellipse therefore sets the stage for Marx’s investigation of the exchange process as the contradictory surface mediation of something going on underneath.

Let us therefore first look at this “something” going on underneath. On the most general level, this underlying process is the social metabolism of use-values. In every society with a division of labor, the products must change hands after they are produced. Everybody parts with his or her own product and receives the products of others.

198:3/o In so far as the process of exchange transfers commodities from hands in which they are non-use-values to hands in which they are use-values, it is a process of social metabolism. The product of one kind of useful labor replaces that of another. 119:1 Soweit der Austauschprozeß Waren aus der Hand, worin sie Nicht-Gebrauchs-werte, in die Hand überträgt, worin sie Ge-brauchswerte, ist er gesellschaftlicher Stoff-wechsel. Das Produkt einer nützlichen Arbeitsweise ersetzt das der andren.
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Not in every society is this process mediated by an exchange of products. The object of the present investigation is the social form in which this transfer is carried out in a commodity-producing society. I.e., Marx asks here which motivations, behaviors, and institutions on the surface of the economy induce the economic agents to perform the actions necessary to keep this society-wide metabolism going. The next passage clarifies that the content of the process is not of interest here, only its form:

Once a commodity has arrived at a place where it can serve as use-value, it falls out of the sphere of exchange into that of consumption. Since only the exchange is of interest to us here, we must consider the whole process under its formal aspect. We must investigate the form change—or the metamorphosis—of commodities, which mediates the social metabolism.

A similar formulation can be found in chapter Four, 247:2.

If one looks at the market transactions from their form side one must avoid the follow-
ing mistake: one should not consider the surface activities by which the social metabolism is mediated as *exchanges*. Marx stresses that they are not exchanges as in a barter situation between two ordinary commodities. In other words, people’s thought processes and decisions are different when they make a sale or purchase than those when they barter two commodities against each other. In the last sentence of the preceding paragraph, the process of selling and buying is not called “exchanges” but “metamorphoses” or “form changes” of the commodities (to be understood in the sense of “switching forms” or “migrating from one form to the next”).

199:1 This change of form has been very imperfectly grasped as yet, owing to the circumstance that, quite apart from the lack of clarity in the concept of value itself, every change of form in a commodity results from the exchange of two commodities, namely an ordinary commodity and the money commodity. If we keep in mind only this material aspect, that is, the exchange of the com-

119:2 Die durchaus mangelhafte Auffas-sung dieses Formwechsels ist, abgesehen von Unklarheit über den Wertbegriff selbst, dem Umstand geschuldet, daß jeder Formwech-sel einer Ware sich vollzieht im Austausch zweier Waren, einer gemeinen Ware und der Geldware. Hält man an diesem stofflichen Moment, dem Austausch von Ware mit Gold, allein fest, so übersieht man grade, was man
modity for gold, we overlook the very thing we ought to observe, namely what has happened to the form of the commodity. We do not see that gold, as a mere commodity, is not money, and that the other commodities, through their prices, relate themselves to gold as the their own monetary shape.

Here is this same passage in the French edition (with a translation from the French edition). The French is clearer than both English and German versions.

[megaII/7]81:2 The formal aspect of this movement is somewhat difficult to grasp, since every form change of one commodity is brought about by the exchange of two commodities. An example of such a form change is a commodity stripping off its useful form and putting on its money form. How does this happen? By its exchange

sehn soll, nämlich was sich mit der Form zuträgt. Man übersieht, daß Gold als bloße Ware nicht Geld ist und daß die andren Waren sich selbst in ihren Preisen auf Gold als ihre eigne Geldgestalt beziehen.

[megaII/7]81:2 Ce côté morphologique du mouvement est un peu difficile à saisir, puisque tout changement de forme d’une marchandise s’effectue par l’échange de deux marchandises. Une marchandise dépouille, par exemple, sa form usuelle pur revêtir sa forme monnaie. Comment cela arrive-t-il? Par son échange avec l’or. Simple échange
with gold. A simple exchange of two commodities, if we view it as a tangible fact; but it is necessary to look at it more closely.

Every form change of a commodity is accomplished by an exchange of two things, an ordinary commodity and the money commodity. Nevertheless, this form change cannot be understood if one equates it to a barter between two different commodities on the market. In a barter, one has to divide one’s attention between two commodities, that which one gives away and that which one receives. In the exchange mediating the form change of the commodity, gold does not act as a commodity with a use-value, but as money. The next paragraph explains in more detail the forms which the commodities and money assume and strip off again in the exchange process:

199:2 Commodities first enter into exchange ungilded, without a sugar coating, in their original home-grown shapes. The process of exchange, however, produces a duplication of the commodity into commodity and money, an external opposition in which

119:3 Die Waren gehn zunächst unvergoldet, unverzuckert, wie der Kamm ihnen gewachsen ist, in den Austauschprozeß ein. Er produziert eine Verdopplung der Ware in Ware und Geld, einen äußeren Gegensatz, worin sie ihren immanenten Gegensatz von
the commodities represent their internal opposition between use-value and value.

This is a reference to the social “deed” preparatory to circulation, discussed in chapter Two, 180:3–181:1. This deed allows the inner contradiction between use-value and exchange-value of each individual commodity to be represented on the outside by the contradiction between commodities and money.

In this opposition, commodities as use-values confront money as exchange-value. It is true, both sides of this opposition are commodities, i.e., unities of use-value and value. But this unity of differences represents itself at each of the two opposite poles in an opposite way, and therefore at the same time represents their mutual interaction. The commodity is in actuality a use-value—the fact that it is a value appears only notionally, in its price, which puts it in

In diesem Gegensatz treten die Waren als Gebrauchswerte dem Geld als Tauschwert gegenüber. Andrerseits sind beide Seiten des Gegensatzes Waren, also Einheiten von Gebrauchswert und Wert. Aber diese Einheit von Unterschieden stellt sich auf jedem der beiden Pole umgekehrt dar und stellt dadurch zugleich deren Wechselbeziehung dar. Die Ware ist reell Gebrauchswert, ihr Wertsein erscheint nur ideell im Preis, der sie auf das gegenüberstehende Gold als ihre reelle Wert-
relation with gold as the actual shape of its value. On the other hand, gold counts only as the materialization of value, as money. In its actuality it is therefore exchange-value. Its use-value appears only notionally in the series of relative value-expressions, through which it refers to all the other commodities as the scope of its actual useful shapes.

In other words, the use-value of gold for filling teeth is ignored. The French edition of *Capital* explains very well how relation between commodity and money differs from that between two ordinary commodities:

199:2 Gold occupies one pole, and all the useful articles the opposite pole. On both sides are commodities, unities of use-value and exchange-value. But this unity of opposites is, on these two extremes, represented in two manners inverse to each other. The

119:3 L’or occupe un pôle, tous les articles utiles le pôle opposé. Des deux côtés, il y a marchandise, unité de valeur d’usage et de valeur d’échange. Mais cette unité de contraires se représente inversement aux deux extrêmes. La forme usuelle de la marchandise
useful form of the commodity is its actual form, while its exchange-value is expressed only notionally, in imagined gold, by its price. By contrast, the natural, metallic form of gold is the form of its general exchangeability, its value form, while its use-value is only notionally expressed in the series of commodities acting as its equivalents. That is why a commodity, when it is exchanged against gold, changes at the same time its useful form into its value form. When gold is exchanged against a commodity, then it changes, with that, its value form into a useful form.

In comparison with the French, the German and English editions contain additional information. They are overloaded and therefore more difficult to read. At the beginning of the paragraph, the remark is added that this exterior opposition commodity—money is a product en est la forme réelle, tandis que sa valeur d’échange n’est exprimée qu’idéalement, en or imaginé, par son prix. La forme naturelle, métallique de l’or est au contraire sa forme d’échangeabilité générale, sa forme valeur, tandis que sa valeur d’usage n’est exprimée qu’idéalement dans la série des marchandises qui figurent comme ses équivalents. Or, quand une marchandise s’échange contre de l’or, elle change du même coup sa forme usuelle en forme valeur. Quand l’or s’échange contre une marchandise, il change de même sa forme valeur en forme usuelle.
of the exchange process and represents the interior opposition use-value—exchange-value in every commodity. The German edition has the following additional sentence at the end: These opposite forms of the commodities are the actual forms of motion of the process of exchange.

In other words, when the commodity goes through the exchange process, it passes through these two opposite commodity forms. The terminology “form of motion” reminds of the example of the ellipse: Just as in an ellipse, sometimes gravity and sometimes inertia is dominant, so in the exchange of the commodities, first the exchange-value and then the use-value are dominant.

After these more general considerations, a more detailed investigation follows. It looks at these form changes from the point of view of the individual commodity producer. In order to do this, we follow a linen-weaver to the market, i.e., we consider the practical actions by which this form change is carried out.

Let us now accompany the owner of some commodity, say our old friend the linen weaver, to the scene of action, the market.
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Her commodity, 20 yards of linen, has a definite price, £2. She exchanges it for £2, and then, being a woman of the old school, she parts with the £2 in return for a family Bible of the same price.

Here Marx uses the word “exchange.” A little earlier he had said that although it was physically an exchange between two things, the commodity involved (linen or bible) and money, it should be considered a form change of the commodity rather than an exchange. The next sentence redescribes this process as a form change:

The linen, for her nothing but a commodity, carrier of value, is disembodied in exchange for gold, which is the material shape of the linen’s value, then it is taken out of this shape, and re-embodied, externalized, again in exchange for another commodity, the Bible, which is however destined to en-

Warenmarkt. Seine Ware, 20 Ellen Lein-

wand, ist preisbestimmt. Ihr Preis ist 2 Pfd.St. Er tauscht sie aus gegen 2 Pfd.St. und, Mann von altem Schrot und Korn, tauscht die 2 Pfd. St. wieder aus gegen eine Familienbibel vom selben Preis.

Die Leinwand, für ihn nur Ware, Wertträger, wird entäußert gegen Gold, ihre Wertgestalt, und aus dieser Gestalt rückveräußert gegen eine andre Ware, die Bibel, die aber als Ge-

brauchsgegenstand ins Weberhaus wandern und dort Erbauungsbedürfnisse befriedigen soll.
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Marx uses here the pair of words “disembody” or “transfigure” entäußern, which means, strip off its external shell, i.e., selling, and “re-embody” or “re-externalize” rückveräußern, the resumption of an external form, i.e., buying.

The process of exchange is therefore accomplished through two opposite yet mutually complementary metamorphoses—the conversion of the commodity into money, and the re-conversion of the money into a commodity.65

Seen from the form side, the weaver does not give away her commodity, but she still has the same commodity in her hands, which only changes its form. It first burns into money-ashes and then rises from these ashes in the shape of the use-value which she can actually use:

65 ‘As Heracleitus says, all things exchange
3.2. Means of Circulation

for fire, and fire for all things, just as gold does for goods and goods for gold’ (F. Lassalle, Die Philosophie Herakleitos des Dunkeln, Berlin, 1858, Vol. I, p. 222.) Lassalle, in his note on this passage, p. 224, n. 3, erroneously declares money to be a mere symbol of value.

↑ While Heracleitus uses the metaphor of burning, Marx himself uses the metaphor of a chrysalis in 159:2/o and 227:3/o. He uses the metaphor of a larva in 210:2/oo.

So far, we argued by a transcendental argument that the exchange process must be viewed from its form side, and arrived at the above form change by a redescription of the exchange process. Now Marx looks whether we can recognize the elements of this metamorphosis in the practical activities of the commodity exchangers:

The moments of the metamorphosis of the commodity are at the same time transactions effected by the commodity owner—selling, or the exchange of the commodity for money, buying, or the exchange of the money for a commodity, and the unity of the
two acts: selling in order to buy.

After producing her commodities, the commodity producer must go to market and engage in two different transactions, a sale and a purchase, in order to obtain the products she needs. She has come to depend on it that her practical dealing and wheeling on the market will, as a rule, lead to the desired results: she will find a buyer for her wares and she will be able to purchase the use-values she needs. This exchange of use-values is her final aim.

200:1 The end result of the transaction, from the point of view of the weaver, is that instead of being in possession of the linen, she now has the Bible; instead of her original commodity, she now possesses another of the same value but of different utility. She procures her other means of subsistence and production in a similar way. For the weaver, the whole process accomplishes nothing more than the exchange of the product of her labor for the product of some-

120:1 Besieht sich der Leinweber nun das Endresultat des Handels, so besitzt er Bibel statt Leinwand, statt seiner ursprünglichen Ware eine andre vom selben Wert, aber verschiedener Nützlichkeit. In gleicher Weise eignet er sich seine andren Lebens- und Produktionsmittel an. Von seinem Standpunkt vermittelt der ganze Prozeß nur den Austausch seines Arbeitsprodukts mit fremdem Arbeitsprodukt, den Produktaustausch.
one else’s, nothing more than an exchange of products.

It is of little concern to her that the market routine is also an evolution of the forms of the value of the commodity, despite the fact that she would not be able to achieve her individually desired outcome if it were otherwise. We, however, will take a close look at these form changes now:

200:2 The process of exchange is therefore accomplished through the following changes of form:
   Commodity—Money—Commodity
   
   $C - M - C$.

These two stages are first considered from the point of view of their result, then separately, and then in their unity.

200:3 As far as its material content is concerned, the movement is $C - C$, the exchange of one commodity for another, the metabolic interaction of social labor, . . .

120:2 Der Austauschprozeß der Ware vollzieht sich also in folgendem Formwechsel:
   Ware—Geld—Ware
   
   $W - G - W$.

120:3 Nach ihrem stofflichen Inhalt ist die Bewegung W–W, Austausch von Ware gegen Ware, Stoffwechsel der gesellschaftlichen Arbeit, . . .
From the point of view of its content it is \( C - C \), metabolism of social labor.

... in whose result the process itself becomes extinguished.

The process is like a fire; it dies down after its result is achieved. The result does not recreate the conditions for the renewal of the process.

\[ \text{[C–M]} \]

200:4/o \( C - M \). First metamorphosis of the commodity, or sale. The leap taken by value from the body of the commodity into the body of the gold is the commodity’s salto mortale, as I have called it elsewhere. If the leap falls short, it is not the commodity which is bruised but rather its owner.

120:4/oo \( W - G \). Erste Metamorphose der Ware oder Verkauf. Das Überspringen des Warenwerts aus dem Warenleib in den Goldleib ist, wie ich es anderswo bezeichnet, der Salto mortale der Ware. Mißlingt er, so ist zwar nicht die Ware geprellt, wohl aber der Warenbesitzer.

“Elsewhere” is a reference to A Contribution to the Critique of Political Economy, p. 325:1/o. “Bruised” is in German “geprellt” which also means “defrauded.” The commodity owner
must subject his commodity to the test of the market and pass this test, otherwise his labor is in vain.

The social division of labor makes the nature of her labor as one-sided as her needs are many-sided. The product of her labor serves her therefore merely as exchange-value.

Here Marx refers to the social structure in the background of these individual activities: the commodity producers live in a society with a division of labor; they cannot use their own products themselves and they have many needs for which the specialized product of others is needed. Their product is therefore for them only an exchange-value, destined to be traded away for a wide variety of other commodities. For this function, the General equivalent form would be the appropriate social form:

It cannot acquire social validity as a general equivalent except by being converted into money—however that money is in someone else’s pocket.

Die gesellschaftliche Teilung der Arbeit macht seine Arbeit ebenso einseitig als seine Bedürfnisse vielseitig. Ebendeswegen dient ihm sein Produkt nur als Tauschwert.

Allgemeine gesellschaftlich gültige Äquivalentform erhält es aber nur im Geld, und das Geld befindet sich in fremder Tasche.
This transition from a personal equivalent into a generally recognized equivalent is developed in more detail in chapter Two, 180:2, when Marx discusses the fourth level of the contradiction faced by the commodity traders. In brief, on an individual basis there is no way out of the said conundrum, since every commodity producer wants his commodity to be the General equivalent, but only one General equivalent is possible. But society at large steps in and designates one commodity, gold, as the General equivalent. This was discussed in chapter Two. Here, in chapter Three, we are discussing how the individuals act in the presence of money. They must convert their products into money. This conversion will only happen if their product is a use-value for the money owner:

In order to extract this money, the commodity produced by its owner’s labor must above all be a use-value for the owner of the money. The labor expended on it must therefore be of a socially useful kind, i.e. it must prove its validity as a branch of the social division of labor. The rest of the paragraph shows that the evolving social structure underlying this transac-
tion only enters this activity as a disturbance creating uncertainties:

But the division of labor is an organization of production which has evolved spontaneously, a web which was, and continues to be, woven behind the backs of the producers of commodities.

I.e., the market uncertainties come from a lack of conscious planning and coordination. Now Marx describes several situations in which a commodity may not find a buyer. Grammatically, the evolution of the division of labor is described here not as the deed of the workers, but their labor and the commodities themselves are the subjects. This is reminiscent of chapter Two, where Marx also distinguished between the will of the commodity owners and the will of the commodities themselves.

(1) The labor aims to satisfy a new need:

Perhaps the commodity is the product of a new kind of labor, and claims to satisfy a newly arisen need, or is even trying to bring forth a new need on its own account.
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(2) A particular operation splits off and becomes its own trade:
Perhaps a particular operation, which yesterday still formed one out of many operations conducted by the same producer in creating a given commodity, today tears itself out of this framework, establishes itself as an independent branch of labor, and sends its part of the product to market as an independent commodity. The circumstances may or may not be ripe for such a process of separation.

(3) A product is replaced by a substitute:
Today the product satisfies a social need. Tomorrow it may perhaps be expelled partly or completely from its place by a similar product.

(4) The labor itself is useful but the need for this kind of product has already been satisfied.
3.2. Means of Circulation

by other suppliers.

Moreover, although our weaver’s labor may be a recognized branch of the social division of labor, yet that fact is by no means sufficient to guarantee the utility of her 20 yards of linen. If the society’s need for linen—and such a need has a limit like every other need—has already been satisfied by the products of rival weavers, our friend’s product is in excess, superfluous, and consequently useless.

In all these situations, the commodity can probably still be sold if the price is low enough; but this, of course, is against the intention of the seller:

Although people do not look a gift-horse in the mouth, our friend does not frequent the market to make presents of his products.

Note that Marx assumes an ongoing economy. He assumes that the product used to be
3. Money or the Circulation of Commodities

socially necessary, but certain changes come about which make it no longer so.

Next Marx assumes that the product indeed turns out to be a use-value, and asks how much money it attracts. This is now a quantitative question, after the qualitative criteria above. Of course, every commodity has a price tag, but the price actually received on the market may differ from the price expected by the seller for various reasons. All these reasons have to do with the supply side:

Let us assume, however, that the use-value of her product proves itself, and that the commodity therefore attracts money. Now we have to ask: how much money? No doubt the answer is already anticipated in the price of the commodity, which is the exponent of the magnitude of its value.

(5) Marx disregards those price corrections due to mis-calculations of the commodity producer, and also assumes that the commodity is produced under average conditions:

We leave out of consideration here any possible subjective errors in calculation by the consumer.
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owner of the commodity, which will immediately be corrected objectively in the market. We suppose him to have spent on his product only the average socially necessary quantity of labor-time. The price of the commodity, therefore, is merely the money-name of the quantity of social labor objectified in it.

(6) But there may be changes in the production of linen elsewhere.

But now the old-established conditions of production in weaving are thrown into the melting-pot, without the permission of, and behind the back of, our weaver. What was yesterday undoubtedly labor-time socially necessary for the production of a yard of linen ceases to be so today, a fact which the owner of the money is only too eager to

dem Markt sofort objektiv korrigiert werden. Er soll auf sein Produkt nur den gesellschaftlich notwendigen Durchschnitt von Arbeitszeit verausgabt haben. Der Preis der Ware ist also nur Geldname des in ihr vergegenständlichten Quantums gesellschaftlicher Arbeit.

Aber ohne Erlaubnis und hinter dem Rücken unsres Leinwebers gerieten die altverbürgten Produktionsbedingungen der Leinweberei in Gärung. Was gestern zweifelsohne gesellschaftlich notwendige Arbeitszeit zur Produktion einer Elle Leinwand war, hört heute auf, es zu sein, wie der Geldbesitzer eifrigst demonstriert aus den Preisquotationen ver-
prove from the prices quoted by our friend’s competitors. Unluckily for the weaver, people of her kind are in plentiful supply.

(7) And again the case in which too much was produced. This is similar to (4), but this time all producers have to cut their prices. Marx says this is tantamount to them producing at a below-normal productivity:

Let us suppose, finally, that every piece of linen on the market contains nothing but socially necessary labor-time. In spite of this, all these pieces taken as a whole may contain superfluously expended labor-time. If the market cannot stomach the whole quantity at the normal price of 2 shillings a yard, this proves that too great a portion of the total social labor-time has been expended in the form of weaving. The effect is the same as if each individual weaver had expended superfluously.
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Marx draws the following conclusion from the difficulties in selling the commodity:

202:1/o We see then that commodities are in love with money, but ‘the course of true love never does run smooth’. The quantitative articulation of society’s productive organism, by which its scattered elements are integrated into the system of the division

122:1 Man sieht, die Ware liebt das Geld, aber „the course of true love never does run smooth“. Ebenso naturwüchsig zufällig wie die qualitative ist die quantitative Gliederung des gesellschaftlichen Produktionsorganisus, der seine membra disjecta im System der Tei-
of labor, is as haphazard and spontaneous as its qualitative articulation. The owners of commodities therefore find out that the same division of labor which turns them into independent private producers also makes the social process of production and the relations of the individual producers to each other within that process independent of the producers themselves; they also find out that the independence of the individuals from each other is supplemented by a system of all-round material dependence.

Although the producers are personally independent of each other, also the system of social interconnections of the production process is independent of the producers, and forces the producers into a system of material dependence of each other.

¶ After all this, Marx assumes that the process goes smoothly despite the above obstacles. Discrepancies between demand and supply are also discussed in 195:2/o, and Capital II is
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discussing the conditions necessary for demand and supply to coincide.

203:1 The division of labor converts the product of labor into a commodity, and thereby makes necessary its conversion into money. At the same time, it makes it a matter of chance whether this transubstantiation succeeds or not. Here, however, we have to look at the phenomenon in its pure shape, and must therefore assume it has proceeded normally. In any case, if the process is to take place at all, i.e. if the commodity is not impossible to sell, a change of form must always occur, although there may be an abnormal loss or accretion of substance—that is, of the magnitude of value.

Marx does not speak here of division of labor in general, but the very specific division of labor with private producers producing for the market. In 132:4 Marx emphasizes that 122:2 Die Teilung der Arbeit verwandelt das Arbeitsprodukt in Ware und macht durch seine Verwandlung in Geld notwendig. Sie macht es zugleich zufällig, ob diese Transsubstantiation gelingt. Hier ist jedoch das Phänomen rein zu betrachten, sein normaler Vorgang also vorauszusetzen. Wenn es übrigens überhaupt vorgeht, die Ware also nicht unverkäuflich ist, findet stets ihr Formwechsel statt, obgleich abnormal in diesem Formwechsel Substanz—Wertgröße—eingebüßt oder zugesetzt werden mag.
non-market division of labor is also possible.

Next follows a summary preparing the transition to the back side of $C - M$, namely, this $C - M$ is the $M - C$ for someone else.

203:2 The seller has her commodity replaced by gold, the buyer has his gold replaced by a commodity. The palpable phenomenon here is that a commodity and gold, 20 yards of linen and £2, have changed hands and places, in other words that they have been exchanged. But what is the commodity exchanged for? For the general shape assumed by its own value. And what is the gold exchanged for? For a particular form of its own use-value.

122:3/o Dem einen Warenbesitzer ersetzt Gold seine Ware und dem andren Ware sein Gold. Das sinnfällige Phänomen ist der Hände- oder Stellenwechsel von Ware und Gold, von 20 Ellen Leinwand und 2 Pfd.St., d.h. ihr Austausch. Aber womit tauscht sich die Ware aus? Mit ihrer eignen allgemeinen Wertgestalt. Und womit das Gold? Mit einer besondren Gestalt seines Gebrauchswerts.
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Fowkes translates “sinnfällig” as “striking” which is wrong.

Sale is not exchange with other use-value, i.e., it is not a transaction involving two commodities, but realization of the commodity’s own value in money, i.e., it involves only one commodity. Whereas the direct barter $C - C$ is a symmetric relation between the commodities, $C - M$ is asymmetric. Therefore it is legitimate to ask: what is the sale for the money? Realization of its notional (ideell) use-value. The next question is: how did $M$ get into this special position in the circulation process? Because it is measure of value.

Why does gold confront the linen as money? Because the linen’s price of £2, its money-name, already brings it into relation with the gold as money.

In the second half of the paragraph, Marx makes the transition from $C - M$ to $M - C$. Since the form change of the commodity involves money, it is also a form change of money: The disembodiment of the original commodity form is effected by the externalization, the sale, of the commodity, i.e., in the
moment when its use-value actually attracts the gold to which it previously had a merely imagined relation in its price. The actualization of a commodity’s price, or of its merely notional value form, is therefore at the same time, and inversely, the actualization of the merely notional use-value of money; the conversion of a commodity into money is the conversion of money into a commodity. This single process is two-sided: from one pole, that of the commodity owner, it is a sale, from the other pole, that of the money owner, it is a purchase. In other words, a sale is a purchase, \( C - M \) is also \( M - C \).\(^{66}\)

\(^{66}\) ‘Every sale is a purchase’ (Dr. Quesnay, Dialogues sur le commerce et les travaux des artisans, Physiocrates, ed. Daire, Part 1, Paris, 1846,

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wo ihr Gebrauchswert das in ihrem Preis nur vorgestellte Gold wirklich anzieht. Die Realisierung des Preises oder der nur ideellen Wertform der Ware ist daher zugleich umgekehrt Realisierung des nur ideellen Gebrauchswerts des Geldes, die Verwandlung von Ware in Geld zugleich Verwandlung von Geld in Ware. Der eine Prozeß ist zweiseitiger Prozeß, vom Pol des Warenbesitzers Verkauf, vom Gegenpol des Geldbesitzers Kauf. Oder Verkauf ist Kauf, \( W - G \) zugleich \( G - W \).\(^{66}\)

\(^{66}\) „Jeder Verkauf ist Kauf“ (Dr. Quesnay, „Dialogues sur le Commerce et les Travaux des Artisans“, [in] „Physiocrates“, éd. Daire, I. Partie, Paris
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p. 170), or, as Quesnay says in his Maximes générales, ‘To sell is to buy.’

1846, p. 170), oder, wie Quesnay in seinen „Maximes Générales“ sagt: „Verkaufen ist kaufen.“

Once more the transition from $\text{C} - \text{M}$ to $\text{M} - \text{C}$, but this time not from point of view of money and commodity, but of money owner and commodity owner. I.e., the practical question where the buyer has his money from. This is also a society-wide issue, but not one emerging from the core of the economy, but from the surface.

203:3/oo Up to this point we have considered only one economic relation between people, namely, that between commodity owners. They can own the product of alien labor only by alienating the product of their own labor. For a commodity owner to confront another as a money owner it is therefore necessary either that the product of the latter should possess by its nature the form of money, i.e. it should be gold, the material of which money consists, or that his prod-

123:1/oo Wir kennen bisher kein ökonomisches Verhältnis der Menschen außer dem von Warenbesitzern, ein Verhältnis, worin sie fremdes Arbeitsprodukt nur aneignen, indem sie eignes entfremden. Einem Warenbesitzer kann der andre daher nur als Geldbesitzer gegenübertreten, entweder weil sein Arbeitsprodukt von Natur die Geldform besitzt, also Geldmaterial ist, Gold usw., oder weil seine eigne Ware sich bereits gehäutet und ihre ursprüngliche Gebrauchsform abgestreift hat.
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... should already have changed its skin and stripped off its original form of a useful object.

The next passage elaborates, in more detail, the two possibilities how the buyer can have obtained his money:

In order to function as money, gold must of course enter the market at some point or other. This point is to be found at its source of production, where the gold is exchanged, as the immediate product of labor, for some other product of equal value. But from that moment onwards, it always represents the actualized price of some commodity.\(^67\)

With every commodity other than gold, the natural way why the seller has possession of it is that he has produced it, and this is the simplifying assumption Marx makes here. With gold it is otherwise; the original sale of gold by the gold producers is only a small part of its presence on the market. Most market participants who have gold in their pocket have it...
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because they have sold their own product.

Leaving aside the exchange of gold for other commodities at its source of production, gold is, in the hands of every commodity-owner, the disembodied shape of his externalized, alienated, commodity, it is the product of a sale or of the first metamorphosis $C - M$. Gold, as we saw, became notional money, or measure of value, because all commodities measured their values in it and thus made it the imagined opposite of their natural shape as objects of utility, i.e., made it the shape of their value. It became actual money because the commodities, through their all-sided externalization, alienation, turned the money into their actually disembodied or transfigured

Abgesehen vom Austausch des Golds mit Ware an seiner Produktionsquelle, ist das Gold in der Hand jedes Warenbesitzers die entäußerte Gestalt seiner veräußerten Ware, Produkt des Verkaufs oder der ersten Warenmetamorphose $W - G$. Ideelles Geld oder Wertmaß wurde das Gold, weil alle Waren ihre Werte in ihm maßen und es so zum vorgestellten Gegenteil ihrer Gebrauchsgestalt, zu ihrer Wertgestalt machten. Reelles Geld wird es, weil die Waren durch ihre allseitige Veräußerung es zu ihrer wirklich entäußerten oder verwandelten Gebrauchsgestalt und daher zu ihrer wirklich Wertgestalt machten. In ihrer Wertgestalt streift die Ware jede Spur ihres naturwüchsigen Gebrauchswerts und der be-
useful shape, thus making it the actual embodiment of their values. When they thus assume the shape of values, commodities strip off every trace of their natural and original use-values, and of the particular kind of useful labor to which they owe their creation, in order to pupate into the homogeneous social materialization of undifferentiated human labor. From the mere look of a piece of money we cannot tell what breed of commodity has been transformed into it. In their money-form all commodities look alike. Hence money may be dirt, although dirt is not money.

67 ‘The price of one commodity can only be paid by the price of another commodity.’ (Mercier de la Riviére, *L’Ordre naturel et essentiel des sociétés*).

67 „Der Preis einer Ware kann nur mit dem Preis einer anderen Ware bezahlt werden.“ (Mercier de la Riviére, „L’Ordre naturel et essentiel des so-
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68 ‘In order to have this money, one must have made a sale’ (ibid., p. 543).

Usually the buyer obtains his money by selling another commodity; this leads us over to the discussion of the second metamorphosis of a commodity.

We will assume that the two golden coins in return for which our weaver has parted with her linen are the metamorphosed shape of a quarter of wheat. The sale of the linen, \( C - M \), is at the same time its purchase, \( M - C \). But this process, considered as the sale of the linen, starts off a movement which ends with its opposite: the purchase of a Bible. Considered as purchase of the linen, on the other hand, the process completes a movement which began with the sale of the linen, and which ends with its opposite: the purchase of a Bible.
with its opposite, the sale of the wheat. $C - M$ (linen—money), which is the first phase of $C$ (linen—money—Bible), is also $M - C$ (money—linen), the last phase of another movement $C - M - C$ (wheat—money—linen). The first metamorphosis of one commodity, its transformation from the commodity-form into money, is therefore also invariably the second, and diametrically opposite, metamorphosis of some other commodity, the retransformation of the latter from money into a commodity. 69

69 As remarked previously, the producer of gold or silver forms an exception. He exchanges his product without having first sold it.

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[M–C]

The first paragraph looks at one individual commodity:

205:1 \( M - C \). The second or concluding metamorphosis of the commodity: purchase. Money is the absolutely alienable commodity, because it is the disembodied shape of all other commodities, the product of their universal externalization, alienation. It reads all prices backwards, and thus as it were mirrors itself in the bodies of all other commodities, which provide the material through which it itself can come into being as a commodity. At the same time the prices, those wooing glances cast at money by commodities, define the limit of its convertibility, namely its own quantity.

124:1 \( G - W \). Zweite oder Schlußmetamorphose der Ware: Kauf.—Weil die entäußerste Gestalt aller andren Waren oder das Produkt ihrer allgemeinen Veräußerung, ist Geld die absolut veräußerliche Ware. Es liest alle Preise rückwärts und spiegelt sich so in allen Warenleibern als dem hingebenden Material seiner eignen Warenwerdung. Zugleich zeigen die Preise, die Liebesaugen, womit ihm die Waren winken, die Schranke seiner Verwandlungsfähigkeit, nämlich seine eigne Quantität.

Money is absolutely alienable, i.e., it is a commodity always welcome on the market.
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Pun with the German word *Hingabe* which means to give away but also sexual surrender. The commodities surrender their bodies in two ways: they give their bodies away and they achieve bodily fulfilment by doing it. In this way they also become the material through which the abstract money becomes commodity.

At the end Marx mention very briefly that the only obstacle (*Schranke*) for money is its quantity. This theme will be taken up again in the discussion of the miser on p. 230:1/o and in 252:2/o in chapter Four.

Since every commodity disappears when it becomes money it is impossible to tell from the money itself how it got into the hands of its possessor, or what article has been changed into it. It has no smell, from whatever source it may come. If it represents, on the one hand, a commodity which has been sold, it also represents, on the other hand, a commodity which can be bought. ⁷⁰

Again Marx makes the point that for a purchase, it is irrelevant where the money comes
from; money represents both the commodities sold and the commodities to buy.

70 ‘If money represents, in our hands, the things we can wish to buy, it also represents the things we have sold for this money’ (Mercier de la Riviere, op. cit., p. 586).

The next paragraph goes over to the backside again: $M \rightarrow C$ is also the first metamorphosis $C \rightarrow M$ for a different commodity. Many different $M \rightarrow C$ often come out of one $C \rightarrow M$. Transition from point of view of the commodity to that of the individual.

205:2/o $M \rightarrow C$, a purchase, is at the same time $C \rightarrow M$, a sale; the concluding metamorphosis of one commodity is the first metamorphosis of another. For our weaver, the life of her commodity ends with the Bible into which she has reconverted her £2. But suppose the seller of the Bible turns the £2 set free by the weaver into brandy. $M \rightarrow C$, the concluding phase of $C \rightarrow M \rightarrow C$.

124:2/o $G \rightarrow W$, der Kauf ist zugleich Verkauf, $W \rightarrow G$; die letzte Metamorphose einer Ware daher zugleich die erste Metamorphose einer andren Ware. Für unsren Leinweber schließt der Lebenslauf seiner Ware mit der Bibel, worin er die 2 Pfd.St. rückverwandelt hat. Aber der Bibelverkäufer setzt die vom Leinweber gelösten 2 Pfd.St. in Kornbranntwein um. $G \rightarrow W$, die Schlußphase.
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(linen—money—Bible), is also $C - M$, the first phase of $C - M - C$ (Bible—money—brandy). Since the producer of the commodity offers only a single product, he often sells it in large quantities, whereas the fact that he has many needs compels him to split up the price realized, the sum of money set free, into numerous purchases. Hence a sale leads to many purchases of different commodities. The concluding metamorphosis of a commodity thus constitutes an aggregate of the first metamorphoses of other commodities.


[C–M–C]

206:1 If we now consider the completed 125:1 Betrachten wir nun die Gesamtm-
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metamorphosis of a commodity as a whole, we see in the first place that it is made up of two opposite and complementary movements, $C - M$ and $M - C$. These two antithetical transmutations of the commodity are accomplished through two antithetical social processes in which the commodity-owner takes part, and are reflected in the antithetical economic characteristics of the two processes. By taking part in the act of sale, the commodity-owner becomes a seller; in the act of purchase, he becomes a buyer. But just as, in every transmutation of a commodity, its two forms, the commodity-form and the money-form, exist simultaneously but at opposite poles, so every seller is confronted with a buyer, every tantomorphose einer Ware, z.B. der Leinwand, so sehn wir zunächst, daß sie aus zwei entgegengesetzten und einander ergänzenden Bewegungen besteht, $W - G$ und $G - W$. Diese zwei entgegengesetzten Wandlungen der Ware vollziehn sich in zwei entgegengesetzten gesellschaftlichen Prozessen des Warenbesitzers und reflektieren sich in zwei entgegengesetzten ökonomischen Charakteren desselben. Als Agent des Verkaufs wird er Verkäufer, als Agent des Kaufs Käufer. Wie aber in jeder Wandlung der Ware ihre beiden Formen, Warenform und Geldform, gleichzeitig existieren, nur auf entgegengesetzten Polen, so steht demselben Warenbesitzer als Verkäufer ein anderer Käufer und als Käufer ein anderer Verkäufer gegenüber. Wie diesel-
buyer with a seller. While the same commodity is successively passing through the two inverted transmutations, from a commodity into money and from money into another commodity, the owner of the commodity successively changes his role from seller to buyer. Being a seller and being a buyer are therefore not fixed roles, but constantly attach themselves to different persons in the course of the circulation of commodities.

Marx describes a duality here. In each of the two transactions a seller is facing a buyer, just as in each stage of the metamorphosis of the commodity, both forms, the commodity form and the money form, exist at the same time, only on different poles. Just as the same commodity successively makes two form changes (i.e., three stages), the seller in the first is the buyer in the second.

206:2 The complete metamorphosis of a commodity, in its simplest form, implies...
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four dénouements and three dramatis personae. First, a commodity comes face to face with money; the latter is the form taken by the value of the former, and exists over there in someone else’s pocket in all its hard, material reality. A commodity-owner is thus confronted with a money-owner. Now as soon as the commodity has been changed into money, the money becomes its vanishing equivalent-form, whose use-value or content exists here on the spot, in the bodies of other commodities. Money, the final stage of the first transformation, is at the same time the starting-point for the second. The person who is a seller in the first transaction thus becomes a buyer in the second, in which a third commodity-owner comes to Extreme und drei personae dramatis. Erst tritt der Ware das Geld als ihre Wert-Gestalt gegenüber, die jenseits, in fremder Tasche, sachlich harte Realität besitzt. So tritt dem Warenbesitzer ein Geldbesitzer gegenüber. Sobald die Ware nun in Geld verwandelt, wird letztres zu ihrer verschwindenden Äquivalentform, deren Gebrauchswert oder Inhalt diesseits in andren Warenkörpern existiert. Als Endpunkt der ersten Warenwandlung ist das Geld zugleich Ausgangspunkt der zweiten. So wird der Verkäufer des ersten Akts Käufer im zweiten, wo ihm ein dritter Warenbesitzer als Verkäufer gegenübertritt.
meet him as a seller.\footnote{71}{‘There are accordingly … four final terms and three contracting parties one of whom intervenes twice’ (Le Trosne, op. cit., p. 909).}

Four extremes \((C, M, M, C)\) but only three persons since the seller in the first step is the buyer in the second.

\footnote{71}{„Demnach gibt es vier Endpunkte und drei Vertragspartner, von denen einer zweimal eingreift.“ (Le Trosne, l.c. p. 909.)}

\footnote{126:1}{Die beiden umgekehrten Bewegungsphasen der Warenmetamorphose bilden einen Kreislauf: Warenform, Abstreifung der Warenform, Rückkehr zur Warenform. Allerdings ist die Ware selbst hier gegensätzlich bestimmt. Am Ausgangspunkt ist sie Nicht-Gebrauchswert, am Endpunkt Gebrauchswert für ihren Besitzer. So erscheint das Geld erst als der feste Wertkristall, worin sich die Ware verwandelt, um hinterher als ihre bloße Äquivalentform zu zerrinnen.}
formed, but afterwards it dissolves into the mere equivalent form of the commodity.

Circle $C - M - C$: The four extremes are here explained better: the difference between the first and the last $C$ is that the last $C$ is a use-value for its owner, and the first is not. There is also a difference between the $M$ in the first and the $M$ in the second transaction.

Now the link of this $C - M - C$ with the $C - M - C$ of others. The complete metamorphosis of one commodity is at the same time the second metamorphosis of another and the first metamorphosis of a third commodity. This observation furnishes the transition from the metamorphosis of a single commodity to the metamorphoses of all commodities and their interconnection.

207:2 The two metamorphoses which constitute the commodity’s circular path are at the same time two inverse partial metamorphoses of two other commodities. One and the same commodity (the linen) opens the series of its own metamorphoses, and completes the metamorphosis of another

126:2 Die zwei Metamorphosen, die den Kreislauf einer Ware, bilden zugleich die umgekehrten Teilmetamorphosen zweier andren Waren. Dieselbe Ware (Leinwand) eröffnet die Reihe ihrer eignen Metamorphosen und schließt die Gesamtmetamorphose einer andren Ware (des Weizens). Während ihrer er-
After having arrived at commodity circulation, Marx takes a look back at his starting
3.2. Means of Circulation

point, the direct barter of products, and concludes that circulation differs from barter not only formally but also essentially:

207:3 The circulation of commodities differs from the direct barter of products not only in form, but in its essence. We have only to consider the course of events. The weaver has undoubtedly exchanged her linen for a Bible, her own commodity for someone else’s. But this phenomenon is only true for her. The Bible pusher, who prefers a warming drink to cold sheets, had no intention of exchanging linen for his Bible; the weaver did not know that wheat had been exchanged for her linen. B’s commodity replaces that of A, but A and B do not mutually exchange their commodities. It may in fact happen that A and B buy from

126:3 Die Warenzirkulation ist nicht nur formell, sondern wesentlich vom unmittelbaren Produktenaustausch unterschieden. Man werfe nur einen Rückblick auf den Vorgang. Der Leinweber hat unbedingt Leinwand mit Bibel vertauscht, eigne Ware mit fremder. Aber dies Phänomen ist nur wahr für ihn. Der Bibelagent, der dem Kühlen Heißes vorzieht, dachte nicht daran, Leinwand für Bibel einzutauschen, wie der Leinweber nicht davon weiß, daß Weizen gegen seine Leinwand eingetauscht worden ist usw. Die Ware des B ersetzt die Ware des A, aber A und B tauschen nicht wechselseitig ihre Waren aus. Es kann in der Tat vorkommen, daß A und B
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each other, but a particular relationship of this kind is by no means the necessary result of the general conditions of the circulation of commodities. We see here, on the one hand, how the exchange of commodities breaks through all the individual and local limitations of the direct barter of products, and develops the metabolic process of human labor. On the other hand, there develops a whole network of social connections of natural origin, entirely beyond the control of the human agents. Only because the farmer has sold his wheat is the weaver able to sell her linen, only because the weaver has sold her linen is our rash and intemperate friend able to sell his Bible, and only because the latter already has the water of wechselweis voneinander kaufen, aber solche besondere Beziehung ist keineswegs durch die allgemeinen Verhältnisse der Warenzirkulation bedingt. Einerseits sieht man hier, wie der Warenaustausch die individuellen und lokalen Schranken des unmittelbaren Produktenaustausches durchbricht und den Stoffwechsel der menschlichen Arbeit entwickelt. Andererseits entwickelt sich ein ganzer Kreis von den handelnden Personen unkontrollierbarer, gesellschaftlicher Naturzusammenhänge. Der Weber kann nur Leinwand verkaufen, weil der Bauer Weizen, Heißsporn nur die Bibel, weil der Weber Leinwand, der Destillateur nur gebranntes Wasser, weil der andre das Wasser des ewigen Lebens bereits verkauft hat usw.
3.2. Means of Circulation

everlasting life is the distiller able to sell his eau-de-vie. And so it goes on.

The form in which the circulation takes place affects its content (Marx writes here “essence,” Wesen), the transfer of commodities. A different pattern of transfers is created by commodity circulation than by direct exchange. In the latter, if B obtains the commodities of A, then A obtains those of B. In circulation, B obtains those of A, but C those of B, and so forth. Thus commodity circulation breaks through individual and local barriers of direct barter. On the other hand, the economic agents’ social connection becomes uncontrollable.

208:1 The circulation process, therefore, does not die down, as the direct barter does, with the change of places or change of hands of the use-values. When the money finally drops out of the series of metamorphoses undergone by a commodity, this does not mean that it vanishes. It always stays behind at a point in the arena of circulation vacated by the commodities. In the complete meta-

126:4/o Der Zirkulationsprozeß erlischt deswegen auch nicht, wie der unmittelbare Produktenaustausch, in dem Stellen- oder Händewechsel der Gebrauchswerte. Das Geld verschwindet nicht, weil es schließlich aus der Metamorphosenreihe einer Ware herausfällt. Es schlägt immer nieder auf eine durch die Waren geräumte Zirkulationsstelle. Z.B. in der Gesamtmetamorphose der Lein-
3. Money or the Circulation of Commodities

morphosis of the linen, for example, linen—money—Bible, the linen first falls out of circulation, and money steps into its place. Then the Bible falls out of circulation, and again money takes its place. When one commodity replaces another, the money commodity always sticks to the hands of some third person.\footnote{Circulation sweats money from every pore.}

Fowkes’s “the process of circulation does not disappear from view” is again an epistemic twist.

A second characteristic of commodity circulation which has no parallel in direct barter is that it “sweats out money.” If $A$ and $B$ have exchanged their products, then all commodities which had taken part in the transaction have fallen out of circulation. In circulation, after linen has been replaced with a bible, for the linen-weaver, also this transaction is completed...
and it had exactly the effect of displacing these products. But a change has occurred also on a different place: the man who sold the bible has money now which he did not have before, and the man who bought the linen had had money before which he does not have now. That always someone has money indicates that there are always unfinished circulation processes.

This phenomenon may be self-evident, but it is in most cases overlooked by political economists, especially by the average free-trader.

[Unity and Opposition between C–M and M–C]

The concluding passage of section 3.2.a begins with a rebuttal of what is known as Say’s law, which then branches out into a discussion of the identity, polarity, unity, and contradiction between sale and purchase. The main result of this discussion is that circulation contains the possibility of crises.

Marx begins with a flat-out denunciation of Say’s law which he calls a “silly dogma”:

Nothing can be sillier than the dogma that, because every sale is a purchase

Nichts kann alberner sein als das Dogma, die Warenzirkulation bedinge ein
and every purchase a sale, the circulation of commodities necessarily implies an equilibrium between sales and purchases.

But this is, of course, exactly the argument of Say’s law: the buyer gives money into the hands of the seller and therefore enables the seller to buy the commodity which the buyer has to sell. In other words, Say’s law tries to make an inference from the direct identity of sale and purchase to an equilibrium between sales and purchases. According to Marx, such an inference can only be made if one gives it a tautological meaning:

If this means that the number of actual sales accomplished is equal to the number of purchases, it is a flat tautology. But it purports to show that every seller brings his own buyer to market with him. Nothing of the kind.
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The little sentence “nothing of the kind” (announcing the proof) is absent in the German 4th and the French editions. The Fowkes translation “but its real intention is” is incorrect.

After these denunciations Marx looks at the situation in more detail. Sale and purchase are at the same time identical acts and opposite poles. This is a contradiction. Marx re-describes this situation in such a way that it is no longer a logical contradiction: “being identical” and “being opposite poles” is now distributed over the transactors and the transaction itself:

Sale and purchase constitute one identical act, as an interaction between two persons assuming opposite roles like two poles, the commodity owner and the money owner. They constitute two acts of polar and opposite characters when carried out by one and the same person.

If you look at sale and purchase as two sides of one and the same transaction between two persons, then there is an ambiguity whether this transaction is a sale or a purchase; it is a sale for one and a purchase for the other. Marx said this already in 203:2. But there is no
ambiguity regarding the role of the transactors: one is a seller and the other a buyer. By contrast, if you follow one person who first sells and then buys, then it is unambiguous which of these acts is a sale and which is a purchase. They form polar opposites. However all we can say about the person is that she is both a seller and a buyer; she sells first and then buys. Marx calls her simply “one and the same person.”

One might say that in the first situation, sale and purchase form an immediate unity, and in the second situation, they are two polar acts which are bound together by an inner unity. Since Say’s law is an attempt to conclude from the immediate unity to the inner unity, Marx looks carefully at all the implications that can be drawn from this immediate unity:

The identity of sale and purchase implies therefore that the commodity is useless if, on being thrown into the alchemistical retort of circulation, it does not come out again in the shape of money, i.e., if it is not sold by the commodity owner, i.e., bought by the money owner.

The commodity is not only useless for its producer or seller, but it cannot be used by
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anyone at all if it does not emerge from circulation as money. The transaction which moves the commodity into the hands of its final consumer is at the same time the realization of the value produced by the producer. The two sides of the transaction—realization of value and selection of use-value by the consumer—are inseparably bound together; one cannot be done without the other. This part of the argument seems to support Say’s law, but the next part doesn’t:

That identity further implies that the process, if it reaches fruition, constitutes a point of rest, an interval, long or short, in the life of the commodity. Since the first metamorphosis of a commodity is at once a sale and a purchase, this partial process is at the same time an independent process in itself. The buyer has the commodity, the seller has the money, i.e., a commodity which remains in a form capable of circulating, whether it reappears on the market at an earlier or later
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Marx apparently uses here a logical rule according to which something, in order to have an independent existence, must contain its opposite in itself. He does not justify it by an appeal to a general rule but by looking at the specifics of the situation. The next two sentences sum his arguments in concrete terms, without philosophical ballast:

No one can sell unless someone else purchases. But no one is forthwith bound to purchase, because he has just sold. This independence of the acts makes Say’s law invalid. There is no need to purchase again right away because even after many years the same money will still be able to make purchases.

After this refutation of Say’s law, Marx continues his discussion of the unity and polarity of sale and purchase. It is a good thing that sale and purchase do not form an undissoluble unit but can be separated in time and space. Circulation bursts through all the temporal, spatial, and individual barriers imposed by the direct exchange of products, and it does
this by splitting up the direct identity present in the barter between the exchange of one’s own product and the acquisition of someone else’s into the two antithetical segments of sale and purchase.

Marx says two things here:

1. Sale and purchase form an inner unity because they originate from splitting up the exchange process into two.

2. This splitting-up enables circulation to burst through any restrictions as to time, place, and individual.

In the French, the connection between points 1 and 2 is given a little more clearly:

After having sold, I am not forced to buy, neither at the same place, nor at the same time, nor from the same person to whom I have sold.

This is a good thing. But this splitting-up also has its downside. Marx arrives at this downside by a perspectival switch: the *unity* of opposites is also a unity of *opposites*. 
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To say that these two independent and antithetical processes have an intrinsic unity, are essentially one, is the same as to say that this intrinsic oneness expresses itself in an external antithesis.

In French this statement is less interconnected: “It is true that purchase is the necessary complement of sale; but it is no less true that their unity is the unity of opposites.”

If therefore the externally independent evolution of two processes—which have an internal connection because they complement each other—proceeds to a certain point, their unity violently makes itself felt by producing—a crisis.

This is a definition of crisis, compare also the last two sentences of [mecw32]139/o, and the end of [mecw32]144:0, which has a more comprehensive definition, namely, also the forcible separation of moments which are essentially one, and Grundrisse 414:2–415:1, where this separation and reunification is formulated in terms of “forgetting” and “reminder.”
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The externally independent representation of two aspects that form an inner unity has therefore two results: it allows circulation to burst through all restrictions of time and place, but it can also contains the possibility of crises.

However here the discussion of crises breaks off already. We arrived at the possibility of crisis but our development cannot lead us any further. In a concluding summary Marx explains that the actuality of crises cannot be derived from the laws of circulation:

Immanent in the commodity there is an antithesis between use-value and value, between private labor which must simultaneously manifest itself as directly social labor, and a particular concrete kind of labor which simultaneously counts as merely abstract general labor, between the personification of things and the reification of persons. This immanent contradiction obtains its developed forms of motion in the antithetical phases of the metamorphosis of the
commodity. These forms therefore imply the possibility of crises, though no more than the possibility. For the development of this possibility into actuality a whole series of relations is required, which do not yet exist from the standpoint of the simple circulation of commodities.\textsuperscript{73}

The first sentence enumerates the three peculiarities of the equivalent form, see 148:1, and adds the fetish-like character as fourth peculiarity, as was done in \textit{Contribution}.

\textsuperscript{73} See my observations on James Mill in \textit{A Contribution to the Critique} etc., pp. 332:2–333. There are two points here which are characteristic of the methods of the bourgeoisie’s economic apologists. The first is the identification of the circulation of commodities with the direct exchange of products, achieved by simply abstracting from their differences. The second is the attempt to deny the contradictions of the capitalist lichkeit, aber auch nur die Möglichkeit der Krisen ein. Die Entwicklung dieser Möglichkeit zur Wirklichkeit erfordert einen ganzen Umkreis von Verhältnissen, die vom Standpunkt der einfachen Warenzirkulation noch gar nicht existieren.\textsuperscript{73}

\textsuperscript{73} Vergleiche meine Bemerkungen über James Mill, „Zur Kritik etc.“, p. 332:2–333. Zwei Punkte sind hier charakteristisch für die Methode der ökonomistischen Apologetik. Erstens die Identifizierung von Warenzirkulation und unmittelbarem Produktaustausch durch einfache Abstraktion von ihren Unterschieden. Zweitens der Versuch, die Widersprüche des kapitalistischen Produktionsprozesseswegzuleugnen, indem man die Ver-
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production process by dissolving the relations of the agents of capitalist production into the simple relationships arising from the circulation of commodities. The production and circulation of commodities are however phenomena which are to be found in the most diverse modes of production, even if they vary in extent and importance. If we are only familiar with the abstract categories of circulation, which are common to all of them, we cannot know anything of their differentia specifica, and we cannot therefore pronounce judgement on them. In no other science are elementary commonplaces mouthed with more self-importance than in political economy. For instance, J. B. Say sets himself up as a judge of crises because he knows that a commodity is a product.

In the fourth German edition, the following paragraph provides a transition to the next subsection:
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As mediator of the circulation of commodities, money obtains the function of means of circulation.

This short paragraph should be on p. 209:1 in the Vintage edition, but it is not. Did they forget to typeset it?

3.2.b. The Flow of Money

The first section of chapter Three, section 3.1, discussed money as a measure of value, and the corresponding relative form of value, namely, the price form of commodities. We are in the middle of the second section 3.2, which shows how these forms give rise to a process. In subsection 3.2.a, this process was looked at from the angle of the commodity. Now it will be looked at from the angle of money.
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[Form Change of Commodity Misrepresented by Money Flows]

The form change $C - M - C$ of every individual commodity may be called *circulation* because it is a circle: the value held by the commodity owner putting his commodity up for sale returns to him in form of a different use-value.

210:1 The change of form through which the metabolism of the products of labor is accomplished, $C - M - C$, requires that a given value shall form the starting-point of the process, in the shape of a commodity, and that it shall return to the same point in the shape of a commodity. This movement of commodities is therefore a circle.

On the other hand, this circulation of commodities is *not* a circulation of the money, but rather *excludes* the circulation of money. The money *returns* (in the sense that the one who has spent the money gets it back) only if the circulation of commodities is renewed.

On the other hand, the form of this movement excludes money from the circle. The...
result of the movement is not the return of the money, but its continued removal further and further away from its starting-point. As long as the seller sticks fast to his money, which is the transformed shape of his commodity, that commodity is still at the stage of the first metamorphosis, in other words it has completed only the first half of its circulatory course. Once the process of selling in order to buy is complete the money again leaves the hands of its original possessor. Of course if the weaver, having bought the Bible, sells more linen, money comes back into her hands. But this return is not a result of the circulation of the first 20 yards of linen; that circulation rather removed money from the hands of the weaver and placed it
in those of the Bible-pusher. The return of money to the weaver results only from the renewal or repetition of the same process of circulation with a fresh commodity, and it ends in the same way as the previous process.

Marx therefore does not call it “circulation” of money but uses the more neutral term “flow” of money.

Hence the form of motion directly imparted on money by the circulation of commodities is that of a constant removal from its starting-point, a movement from the hands of one commodity-owner into those of the next. This path we will call its flow (currency, cours de la monnaie).

If one looks more closely at the movement which the metamorphosis $C \rightarrow M \rightarrow C$ imparts on the money, one sees that this movement mystifies, rather than reveals, the true nature of
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the metamorphosis. Marx shows here two mystifications, which we will call (a) and (b).

(a) Money always does the same thing, while the commodity does two different things. It is therefore not visible, from the movement of money, that the circulation of each commodity consists of two phases.

210:2/oo The circulation of money shows the constant and monotonous repetition of the same process. The commodity is always in the hands of the seller; the money, as a means of purchase, always in the hands of the buyer. It functions as means of purchase by realizing the price of the commodity. While realizing the commodity’s price, it transfers the commodity from the seller to the buyer and at the same time removes itself from the hands of the buyer into those of the seller. There, it repeats the same process with a different commodity. The ori-
gin of this one-sided form of motion of the money from the two-sided movement of the commodity through its forms is hidden from view.

How did this semblance arise of exactly the opposite of what is really happening?

The very nature of the commodity circulation produces a semblance of the opposite of itself. The first metamorphosis of a commodity is visible not only as the money’s movement, but also as that of the commodity itself; its second metamorphosis, however, is only visible as the movement of the money. In the first phase of its circulation the commodity changes places with the money. Thereupon the commodity, in its shape as an object of utility, falls out of circulation into consumption. Its value-

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shape or monetary larva steps into its shoes. It then passes through the second phase of its circulation, no longer in its own natural shape, but in its monetary shape.

74 Even if the commodity is sold over and over again, a situation which does not yet exist for us here, it falls, when definitely sold for the last time, out of the sphere of circulation into that of consumption, where it serves either as means of subsistence or as means of production.

This deeper look at the creation of the opposite semblance reveals a second opposite semblance:

With this, the continuity of the movement lies entirely with the money, and the same movement which, for the commodity, includes two opposed processes, is, when considered as the movement of the money, Zirkulationshälfte durchläuft sie nicht mehr in ihrer eignen Naturalhaut, sondern in ihrer Goldhaut.

74 Selbst wenn die Ware wieder und wieder verkauft wird, ein Phänomen, das hier noch nicht für uns existiert, fällt sie mit dem letzten definitiven Verkauf aus der Sphäre der Zirkulation in die der Konsumtion, um hier als Lebensmittel oder als Produktionsmittel zu dienen.

Die Kontinuität der Bewegung fällt damit ganz auf die Seite des Geldes und dieselbe Bewegung, die für die Ware zwei entgegengesetzte Prozesse einschließt, schließt als eigene Bewegung des Geldes stets denselben Pro-
always one and the same process, a constant change of places with commodities that are always different. Hence the result of the circulation of commodities, namely the replacement of one commodity by another, appears not to have been mediated by its own change of form, but rather by the function of money as means of circulation. As means of circulation, money circulates commodities, which in and for themselves lack the power of movement, and transfers them from hands in which they are non-use-values into hands in which they are use-values; and this process always takes the opposite direction to the path of the commodities themselves. Money constantly removes commodities from the sphere of circulation, zeß ein, seinen Stellenwechsel mit stets anderer Ware. Das Resultat der Warenzirkulation, Ersatz von Ware durch andre Ware, erscheint daher nicht durch ihren eignen Formwechsel vermittelt, sondern durch die Funktion des Geldes als Zirkulationsmittel, welches die an und für sich bewegungslosen Waren zirkuliert, sie aus der Hand, worin sie Nicht-Gebrauchswerte, in die Hand überträgt, worin sie Gebrauchswerte, stets in entgegengesetzter Richtung zu seinem eignen Lauf. Es entfernt die Waren beständig aus der Zirkulationsphäre, indem es beständig an ihre Zirkulationsstelle tritt und sich damit von seinem eignen Ausgangspunkt entfernt. Obgleich daher die Geldbewegung nur Ausdruck der Warenzirkulation, erscheint umgekehrt
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by constantly stepping into their place in circulation, and in this way continually moving away from its own starting-point. Hence although the movement of money is merely the expression of the circulation of commodities, the situation appears as the reverse of this, namely the circulation of commodities appears as the result of the movement of money.⁷⁵

⇓ In the footnote, Le Trosne says the same thing which Marx formulated as “the movement of money is merely the expression of the circulation of commodities.”

⁷⁵ ‘It [money] has no other motion than that with which it is endowed by the products’ (Le Trosne, [LT46, p. 885]).

⇓ After showing how the flow of money misrepresents (or, rather, represents as their opposites) two important aspects of the circulation of the commodity, Marx gives a very abstract argument why the movement of money must somehow reflect the underlying process.
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212:1 On the other hand, money obtains the function of means of circulation only because in it the value possessed by commodities has taken on an independent shape. Hence its movement, as the medium of circulation, is in fact merely the movement undergone by commodities while changing their form. This fact must therefore make itself plainly visible in the circulation of money.

↑ The argument is here: money is the independent objectification of the value of the commodity. Therefore the form change of this value must be reflected in the money. ↓ Indeed, money moves twice, and each movement corresponds to a phase in the commodity circulation. Marx illustrates this with the linen–bible example:

Thus the linen, for instance, first of all changes its commodity-form into its money form. The final term of its first metamor-

130:1 Andrerseits kommt dem Geld nur die Funktion des Zirkulationsmittels zu, weil es der verselbständigte Wert der Waren ist. Seine Bewegung als Zirkulationsmittel ist daher in der Tat nur ihre eigne Formbewegung. Diese muß sich daher auch sinnlich im Umlauf des Geldes widerspiegeln.

So verwandelt z.B. die Leinwand zuerst ihre Warenform in ihre Geldform. Das letzte Extrem ihrer ersten Metamorphose $W - G$,
phosis $C - M$, the money form, then becomes the first term of its final metamorphosis $M - C$, its transformation back into the shape of the Bible. But each of these two changes of form is accomplished by an exchange between commodity and money, by their reciprocal displacement. The same pieces of coin come into the seller’s hand as the alienated form of the commodity and leave it as the commodity in its absolutely alienable form. They are displaced twice. The first metamorphosis of the linen puts these coins into the weaver’s pocket, the second draws them out of it.

From this Marx derives the first aspect how the expression is accurate:

The two opposite changes undergone by the same commodity are therefore reflected in the Geldform, wird dann das erste Extrem ihrer letzten Metamorphose $G - W$, ihrer Rückverwandlung in die Bibel. Aber jeder dieser zwei Formwechsel vollzieht sich durch einen Austausch zwischen Ware und Geld, durch ihren gegenseitigen Stellenwechsel. Dieselben Geldstücke kommen als entäußerte Gestalt der Ware in die Hand des Verkäufers und verlassen sie als absolut veräußerliche Gestalt der Ware. Sie wechseln zweimal die Stelle. Die erste Metamorphose der Leinwand bringt diese Geldstücke in die Tasche des Webers, die zweite holt sie wieder heraus.

Die beiden entgegengesetzten Formwechsel derselben Ware spiegeln sich also wider im
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The two phases of the metamorphosis are correctly reflected in the double movement of money: it first enters the pockets of the seller, and then leaves them again. Of course the commodity seller may be tempted to keep the money in his pocket; but this leads to an interruption of the metamorphoses of commodities.

212:2 If however only a one-sided metamorphosis takes place, if there are only sales or only purchases, then a given piece of money changes its place only once. Its second change of place always expresses the second metamorphosis of the commodity, its reconversion from money. The frequently repeated displacement of the same coins reflects not only the series of metamorphoses undergone by a single commodity, but also the mutual interlacing of the

130:2 Finden dagegen nur einseitige Warenmetamorphosen statt, bloße Verkäufe oder bloße Käufe, wie man will, so wechselt das selbe Geld auch nur einmal den Platz. Sein zweiter Stellenwechsel drückt stets die zweite Metamorphose der Ware aus, ihre Rückverwandlung aus Geld. In der häufigen Wiederholung des Stellenwechsels derselben Geldstücke spiegelt sich wider nicht nur die Metamorphosenreihe einer einzigen Ware, sondern auch die Verschlingung der zahllosen
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Innumerable metamorphoses in the whole world of commodities.

⇑ From this we can see a second aspect which is properly represented on the surface: if money smoothly runs from one seller to the next, this means that the metamorphoses of the different commodities are interlaced well with each other. ⇓ At the end of this discussion Marx mentions that all this is, of course, only valid in the form $C - M - C$.

It is in any case evident that all this is valid only for the simple circulation of commodities, the form we are considering here.

[Quantity of Money in Circulation]

After discussing how the circulation of money reflects and mystifies the underlying metamorphoses of commodities, Marx looks now at the circulation of money as a process in its own right. The first question is: how much money is circulating?

131:1–2p Jede Ware, bei ihrem ersten Schritt in die Zirkulation, bei ihrem ersten Formwechsel, fällt aus der Zirkulation her-
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fall out of circulation once more and be replaced again and again by fresh commodities. Money, on the contrary, as the medium of circulation, resides in the sphere of circulation and constantly moves around in it. The question therefore arises of how much money this sphere constantly absorbs.

What follows now is Marx’s derivation of the equation of exchange, about which [Bor87] has a good overview and also good historical references, except that Bordo does of course not mention Marx:

213:1a In a given country there take place every day at the same time, though in different places, numerous one-sided metamorphoses of commodities; in other words, simple sales on one hand, simple purchases on the other. In their prices, the commodities have already been equated with definite but}

131:2a In einem Lande gehn jeden Tag zahlreiche, gleichzeitige und daher räumlich nebeneinander laufende einseitige Warenmetamorphosen vor, oder in andren Worten, bloße Verkäufe von der einen Seite, bloße Käufe von der andren. In ihren Preisen sind die Waren bereits bestimmten vorgestellten Geld-
imaginary quantities of money. And since, in the direct form of circulation being considered here, money and commodities always come into physical confrontation with each other, one at the positive pole of purchase, the other at the negative pole of sale, it is clear that the amount of means of circulation required is determined beforehand by the sum of the prices of all these commodities. As a matter of fact, the money is only the representation in real life of the quantity of gold previously expressed in the imagination by the sum of the prices of the commodities. It is therefore self-evident that these two quantities are equal.

First equation: The sum of all money circulating is determined by the sum of prices of
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the commodities to be sold.

\[ \sum p_i q_i = m \]

(3.1)

The analysis of the different determinations, developed in 203:2, or also in the first section 3.1 of chapter Three, leads here to concrete conclusions: Since money is only the actualization of the notionally already existing prices, and since money does not cause the commodities to circulate, but its movement is the reflection and result of this circulation, the sum of money in circulation is determined by the sum of prices of those commodities which go through their metamorphosis.

We have seen that the quantity of money does not determine the price level but, conversely, the price level determines the quantity of money. However there are also situations in which money causes prices to change: not by a change in its quantity but by a change in its value. Changes in the value of money will be discussed next in detail.

213:1b/o Wir wissen jedoch, daß bei gleichbleibenden Werten der Waren ihre Preise mit dem Werte des Goldes (des Geldmaterials) selbst wechseln, verhältnismäßig steigen, wenn er fällt, und fallen, wenn er steigt. Ob
Given that the sum of the prices of commodities falls or rises in this way, it follows that the quantity of money in circulation must fall or rise to the same extent. This change in the quantity of the circulating medium is certainly caused by the money itself, yet not in virtue of its function as a medium of circulation, but rather in virtue of its function as a measure of value. First the price of the commodities varies inversely as the value of the money, and then the quantity of the medium of circulation varies directly as the price of the commodities.

A change in the value of money causes prices to change, and this price change then causes the quantity of money in circulation to change. To clarify this, Marx brings a related situation, in which it is obvious that the change in quantities comes after the change in prices, not before it:
Exactly the same phenomenon would arise if, for instance, instead of the value of gold falling, silver were to replace it as the measure of value, or if, instead of the value of silver rising, it were to be driven out of its function as measure of value by gold. In the one case, more silver would be in circulation than there was previously gold, and in the other case, less gold would be in circulation than there was previously silver. In each case the value of the money material, i.e. the value of the commodity serving as the measure of value, would have undergone a change, and so too, therefore, would the prices of commodities which express their values in money, as well as the quantity of money which would need to be in circula-

Ganz dasselbe Phänomen würde sich ereigen, wenn z.B. nicht der Wert des Goldes sänke, sondern Silber es als Wertmaß ersetzte, oder nicht der Wert des Silbers stiege, sondern Gold es aus der Funktion des Wertmaßes verdrängte. In dem einen Fall müßte mehr Silber zirkulieren als vorher Gold, in dem anderen weniger Gold als vorher Silber. In beiden Fällen hätte sich der Wert des Geldmaterials verändert, d.h. der Ware, die als Maß der Werte funktioniert, daher der Preisausdruck der Warenwerte, daher die Masse des zirkulierenden Geldes, das zur Realisierung dieser Preise dient.
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Now return to the original problem: what happens when the value of money changes? When Marx writes in the next sentence “we have already seen,” he is referring back to 203:3/00.

We have already seen that the sphere of circulation has a hole in it, through which gold (or silver, or the money material in general) enters as a commodity with a given value. Hence, when money begins to function as a measure of value, when it is used to determine prices, its value is presupposed.

Now an interesting discussion of the adjustment process if the value of the money commodity falls:

If that value falls, the fall first shows itself in a change in the prices of those commodities which are directly exchanged with the precious metals at their source. The greater part

Man hat gesehen, daß die Zirkulationssphäre der Waren ein Loch hat, wodurch Gold (Silber, kurz das Geldmaterial) in sie eintritt als Ware von gegebenem Wert. Dieser Wert ist vorausgesetzt bei der Funktion des Geldes als Wertmaß, also bei der Preisbestimmung.

Sinkt nun z.B. der Wert des Wertmaßes selbst, so erscheint dies zunächst im Preiswechsel der Waren, die unmittelbar an den Produktionsquellen der edlen Metalle mit ih-
of all other commodities, especially at the less developed stages of bourgeois society, will continue for a long time to be estimated in terms of the former value of the measure of value, which has now become antiquated and illusory. Nevertheless, one commodity infects another through their common value relation, so that their prices, expressed in gold or silver, gradually settle down into the proportions determined by their comparative values, until finally the values of all commodities are estimated in terms of the new value of the monetary metal. This process of equalization is accompanied by a continued increase in the quantity of the precious metals, owing to the influx needed to replace the commodities directly exchanged

nen als Waren ausgetauscht werden. Namenslich in minder entwickelten Zuständen der bürgerlichen Gesellschaft wird ein großer Teil der andern Waren noch längere Zeit in dem nun illusorisch gewordenen, veralteten Wert des Wertmaßes geschätzt werden. Indes steckt die eine Ware die andre an durch ihr Wertverhältnis zu derselben, die Gold- oder Silberpreise der Waren gleichen sich allmählich aus in den durch ihre Werte selbst bestimmten Proportionen, bis schließlich alle Warenwerte dem neuen Wert des Geldmetalles entsprechend geschätzt werden. Dieser Ausgleichungsprozeß ist begleitet von dem fortwährenden Wachstum der edlen Metalle, welche im Ersatz für die direkt mit ihnen ausgetauschten Waren einströmen. In demsel-
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with them. In proportion therefore as the adjusted prices of the commodities become general, in proportion as their values come to be estimated according to the new value of the metal (which has fallen and may, up to a certain point, continue to fall), in that same proportion does the increased mass of metal which is necessary for the realization of the new prices become available.

This sequence of events is open to misinterpretation: since the higher quantity of money precedes the higher prices, the quantity theory of money seems vindicated. The quantity theory offers a much simpler alternative to Marx’s rather complicated explanation.

A one-sided observation of the events which followed the discovery of fresh supplies of gold and silver led some people in the seventeenth and more particularly in the eighteenth century to the false conclusion that
the prices of commodities had risen because there was more gold and silver acting as the means of circulation. Henceforth we shall assume the value of gold as a given factor, as in fact it is if we take it at the moment when we estimate the price of a commodity.

This is the end of the digression about changes in the value of the money commodity.

214:1 On this assumption, then, the quantity of the medium of circulation is determined by the sum of the prices to be realized. If we now further assume that the price of each commodity is given, the sum of the prices clearly depends on the total amount of commodities found in circulation. We do not need to rack our brains to grasp that if our quarter of wheat costs £2, 100 quarters will cost £200, 200 quarters £400, and so on.

132:1 Unter dieser Voraussetzung also ist die Masse der Zirkulationsmittel durch die zu realisierende Preissumme der Waren bestimmt. Setzen wir nun ferner den Preis jeder Warenart als gegeben voraus, so hängt die Preissumme der Waren offenbar von der in Zirkulation befindlichen Warenmasse ab. Es gehört wenig Kopfbrechens dazu, um zu begreifen, daß, wenn 1 Quarter Weizen 2 Pfd. St., 100 Quarter 200 Pfd. St., 200 Quarter 400
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on, and therefore that the quantity of money which changes places with the wheat, when it is sold, must increase as the quantity of the wheat increases.

Marx takes the equation $\sum p_i q_i = m$ and varies $q_i$ while keeping $p_i$ fixed. If the prices of the commodities are fixed, then the mass of means of circulation is determined by the mass of commodities. Next Marx keeps $q_i$ fixed but varies $p_i$:

If the mass of commodities remains constant, the quantity of money in circulation surges up or down according to the fluctuations in the prices of the commodities. It rises and falls because the sum of the prices increases or diminishes as a result of the change of price. For this it is by no means necessary that the prices of all commodities should rise or fall simultaneously. A rise or a fall in the prices of a number of commodities as gegeben vorausgesetzt, flutet die Masse des zirkulierenden Geldes auf und ab mit den Preisschwankungen der Waren. Sie steigt und fällt, weil die Preissumme der Waren infolge ihres Preiswechsels zu oder abnimmt. Dazu ist keineswegs nötig, daß die Preise aller Waren gleichzeitig steigen oder fallen.
leading articles is sufficient in the one case to increase, in the other to diminish, the sum of the prices of all commodities, and therefore to put more or less money in circulation. Whether the change in the price reflects an actual change in the value of the commodities, or merely fluctuations in their market prices, the effect on the quantity of the medium of circulation remains the same.

↑ If the mass of commodities is given, then the mass of means of circulation changes with the changes in their prices. It does not matter here whether these price changes are due to real value changes (either of money or the commodities) or are only (temporary) fluctuations—presumably those “gravitation” movements without which a market economy cannot function.

↓ Next Marx varies the turnover frequency of the money:

215:2/o Let us assume that there occur a number of unconnected and simultane-
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ous sales, or partial metamorphoses, in different localities, sales of, say, 1 quarter of wheat, 20 yards of linen, 1 Bible and 4 gallons of brandy. If the price of each article is £2, and the sum of the prices to be realized is consequently £8, it follows that £8 in money must enter into circulation. If, on the other hand, these same articles are links in the following chain of metamorphoses: 1 quarter of wheat—£2—20 yards of linen—£2—1 Bible—£2—4 gallons of brandy—£2, a chain which is already well known to us, in that case the £2 causes the different commodities to circulate after realizing their prices successively, and therefore realizing the sum of those prices, which is £8, the £2 finally comes to rest in the hands of the dis-
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tiller. The £2 has turned over four times. It has performed four acts of circulation. This repeated change of place of the same pieces of money corresponds to the double change of form undergone by the commodities, it corresponds to their movement through two diametrically opposed stages of circulation, and the intertwining of the metamorphoses of different commodities. These antithetical and mutually complementary phases, through which the process passes, cannot take place alongside each other. They must follow in temporal succession. It is segments of time therefore which form the measure of the duration of the process, in other words, the velocity of the circulation of money is measured by the number of segments of time therefore which form the measure of the duration of the process, in other words, the velocity of the circulation of money is measured by the number of segments of time therefore which form the measure of the duration of the process, in other words, the velocity of the circulation of money is measured by the number of segments of time therefore which form the measure of the duration of the process, in other words, the velocity of the circulation of money is measured by the number of segments of time therefore which form the measure of the duration of the process, in other words, the velocity of the circulation of money is measured by the number of

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times the same piece of money turns over within a given period. Suppose the process of circulation of the four articles takes a day. The sum of prices to be realized is £8, the number of times the £2 turns over during the day is four, and the quantity of money in circulation is £2. Hence, for a given interval of time during the process of circulation, we have the following equation: the quantity of money functioning as the circulating medium = the sum of the prices of the commodities divided by the number of times coins of the same denomination turn over.

76 ‘It is products which set it’ (money) ‘in motion and make it circulate … The velocity of its’ (money’s) ‘motion supplements its quantity. When necessary, it does nothing but slide from

der Umläufe derselben Geldstücke während des Tags: 4 und die Masse des zirkulierenden Geldes: 2 Pfd.St., oder für einen gegebenen Zeitabschnitt des Zirkulationsprozesses:

\[
\frac{\text{Preissumme der Waren}}{\text{Umlaufsanzahl gleichnamiger Geldstücke}} = \text{Masse des als Zirkulationsmittel funktionierenden Geldes.}
\]

76 „Die Produkte sind es, die es“ (das Geld) „in Bewegung setzen und es zirkulieren machen… Durch die Geschwindigkeit seiner“ (d.h. des Geldes) „Bewegung wird seine Quantität ergänzt.
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Marx contrasts four isolated sales or purchases with the repeated change of place of the same coin. In the second case one needs less money but more time.

216:0b This law holds generally. The process of circulation in a given country is made up, on the one hand, of numerous isolated and simultaneous partial metamorphoses, sales (and purchases) running parallel to each other in which each coin changes its position only once, or performs only one act of circulation, on the other hand, it is made up of many distinct series of metamorphoses, partly running parallel, partly coalescing with each other, and in each of these series each coin turns over a num-

Wenn notwendig, gleitet es nur von einer Hand in die andre, ohne sich einen Augenblick aufzuhalten.“ Le Trosne [LT46, p. 915, 916]
3. Money or the Circulation of Commodities

ber of times. How often each coin turns over varies according to the circumstances. Given the total number of times all the circulating coins of one denomination turn over, we can arrive at the average number of times a single coin turns over, or, in other words, the average velocity of circulation of money.

If one looks at the overall circulation in the whole country, both of the earlier discussed situations occur: on the one hand, independent transactions at different locations, on the other, linked transactions where the same piece of money moves several times. But if one adds up and takes averages, it is not necessary to distinguish between these two situations. “Coins of one denomination:” to avoid complications, it is assumed that all circulating pieces of money have the same denomination.

\[
\text{Sum of prices of commodities moved on a given day} \ \frac{\text{Frequency with which all pieces of money make transactions}}{\text{Mass of money functioning as means of circulation}}.
\]
Now Marx describes the real mechanisms whose activity makes it possible for the researcher to aggregate and take the averages:

The quantity of money thrown into the process of circulation at the beginning of each day is of course determined by the sum of the prices of all the commodities circulating simultaneously and side by side. But within that process coins are, so to speak, made responsible for each other. If one increases its velocity of circulation, the other slows down or completely leaves the sphere of circulation. This is because the sphere of circulation can absorb only the amount of gold which, multiplied by the average number of times its basic unit turns over, is equal to the sum of prices to be realized. Hence, if the number of acts of circulation performed...
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by the separate pieces increases, the total number of those pieces in circulation diminishes. If the number of acts of circulation diminishes, the total number of pieces increases. Since the quantity of money which can function as means of circulation is fixed for a given average velocity of circulation, one has only to throw a given quantity of £1 notes into circulation in order to extract the same number of sovereigns from it. This trick is well known to all banks.

At the beginning of the day, mass of coins determined by price sum of commodities. But during the process, one piece of money is made responsible for the other, if one accelerates, the other slows down. (1) This is why it is legitimate to speak of an average. (2) But this same process also regulated the number of coins in circulation. Banks took advantage of this: by throwing bank notes into circulation, they pushed gold coins (sovereigns) out.

217:1 Just as the flow of money is in gen-

134:1 Wie im Geldumlauf überhaupt nur
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eral merely a reflection of the process of circulation of commodities, i.e. their circular path through diametrically opposed metamorphoses, so too the velocity of circulation of money is merely a reflection of the rapidity with which commodities change their forms, the continuous interlocking of the series of metamorphoses, the hurried nature of society’s metabolic process, the quick disappearance of commodities from the sphere of circulation, and their equally quick replacement by fresh commodities. In the velocity of circulation, therefore, there appears the fluid unity of the antithetical and complementary phases, i.e. the transformation of the commodities from the form of utility into the form of value and their der Zirkulationsprozeß der Waren, d.h. ihr Kreislauf durch entgegengesetzte Metamorphosen erscheint, so in der Geschwindigkeit des Geldumlaufs die Geschwindigkeit ihres Formwechsels, das kontinuierliche Ineinandergreifen der Metamorphosenreihen, die Hast des Stoffwechsels, das rasche Verschwinden der Waren aus der Zirkulationssphäre und ihr ebenso rascher Ersatz durch neue Waren. In der Geschwindigkeit des Geldumlaufs erscheint also die flüssige Einheit der entgengengesetzten und sich ergänzenden Phasen, Verwandlung der Gebrauchsgestalt in Wertgestalt und Rückverwandlung der Wertgestalt in Gebrauchsge- stalt, oder der beiden Prozesse des Verkaufs und Kaufs. Umgekehrt erscheint in der Ver-
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re-transformation in the reverse direction, or the two processes of sale and purchase. Inversely, when the circulation of money slows down, the two processes become separated, they assert their independence and mutual antagonism; stalling occurs in the form changes and hence in the metabolic process. The circulation itself, of course, gives no clue to the origin of this stalling; it merely presents us with the phenomenon.

⇑ This gives a good clarification about what the word “appears” means: and appearance is a remote controlled phenomenon. ⇩ However there is always the temptation to seek the reason for these phenomena in the sphere of circulation itself:

Popular opinion is naturally inclined to attribute this phenomenon to a quantitative deficiency in the circulating medium, since it sees money appear and disappear less frequently. 

Der populären Anschauung, welche mit verlangsamtem Geldumlauf das Geld minder häufig auf allen Punkten der Zirkulationsperipherie erscheinen und verschwinden sieht,
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Quently at all points on the periphery of circulation, in proportion as the circulation of money slows down.

Fast turnover speed means: commodities are picked up by buyers quickly and are quickly replaced by other commodities. Slow circulation derives from Stockung; but where this stoppage, stalling? comes from, cannot be seen from circulation itself. Popular view is that it derives from lacking quantity of money (although relatively to the commodities sold more money must be around! Good footnote describing these illusions:

77 ‘Money being ... the common measure of buying and selling, everybody who hath anything to sell, and cannot procure chapmen for it, is presently apt to think, that want of money in the kingdom, or country, is the cause why his goods do not go off; and so, want of money is the common cry; which is a great mistake ... What do these people want, who cry out for money? ... The farmer complains ... he thinks that were more money in the country, he would have a price

77 „Weil Geld ... das allgemeine Maß für Kauf und Verkauf darstellt, ist jeder, der etwas zu verkaufen hat, aber keinen Käufer finden kann, sofort geneigt, zu denken daß Mangel an Geld im Kingdom oder im Lande schuld sei, wenn seine Waren keinen Absatz finden; daher allenthalben das Geschrei über den Mangel an Geld, was jedoch ein großer Irrtum ist ... Was brauchen diese Leute, die nach Geld schreien? ... Der Pächter klagt ... er denkt, wenn mehr Geld im Lande wäre, könnte
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for his goods. Then it seems money is not his want, but a price for his corn and cattel, which he would sell, but cannot ... Why cannot he get a price? ... (I) Either there is too much corn and cattel in the country, so that most who come to market have need of selling, as he hath, and few of buying; or (2) there wants the usual vent abroad by transportation ...; or (3) the consumption fails, as when men, by reason of poverty, do not spend so much in their houses as formerly they did; wherefore it is not the increase of specific money, which would at all advance the farmer’s goods, but the removal of any of these three causes, which do truly keep down the market ... The merchant and shopkeeper want money in the same manner, that is, they want a vent for the goods they deal in, by reason that the markets fail ... [A nation] never thrives better, than when riches are lost from hand to hand’ (Sir Dudley

er einen Preis für seine Güter bekommen ... Also fehlt ihm anscheinend nicht Geld, sondern ein Preis für sein Korn und sein Vieh, das er verkaufen möchte, aber nicht kann ... Warum kann er keinen Preis erzielen? ... 1. Entweder es gibt zu viel Korn und Vieh im Land, so daß den meisten, die auf den Markt kommen, ebenso wie ihm das Verkaufen not tut, das Kaufen aber nur wenigen, oder 2. der gewöhnliche Absatz durch Ausfuhr stockt ... oder 3. der Konsum wird geringer, wenn z.B. die Leute infolge Armut nicht mehr soviel für ihren Haushalt ausgeben wie früher. Deshalb ist es nicht die Vermehrung von Geld schlechthin, die sich günstig auf die Güter des Pächters auswirken würde, sondern die Beseitigung einer dieser drei Ursachen, die wirklich den Markt niederhalten ... Kaufmann und Krämer brauchen in gleicher Weise Geld, d.h., weil die Märkte stocken, fehlt ihnen der Absatz der Güter, mit denen sie handeln ...
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North, Discourses upon Trade, London, 1691, pp. 11–15 passim).

Presumably Marx was in full agreement with North (he also quotes him approvingly in footnote 81 to paragraph 222:1), but he certainly did not agree with Herrenschwand:

77 ctd Herrenschwand’s fanciful notions amount merely to this, that the contradictions which arise from the nature of commodities, and therefore come to the surface in circulation, can be removed by increasing the amount of the medium of circulation.

The contradictions are located in the core, they only appear in circulation. Increasing the quantity of the means of circulation is therefore an attempt to cure the symptoms, not the disease.

The final remark in this footnote, apparently aimed against 1844 Bank Act, points out that the reverse can however happen: disturbances originating in circulation can indeed have effects on the core:

77 ctd It should be mentioned in passing that it

77 ctd Aus der Volksillusion, welche Stockun-
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by no means follows, from the fact that the popular ascription of stagnation in the processes of production and circulation to an insufficiency of the circulating medium is a delusion, that an actual shortage of the circulating medium resulting from say, bungling government interference with the ‘regulation of currency’ may not for its part give rise to stagnation.

Now in the main text a summary:

217:2/° The total quantity of money functioning during a given period as the circulating medium is determined on the one hand by the sum of the prices of the commodities in circulation, and on the other hand by the rapidity of alternation of the antithetical processes of circulation. The proportion of the sum of the prices which can on average be realized by each single coin depends on

gen des Produktions- und Zirkulationsprozesses einem Mangel an Zirkulationsmitteln zuschreibt, folgt übrigens keineswegs umgekehrt, daß wirklicher Mangel an Zirkulationsmitteln, z.B. infolge offizieller Pfuschereien mit der „regulation of currency“, nicht seinerseits Stockungen hervorrufen kann.

135:1 Das Gesamtquantum des in jedem Zeitabschnitt als Zirkulationsmittel funktionierenden Geldes ist also bestimmt einerseits durch die Preissumme der zirkulierenden Warenwelt, andererseits durch den langsameren oder rascheren Fluß ihrer gegensätzlichen Zirkulationsprozesse, von dem es abhängt, der wievielte Teil jener Preissumme durch dieselben Geldstücke realisiert werden kann.
this rapidity of alternation. But the sum of the prices of the commodities depends on the quantity, as well as on the price, of each kind of commodity. These three factors, the movement of prices, the quantity of commodities in circulation, and the velocity of circulation of money, can all vary in various directions under different conditions. Hence the sum of the prices to be realized and consequently the quantity of the circulating medium conditioned by that sum, will vary with the very numerous variations of the three factors in combination. Here we shall outline only the most important variations in the history of commodity prices.

Die Preissumme der Waren hängt aber ab sowohl von der Masse als den Preisen jeder Warenart. Die drei Faktoren: die Preisbewegung, die zirkulierende Warenmasse und endlich die Umlaufsgeschwindigkeit des Geldes, können aber in verschiedener Richtung und verschiedenen Verhältnissen wechseln, die zu realisierende Preissumme, daher die durch sie bedingte Masse der Zirkulationsmittel, also sehr zahlreiche Kombinationen durchmachen. Wir zählen hier nur die in der Geschichte der Warenpreise wichtigsten auf.
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Reformulates the basic equation as

\[ \sum p_i q_i \frac{1}{v} = m \]

Next, Marx goes through different combinations of variations which were historically relevant:

218:1 While prices remain constant, the quantity of the circulating medium may increase owing to an increase in the number of commodities in circulation, or a decrease in the velocity of circulation of money, or a combination of the two. On the other hand, the quantity of the circulating medium may decrease with a decreasing number of commodities, or with an increasing rapidity of circulation.

218:2 With a general rise in the prices of commodities, or with an increasing rapidity of circulation.


136:1 Bei allgemein steigenden Waren-
commodities, the quantity of the circulating medium will remain constant, if the number of commodities in circulation decreases proportionally to the increase in their prices, or if the velocity of monetary circulation increases at the same rate as prices rise, the number of commodities in circulation remaining constant. The quantity of the circulating medium may decrease, owing to a more rapid decrease in the number of commodities, or to a more rapid increase in the velocity of monetary circulation, in comparison with the fall in the prices of commodities.

219:1 With a general fall in the prices of commodities, the quantity of the circulating medium will remain constant, if the number of commodities in circulation decreases proportionally to the increase in their prices, or if the velocity of monetary circulation increases at the same rate as prices rise, the number of commodities in circulation remaining constant. The quantity of the circulating medium may decrease, owing to a more rapid decrease in the number of commodities, or to a more rapid increase in the velocity of monetary circulation, in comparison with the fall in the prices of commodities.

136:2 Bei allgemein fallenden Warenpreisen kann die Masse der Zirkulationsmittel gleichbleiben, wenn die Masse der zirkulierenden Waren in demselben Verhältnis abnimmt, worin ihr Preis zunimmt, oder die Umlaufsgeschwindigkeit des Geldes ebenso rasch zunimmt als die Preiserhöhung während die zirkulierende Warenmasse konstant bleibt. Die Masse der Zirkulationsmittel kann fallen, weil die Warenmasse rascher ab- oder die Umlaufsgeschwindigkeit rascher zunimmt als die Preise.
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The number of commodities increases proportionally to their fall in price, or if the velocity of monetary circulation decreases in the same proportion. The quantity of the circulating medium will increase, if the number of commodities increases more quickly, or the rapidity of circulation decreases more quickly, than the prices fall.

\[ \text{These influences must be compensating each other because one sees much less variability of the amount of money in circulation than one should expect:} \]

219:2 The variations of the different factors may be mutually compensatory, so that notwithstanding their continued instability, the sum of the prices to be realized and the quantity of money in circulation remains constant; consequently, we find, especially if we take long periods into consideration, the sum of the prices to be realized and the quantity of money in circulation remains constant; consequently, we find, especially if we take long periods into consideration,

136:3 Die Variationen der verschiedenen Faktoren können sich wechselseitig kompensieren, so daß ihrer beständigen Unstätigkeit zum Trotz die zu realisierende Gesamtsumme der Warenpreise konstant bleibt, also auch die zirkulierende Geldmasse. Man findet daher, namentlich bei Betrachtung et-

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that the quantity of money in circulation in each country diverges far less from its average level than we should at first sight have expected, with the exception of the violent perturbations which arise periodically, either from crises in production and commerce, or, more rarely, from changes in the value of money itself.

was längerer Perioden, ein viel konstanteres Durchschnittsniveau der in jedem Lande zirkulierenden Geldmasse und, mit Ausnahme starker Perturbationen, die periodisch aus den Produktions- und Handelskrisen, seltener aus einem Wechsel im Geldwert selbst entspringen, viel geringere Abweichungen von diesem Durchschnittsniveau, als man nach dem Augenschein erwarten sollte.

[The Quantity Theory of Money]

In the last paragraph in subsection 3.2.b Marx discusses the illusion that prices depend on the quantity of money. A much more detailed discussion of this can be found in Contribution, 390:1/o.

Marx first reformulated the actual law, derived in 213:1a, in such a way that the quantity theory of money is just the opposite of this reformulated law:
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219:3/o The law that the quantity of the circulating medium is determined by the sum of the prices of the commodities in circulation, and the average velocity of the circulation of money,\textsuperscript{78} may also be stated as follows: given the sum of the values of commodities, and the average rapidity of their metamorphoses, the quantity of money or of the material of money in circulation depends on its own value.

\textsuperscript{78} The footnote begins with a long quote from Petty showing that Petty got it right:

"There is a certain measure and proportion of money requisite to drive the trade of a nation, more or less than which would prejudice the same. Just as there is a certain proportion of farthings necessary in a small retail trade, to change silver money, and to even such reckonings as cannot be adjusted with the smallest sil-

136:4/oo Das Gesetz, daß die Quantität der Zirkulationsmittel bestimmt ist durch die Preissumme der zirkulierenden Waren und die Durchschnittsgeschwindigkeit des Geldumlaufs,\textsuperscript{78} kann auch so ausgedrückt werden, daß bei gegebner Wertsumme der Waren und gegebner Durchschnittsgeschwindigkeit ihrer Metamorphosen, die Quantität des umlaufenden Geldes oder des Geldmaterials von seinem eignen Wert abhängt.

\textsuperscript{78} „Es gibt ein bestimmtes Maß und Verhältnis des Geldes, das erforderlich ist, um den Handel einer Nation in Gang zu halten; ein Mehr oder Weniger würde ihm Abbruch tun. Gerade so wie in einem kleinen Detailgeschäft eine bestimmte Menge von Farthings notwendig ist, um die Silbermünzen zu wechseln und solche Zahlun-
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ver pieces . . . Now, as the proportion of the number of farthings requisite in commerce is to be taken from the number of people, the frequency of their exchanges: as also, and principally, from the value of the smallest silver pieces of money; so in like manner, the proportion of money (gold and silver specie) requisite in our trade, is to be likewise taken from the frequency of commutations, and from the bigness of the payments’ (William Petty, A Treatise of Taxes and Contributions, London, 1667, p. 17).

Hume, of course, had it wrong. Marx discussed Hume in detail in Contribution, therefore he brings here only a quote from one of his defenders:

78 ctd Hume’s theory was defended against the attacks of J. Steuart and others by A. Young, in his Political Arithmetic, London, 1774, where there is a special chapter on this, entitled ‘Prices Depend on Quantity of Money’, pp. 112 ff.

78 ctd Die Humesche Theorie ward gegen J. Steuart u.a. verteidigt von A. Young in seiner „Political Arithmetic“, Lond. 1774, wo ein eignes Kapitel: „Prices depend on quantity of money“, p. 112 sqq.
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The rest of the footnote is about A. Smith. Marx takes off from his own remarks in *Contribution*, 398:1/o:

78 ctd I stated in Zur Kritik etc., p. 149: ‘He’ (Adam Smith) ‘quietly eliminates the question about the amount of coin in circulation by quite improperly regarding money as a simple commodity.’ This is only true in so far as Adam Smith treats of money while developing his own theories. Occasionally, however, for example in criticizing earlier systems of political economy, he takes the correct view: ‘The quantity of coin in every country is regulated by the value of the commodities which are to be circulated by it … The value of the goods annually bought and sold in any country requires a certain quantity of money to circulate and distribute them to their proper consumers, and can give employment to no more. The channel of circulation necessarily draws to itself a sum sufficient to fill it, and never

78 ctd Ich bemerke „Zur Kritik etc.“, p. 149: „Die Frage über die Quantität der zirkulierenden Münze beseitigt er (A. Smith) stillschweigend, indem er das Geld ganz falsch als bloße Ware behandelt.“ Dies gilt nur, soweit A. Smith ex officio das Geld behandelt. Gelegentlich jedoch, z.B. in der Kritik der früheren Systeme der Pol. Ökon., spricht er das Richtige aus: „Die Menge des gemünzten Geldes wird in jedes Lande durch den Wert der Waren geregelt, deren Umlauf es zu vermitteln hat … Der Wert der in einem Lande jährlich gekauften und verkauften Güter erfordert eine gewisse Menge Geld, um sie zu zirkulieren und an ihre eigentlichen Verbraucher zu verteilen, kann aber für mehr Geld keine Verwendung schaffen. Der Kanal der Zirkulation zieht notwendigerweise eine Summe an, die genügt, um ihn zu füllen, nimmt aber
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admits any more’ (Wealth of Nations, Bk. IV, Ch. 1).

This is not the only contradiction in Smith’s work: 

78 ctd In similar fashion Smith begins his work in the official manner with an apotheosis of the division of labor. Later on, in the last book, on the sources of the public revenue, he occasionally reproduces the denunciations of the division of labor made by his teacher, A. Ferguson.

⇑ Adam Ferguson’s denunciation of the division of labor is discussed in the chapter about division of labor, p. 473:1/o.

⇓ But let us go back to the main text. Marx brings here only the deepest level, the “root,” of the theoretical error leading to the quantity theory of money:

The illusion that it is, on the contrary, prices which are determined by the quantity of the circulating medium, and that the latter for its part depends on the amount of monetary material which happens to be present in a
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country, had its roots in the absurd hypothesis adopted by the original representatives of this view that commodities enter into the process of circulation without a price, and money enters without a value, and that, once they have entered circulation, an aliquot part of the medley of commodities is exchanged for an aliquot part of the heap of precious metals.

A much more detailed explanation of the same thoughts can be found in *Contribution*, in the excessively long paragraph 393:1–396:0.

79 „Die Preise der Dinge werden sicherlich in jedem Lande so steigen, wie die Menge an Gold und Silber unter den Leuten anwächst; folglich müssen auch, wenn in einem Lande Gold und Silber sich vermindern, die Preise aller Waren einer solchen Verminderung des Geldes entsprechend fallen.“ Jacob Vanderlaint, [Van34, p. 5]. Nähe-
comparison of this book with Hume’s Essays leaves not the slightest doubt in my mind that Hume knew and used Vanderlint’s work, which is certainly an important one. The opinion that prices are determuned by the quantity of the circulathing medium was also held by Barbon and other much earlier writers. ‘No inconvenience,’ says Vanderlint, ‘can arise by an unrestrained trade, but very great advantage; since, if the cash of the nation be decreased by it, which prohibitions are designed to prevent, those nations that get the cash will certainly find everything advance in price, as the cash increases amongst them. And ... our manufactures, and everything else, will soon become so moderate as to turn the balance of trade in our favour, and thereby fetch the money back again’ (op. cit., pp. 43, 44).

Vergleichung zwischen Vanderlint und Humes „Essays“ läßt mir nicht den geringsten Zweifel, daß Hume V.’s übrigens bedeutende Schrift kannte und benutzte. Die Ansicht, daß die Masse der Zirkulationsmittel die Preise bestimmt, auch bei Barbon und noch viel älteren Schriftstellern. „Keine Ungelegenheit“, sagt Vanderlint, „kann durch ungehinderten Handel entstehen, sondern nur sehr großer Nutzen, denn wenn die Bargeldmenge der Nation durch ihn verringert wird, was ja die Prohibitionsmaßnahmen verhindern sollen, so werden die Nationen, denen das Bargeld zufließt, sicher feststellen, daß alle Dinge in dem Maße im Preise steigen, wie die Bargeldmenge bei ihnen anwächst. Und ... unsere Manufakturprodukte und alle anderen Waren werden bald so billig, daß sich die Handelsbilanz wieder zu unseren Gunsten wendet, und infolgedessen das Geld zu uns zurückfließt.“ [Van34, p. 43, 44].
That each single kind of commodity, through its price, forms an element in the sum of the prices of all the commodities in circulation, is self-evident. But how mutually incommensurable use-values are to be exchanged, en masse, for the total sum of gold or silver in a country is quite incomprehensible. If we can perform the swindle of converting the world of commodities into one single total commodity, of which each commodity is merely an aliquot part, we arrive at this beautiful calculation: the total commodity = x cwt of gold; commodity A = an aliquot part of the total commodity = the same aliquot part of x cwt of gold. This is stated in all seriousness by Montesquieu: ‘If one compares the amount of gold and silver in the world with the sum of the commodities available, it is certain that each product or commodity, taken in isolation, could be compared with a certain portion of the total...
amount of money. Let us suppose that there is only one product, or commodity, in the world, or only one that can be purchased, and that it can be divided in the same way as money: a certain part of this commodity would then correspond to a part of the total amount of money; half the total of the one would correspond to half the total of the other, etc. . . . the determination of the prices of things always depends, fundamentally, on the relation between the total amount of things and the total amount of their monetary symbols’ (Montesquieu, op. cit., Vol. 3, pp. 12, 13). As to the further development of this theory by Ricardo and his disciples, James Mill, Lord Overstone and others, see Zur Kritik, etc., pp. 140–46, and pp. 150 ff. [English edition, pp. 179–85 and 169–77].

Now some remarks about J. St. Mill:

80 ctd John Stuart Mill, with his usual eclectic

Herr J. St. Mill versteht es, mit der ihm
And finally Locke:
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Locke expressly asserts that there is a connection between the absence of value in gold and silver, and the determination of their value by their quantity. ‘Mankind having consented to put an imaginary value upon gold and silver … the intrinsick value, regarded in these metals, is nothing but the quantity’ (Some Considerations, etc., 1691, in Works, ed. 1777, Vol. 2, p. 15). [Loc77, p. 15]

3.2.c. Coins and Symbols of Value

This subsection deals with yet another form accruing to money, which springs not from a change in the relative form of value, as those discussed in section 3.1, but from the circulation process. Since the price of the commodities must be physically present as means of circulation, it is no longer sufficient that a certain unit of gold is by law designated a dollar; it also must be readily available for circulation, i.e., must be minted.
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Fowkes translates the title as: Coin. The Symbol of Value. This suggests that a coin is a symbol of value. However in Marx’s terminology coins are full-weighted gold coins, i.e., they are not symbols of value but they are value themselves.

This text is very similar to Contribution, see 342:2.

[From Gold to Paper Money]

221:1/o From the function of money as means of circulation springs its shape of a coin. An amount of gold, whose wight is referred to by the prices or money-names of the commodities, must confront these commodities, within circulation, as coins or pieces of gold of the same denomination. Due to the function of gold as measure of value, all prices are denominated in gold. For gold to function as means of circulation as well, the quantities of gold specified in the prices must be be easily assembled and verified. This is why coins are necessary. A coin

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(Münze) is here always a gold coin; a coin which is not made of gold is called token of value ("Scheidemünze" and "Silber- oder Kupfermarken" in 222:2/o).

Just as the establishment of a fixed standard of prices is the prerogative of the state, so is the business of coining.

These two tasks are closely related: the establishment of a standard of prices specifies how much gold a given coin contains, and the minting then converts raw gold into such coins.

Under the gold standard, gold was money in many countries, but different countries used different coins since they had different standards of prices (i.e., monetary units). For international transfers, these coins were melted down and converted into gold bullion:

In the different national uniforms worn at home by gold and silver as coins, but taken off again when they circulate on the world market, the separation between the internal or national spheres of commodity circulation and its universal sphere, the world market, manifests itself.

In den verschiedenen Nationaluniformen, die Gold und Silber als Münzen tragen, auf dem Weltmarkt aber wieder ausziehn, erscheint die Scheidung zwischen den innern oder nationalen Sphären der Warenzirkulation und ihrer allgemeinen Weltmarktssphäre.
3. Money or the Circulation of Commodities

Marx sees an essential distinction between the many national spheres of commodity circulation and its international sphere. This distinction appears, i.e., is reflected and enforced on the surface, in the distinction between the many different national gold coins and the gold bullion. On the other hand, these spheres of commodity circulation are closely interrelated, which is reflected in the easy convertibility between gold coins and gold bullion. This convertibility is another proof that coins are nothing more and nothing less than quantities of gold in a specific physical shape.

From the very outset, therefore, the only difference between coin and bullion lies in their physical shape, and gold can at any time be converted from one form into the other.\(^81\)

So far, therefore, it seems that there is very little difference between coins and gold bullion. They are continually converted into each other. The state bears the cost of this conversion because it wants coins and gold bullion to be treated as one and the same. The footnote shows that this may lead to unnecessarily many conversions from one to the other:

\(^{81}\) It lies of course entirely beyond my purpose

\(^{81}\) Es liegt natürlich ganz jenseits meines Zwecks,
3.2. Means of Circulation

to deal with such details as the seigniorage on minting. Still, since the romanticist sycophant Adam Müller admires the ‘magnificent liberal- ity’ with which ‘the English government coins for nothing’, I will quote the following assessment by Sir Dudley North: ‘Silver and gold, like other commodities, have their ebbings and flow- ings. Upon the arrival of quantities from Spain . . . it is carried into the Tower, and coined. Not long after there will come a demand for bullion to be exported again. If there is none, but all happens to be in coin, what then? Melt it down again; there’s no loss in it, for the coining costs the owner nothing. Thus the nation has been abused, and made to pay for the twisting of straw for asses to eat. If the merchant’ (North was him- self one of the biggest merchants at the time of Charles II) ‘were made to pay the price of the coinage, he would not have sent his silver to the
3. *Money or the Circulation of Commodities*

Tower without consideration; and coined money would always keep a value above uncoined silver’ [Nor91, p. 18].

The conversion of gold coins into gold bullions is not only a possibility, but also a necessity:

For a coin, the road from the mint is at the same time the path to the melting pot.

Why? Here is the explanation:

In the course of circulation, coins wear down, some to a greater extent, some to a lesser. The denomination of the gold and its substance, the nominal content and the real content, part company. Coins of the same denomination come to be different in value, because their weights move apart. The weight of gold fixed upon as the...
standard of prices diverges from the weight which serves as the circulating medium, and the latter thereby ceases to be a real equivalent of the commodities whose prices it realizes. The history of these disturbances constitutes the history of the coinage throughout the Middle Ages and in modern times down to the eighteenth century. The natural and spontaneous tendency of the process of circulation to transform the coin from its metallic existence as gold into the semblance of gold, or to transform the coin into a symbol of its official metallic content, is itself recognized by the most recent laws on the degree of metal loss which demonetizes a gold coin, i.e. renders it incapable of being circulated.

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Although coins are merely the money commodity in a different physical shape, the weight loss in circulation (and its legal regulation allowing underweight coin still to be accepted at face value) is the first step towards a separation of the functions of money as standard of prices (i.e., fixing a certain weight of gold and giving it the name 1 dollar or 1 pound sterling) and means of circulation (which can be performed by underweight coins as well).

The acceptance in the circulation process of coins which were slightly underweight showed that it was possible to replace gold coins with things that had lesser value. This replacement did not stop at the underweight gold coin but it went further. The next paragraph explains...
why gold coins were replaced by silver and copper:

The technical obstacles to coining extremely minute quantities of gold or silver, and the circumstance that at first the less precious metal is used as a measure of value instead of the more precious, copper instead of silver, silver instead of gold, and that the less precious circulates as money until dethroned by the more precious—these facts provide a historical explanation for the role played by silver and copper tokens as substitutes for gold coins. Silver and copper coins replace gold in those regions of the circulation of commodities where coins pass from hand to hand most rapidly, and are therefore worn out most quickly. This happens where sales and purchases on a very small
scale recur unceasingly. In order to prevent these satellites from establishing themselves permanently in the place of gold, the law determines the very minute proportions in which alone they can be accepted as alternative payment. The particular tracks pursued by the different sorts of coin in circulation naturally run into each other. Small change appears alongside gold for the payment of fractional parts of the smallest gold coin; gold constantly enters into retail circulation, although it is just as constantly being thrown out again by being exchanged with small change. 82

82 ‘If silver never exceed what is wanted for the smaller payments, it cannot be collected in sufficient quantities for the larger payments …
the use of gold in the main payments necessarily implies also its use in the retail trade: those who have gold coins offering them for small purchases, and receiving with the commodity purchased a balance of silver in return; by which means the surplus of silver that would otherwise encumber the retail dealer is drawn off and dispersed into general circulation. But if there is as much silver as will transact the small payments independent of gold, the retail trader must then receive silver for small purchases; and it must of necessity accumulate in his hands’ (David Buchanan, Inquiry into the Taxation and Commercial Policy of Great Britain, Edinburgh, 1844, pp. 248-9).

Replacement of gold coins by silver- or copper coins of lesser value is only the first step: the next step is the use of completely worthless things, namely, slips of paper:

Mengen angesammelt werden … Die Verwendung von Gold für große Zahlungen schließt notwendig auch seine Verwendung im Detailhandel ein: Wer Goldmünzen hat, benutzt sie auch bei kleineren Einkäufen und erhält mit der gekauften Ware den Rest in Silber zurück; dadurch wird der Überschuß an Silber, der sonst den Detailhändler belasten würde, diesem entzogen und in die allgemeine Zirkulation zurückgeführt. Wenn aber so viel Silber vorhanden ist, daß die kleinen Zahlungen unabhängig von Gold ausgeführt werden können, so wird der Detailhändler für kleine Käufe Silber erhalten, das sich dann notwendig bei ihm anhäufen wird.“ (David Buchanan, „Inquiry into the Taxation and Commercial Policy of Great Britain“, Edinburgh 1844, pp. 248, 249.)
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223:1/o The metallic content of silver and copper tokens is arbitrarily determined by law. In the course of circulation they wear down even more rapidly than gold coins. Their function as coins is therefore in practice entirely independent of their weight, i.e. it is independent of all value. In its form of existence as coin, gold becomes completely divorced from the substance of its value. Relatively valueless objects, therefore, such as paper notes, can serve as coins in place of gold. This purely symbolic character of the currency is still somewhat disguised in the case of metal tokens. In paper money it stands out plainly.


After having arrived at money printed on worthless paper Marx concludes with the aphorism:
One sees: only the first step matters. Man sieht: Ce n’est que le premier pas qui coûte.

The first step is the continued circulation of slightly underweight coins. This indicated that people did not object to receiving gold coins that have less value than their face value in circulation. Once this is clarified, the silver- or copper coins and paper money follow almost automatically.

Marx concludes this description of the trajectory from gold coins to paper money by a clarifying “disclaimer”: we are not talking about credit money here:

224:1 Here we are concerned only with inconvertible paper money issued by the state and given forced currency. This money emerges directly out of the circulation of metallic money. Credit money on the other hand implies relations which are as yet totally unknown, from the standpoint of the simple circulation of commodities. But it may be noted in passing that just as true
paper money arises out of the function of money as the circulating medium, so does credit-money take root spontaneously in the function of money as the means of payment.\textsuperscript{83}

The anecdotes in footnote 83 suggest that state paper money is in the interest of the state, while credit money is in the interest of the capitalists.

\textsuperscript{83} The financial mandarin Wan Mao-in took it into his head one day to lay before the Son of Heaven a proposal which had the secret purpose of transforming the assignats of the Chinese Empire into convertible banknotes. The Committee on the assignats, in its report of April 1854, severely rebuked him for this. Whether he also received the traditional thrashing with bamboo-sticks is not stated. The concluding part of the report is as follows. ‘The Committee has carefully examined his proposal and finds that it is...
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entirely in the interests of the merchants, and in no respect advantageous to the Crown’ (Arbeiten der Kaiserlich Russischen Gesandtschaft zu Peking über China, aus dem Russischen von Dr. K. Abel und F. A. Mecklenburg, Erster Band Berlin, 1858, p. 54). In his evidence before the Committee of the House of Lords on the Bank Acts, a governor of the Bank of England says, with regard to the abrasion of gold coins in the course of their circulation: ‘Every year a fresh class of sovereigns’ (this is not a political statement, for ‘sovereign’ is a name for the pound sterling) ‘becomes too light. The class which one year passes with full weight, loses enough by wear and tear to draw the scales next year against it’ (House of Lords Committee, 1848, n. 429).
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[The Quantity of Paper Money]

In this subsection, Marx asks the quantitative question: how much gold money can be replaced by paper money, and that happens if there is overissue of paper money?

224:2/0 Pieces of paper on which money names are printed, such as £ 1, £ 5, etc., are thrown into the circulation process from outside by the state. In so far as they actually circulate in the place of the same amount of gold, their movement is simply a reflection of the laws of monetary circulation itself.


Marx calls the state issuance of paper money “from the outside” (äußerlich) because if the state issues paper notes this does not yet mean that they will be used. Cagan’s analysis of hyperinflation is exactly a case where this condition is not satisfied. The state issued so much money that people did not want to use it in the normal way as means of circulation; instead they tried to get rid of it as quickly as possible. One might say, Gresham’s law had seized not only the worse kinds of money, but all money. Since this is one of the few
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times in which people actually exhibit preferences as to how much money they want to hold, monetarists use it as evidence supporting their theory. Marx however does not explain the amount and value of paper money circulating by the preferences of the money holders, but by the relation of the paper to gold.

The specific laws which paper circulation obeys can only spring from its relation to gold, since it is the representative of gold. Ein spezifisches Gesetz der Papierzirkulation kann nur aus ihrem Repräsentationsverhältnis zum Gold entspringen.

This general principle that paper money must draw its own quantity from the quantity of money which it replaces immediately gives a policy prescription about issuing paper money: the state cannot issue more paper money than the amount of gold that would be circulating. If overissue, then the paper slips represent less gold, this is as if standard of prices were changed.

This law is simply that the issue of paper money must be restricted to that quantity in which the gold (or silver) which it symbolizes would actually have to be in circulation. Und dies Gesetz ist einfach dies, daß die Ausgabe des Papiergelds auf die Quantität zu beschränken ist, worin das von ihm symbolisch dargestellte Gold (resp. Silber) wirklich zirkulieren müßte.
This policy prescription does not seem operational because the quantity of gold coins in circulation is variable:

Now it is true that the quantity of gold which can be absorbed by the sphere of circulation constantly fluctuates above and below a certain average level. But despite this, the mass of the circulating medium in a given country never sinks below a certain minimum, which can be ascertained by experience. The fact that this minimum mass continually undergoes changes in its constituent parts, or that the pieces of gold of which it consists are constantly being replaced by other pieces, does of course not make a difference to its extend or to the continuity with which it remains in the sphere of circulation. It can therefore be replaced by paper symbols which the Zirkulationssphäre absorbs can, beständig über oder unter ein gewisses Durchschnittsniveau. Jedoch sinkt die Masse des zirkulierenden Mediums in einem gegebenen Land nie unter ein gewisses Minimum, das sich erfahrungsmäßig feststellt. Daß diese Minimalmasse fortwährend ihre Bestandteile wechselt, d.h. aus stets andren Goldstücken besteht, ändert natürlich nichts an ihrem Umfang und ihrem konstanten Umtrieb in der Zirkulationssphäre. Sie kann daher durch Papiersymbole ersetzt werden.
Now what happens when these policy prescriptions are not followed and more than the minimum is issued in paper:

If however all the channels of circulation were today filled with paper money to the full extent of their capacity for absorbing money, they might the next day be over-full owing to the fluctuations in the circulation of commodities. There would no longer be any standard. If the paper money exceeds its proper limit, i.e., the amount of gold coins of the same denomination which could have been in circulation, then, quite apart from the danger of becoming generally discredited, it will still represent within the world of commodities only that quantity of gold which is fixed by its immanent laws. No
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greater quantity is capable of being represented. If the quantity of paper money represents twice the amount of gold available, then in practice £1 will be the money-name not of 1/4 of an ounce of gold, but 1/8 of an ounce. The effect is the same as if an alteration had taken place in the function of gold as the standard of prices. The values previously expressed by the price of £1 would now be expressed by the price of £2.

This has a certain superficial resemblance to the quantity theory of money, but it is still quite different from it. First of all, if there is too much paper money, it might become generally (qualitatively) discredited—runaway inflation, use of a foreign currency as money. The normal process could be called “quantitative discrediting”: paper prices are at a premium.

Finally a clarifying remark that the paper symbols symbolize gold, not value or labor:

225:1 Paper money is a symbol of gold, a symbol of money. Its relation to the values

142:1 Das Papiergeld ist Goldzeichen oder Geldzeichen. Sein Verhältnis zu den Wa-
of commodities consists only in this: they find imaginary expression in certain quantities of gold, and the same quantities are symbolically and physically represented by the paper. Only in so far as paper money represents gold, which like all other commodities has value, is it a symbol of value.

84 The following passage from Fullarton shows how unclear even the best writers on money are about its different functions: ‘That, as far as concerns our domestic exchanges, all the monetary functions which are usually performed by gold and silver coins, may be performed as effectually by a circulation of inconvertible notes, having no value but that factitious and conventional value … they derive from the law, is a fact which admits, I conceive, of no denial. Value of this description may be made to answer all renwerten besteht nur darin, daß sie ideell in denselben Goldquantis ausgedrückt sind, welche vom Papier symbolisch sinnlich dargestellt werden. Nur sofern das Papiergeld Goldquanta repräsentiert, die, wie alle anderen Warenquanta, auch Wertquanta, ist es Wertzeichen.

84 Note zur 2. Ausgabe. Wie unklar selbst die besten Schriftsteller über Geldwesen die verschiedenen Funktionen des Geldes auffassen, zeigt z.B. folgende Stelle aus Fullarton: „Was unseren inländischen Austausch betrifft, können alle Geldfunktionen, die gewöhnlich von Gold- oder Silbermünzen erfüllt werden, ebenso wirksam durch eine Zirkulation von nicht einlösbaren Noten erfüllt werden, die keinen anderen Wert haben als diesen künstlichen und auf Übereinkunft beruhenden Wert, den sie durch Gesetz erhalten
the purposes of intrinsic value, and supersede even the necessity for a standard, provided only the quantity of issues be kept under due limita-
tion' [Ful45, p. 21]. In other words, because the money commodity is capable of being replaced in circulation by mere symbols of value, it is superfluous as a measure of value and a standard of prices!

[Why Can Gold be Replaced by Paper?]

Finally, one may ask why gold is capable of being replaced by valueless symbols of itself. This question comes surprisingly late. The replacement of gold coins by tokens occasioned by their wearing-out was merely the empirical proof that such a replacement was possible,
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this does not yet tell us why it was possible. One reason why this was possible was already alluded to earlier: because the functions of money as means of circulation and the functions of money as measure of value are quite different and contradictory. But other conditions must be met for this replacement to become possible. Gold coins can be replaced by tokens only insofar their function as means of circulation can be isolated (versehelfständigt), i.e., for those amounts of money which do nothing other than function as means of circulation, and such money must be made legal tender by law.

As we have already seen, it is capable of being replaced in this way only if its function as coin or circulating medium can be singled out or rendered independent. Now this function of being the circulating medium does not attain an independent position as far as the individual gold coins are concerned, although that independent position does appear in the case of the continued circulation of abraded coins. A piece of money is a
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mere coin, or means of circulation, only as long as it is actually in circulation.

I.e., for individual coins this function is exactly not verselbständigt, but they take on this function only when in circulation, and strip it off when outside of circulation.

But then the fact that worn-down coins continue to circulate is an Erscheinung of this Verselbständigung.

The isolation of just this one function as means of circulation is not possible for individual coins, with one exception: the occasional exceptionally worn-off coin which everybody passes on as soon as they get it. But other than that, there are no specific coins which always circulate and never rest. But the example of the worn-off coin shows that people are selective in which coins they keep in their purses and which coins they pass on. This allows us to look at the isolation not of individual coins but of a given quantitative fraction of all coins:

But what is not valid for the individual gold coin is valid for that minimum mass of gold which is capable of being replaced by paper money. That mass constantly dwells in the sphere of circulation, continually func-
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...tions as a circulating medium, and therefore exists exclusively as the bearer of this function. Its movement therefore represents nothing but the continued alternation of the inverse phases of the metamorphosis $C - M - C$, phases in which the commodity’s shape as a value confronts it only to disappear again immediately. The representation of the exchange-value of a commodity as an independent entity is here only a transient aspect of the process. The commodity is immediately replaced again by another commodity. Hence in this process which continually makes money pass from hand to hand, it only needs to lead a symbolic existence. Its functional existence so to speak absorbs its material existence. Since it is a tran-

...her ausschließlich als Träger dieser Funktion. Ihre Bewegung stellt also nur das fortwährende Ineinanderumschlagen der entgegengesetzten Prozesse der Warenmetamorphose $W - G - W$ dar, worin der Ware ihre Wertgestalt nur gegenübertritt, um sofort wieder zu verschwinden. Die selbständige Darstellung des Tauschschwerts der Ware ist hier nur flüchtiges Moment. Sofort wird sie wieder durch andre Ware ersetzt. Daher genügt auch die bloß symbolische Existenz des Geldes in einem Prozeß, der es beständig aus einer Hand in die andre entfernt. Sein funktionelles Dasein absorbiert sozusagen sein materielles. Verschwindend objektivierter Reflex der Warenpreise, funktioniert es nur noch als Zeichen seiner selbst und kann daher auch durch
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siently objectified reflection of the prices of commodities, it serves only as symbol of itself, and can therefore be replaced by another symbol. [85]

85 From the fact that gold and silver themselves become their own symbols, in so far as they are coins, i.e. exclusively have the function of the medium of circulation, Nicholas Barbon deduces the right of governments ‘to raise money’, i.e. to give to the quantity of silver called a shilling the name of a greater quantity, such as a crown, and so to pay back shillings to creditors instead of crowns. ‘Money does wear and grow lighter by often telling over . . . It is the denomination and currency of the money that men regard in bargaining, and not the quantity of silver . . . ’Tis the public authority upon the metal that makes it money’ (N. Barbon, op. cit., p. 29, 30, 25).

85 Daraus, daß Gold und Silber als Münze oder in der ausschließlich Funktion als Zirkulationsmittel zu Zeichen ihrer selbst werden, leitet Nicholas Barbon das Recht der Regierungen her, „to raise money“, d.h., z.B. einem Quantum Silber, das Groschen hieß, den Namen eines größeren Silberquantums, wie Taler, zu geben und so den Gläubigern Groschen statt Taler zurückzuzahlen. „Geld verbraucht sich und wird leichter durch vielfaches Auszählen . . . Es ist die Benennung und der Kurs des Geldes, was die Leute im Handel beachten, und nicht die Menge des Silbers . . . Es ist die Staatsautorität, die das Metall zum Gelde macht.“ N. Barbon, [Bar96, p. 29, 30, 25].
At the end, Marx gives a second condition under which this replacement is possible:

One thing is necessary, however: the symbol of money must have its own objective social validity. The paper acquires this by its forced currency. The state’s compulsion can only be of any effect within that internal sphere of circulation which is circumscribed by the boundaries of a given community, but it is also only within that sphere that money is completely absorbed in its function as medium of circulation, and is therefore able to receive, in the form of paper money, a purely functional mode of existence in which it is externally separated from its metallic substance.

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3.3. Money

A parallel and much more detailed development of the following brief paragraph can be found in *Contribution*, 357:2/o. A very interesting two-page passage in the original text of *Contribution*, [mecw29]508:2–[mecw29]510:2, can be considered an even more detailed version of this.

227:1 The commodity which functions as the *measure of value* and therefore also, either in its own body or through a representative, as the *medium of circulation*, is *money*.

143:1/o Die Ware, welche als Wertermaß und daher auch, leiblich oder durch Stellvertreter, als *Zirkulationsmittel* funktioniert, ist *Geld*.

In the first section of chapter Three, p. 188:2, Marx had written “it is at first only by this function (general measure of value) that gold, the specific equivalent commodity, becomes money.” This earlier place had said “becomes money,” because with the function of gold as measure of value, a social process is set in motion which turns gold into money.

When entering the second section of chapter Three, which discusses the practical activities of the commodity traders in the market, Marx argues that the function of money as a specific equivalent commodity makes it the logical choice for a *means of circulation*. Even though this choice is logical, a social act is still necessary to implement this choice and to make the
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same commodity which is the standard of values also the means of circulation.

If a commodity has *both* these functions then it is money. This is not only a definitional matter, but we will see in this section here that the coincidence of these two functions entails new powers. Marx describes here how money so-to-say creeps out of circulation: although both functions (measure of value and means of circulation) are necessary in circulation, their *coincidence* is not—yet this coincidence is an inevitable result of circulation. The becoming of money is therefore an instance of emergence.

Since at Marx’s time gold was the commodity which performed these two functions, Marx concludes:

**Gold (or silver) is therefore money.**

Gold (resp. Silber) ist daher Geld.

If gold is money, this does not mean that gold always functions *as* money; often it only functions as measure of value or means of circulation. Next Marx defines those situations in which gold indeed functions as money:

**It functions *as money*, on the one hand when it has to appear in person as gold, as the money commodity, i.e., neither merely notional, as when it is the measure of value,**

**Als Geld funktioniert es, einerseits wo es in seiner goldnen (resp. silbernen) Leiblichkeit erscheinen muß, daher als Geldware, also weder bloß ideell, wie im Wertmaß, noch re-**
nor in a capacity in which it can be represented, as when it is the medium of circulation. On the other hand it functions as money when its function, whether performed in person or by a representative, fixes it as the sole form of value, or, in other words, as the only adequate form of existence of exchange-value, versus all the other commodities as mere use-values.

Marx describes here an instance of emergence: as measure of value and means of circulation money is the representative, the servant, of commodities. It is less than the commodities, because it has no use-value. But out of this role as a servant grows its role as king: instead of being the representative of real wealth, monetary wealth now seems to be more real than wealth in form of commodities, which are degraded to “mere” use-values. All this is developed much better in *Contribution*, p. 358:1/o, where Marx quotes Boisguillebert saying:

*“Thus the slave of commerce has become its master … The misery of the peoples is due*
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to the fact that the slave has been turned into a master or rather into a tyrant.”

kommt nur daher, daß man einen Herren oder vielmehr einen Tyrannen aus dem gemacht hat, der ein Sklave war.“

3.3.a. Hoarding

227:2 The continuous circular movement of the two antithetical metamorphoses of commodities, or the repeated alternating flow of sale and purchase, is reflected in the unceasing turnover of money, in the function it performs as a perpetuum mobile of circulation.

Marx recapitulates here the false appearance of money in circulation introduced earlier in 210:2/oo: money seems as restless as a perpetuum mobile. It seems to have the desire and the ability to move, without apparent goal or driving force. But this is an illusion. The movement of the means of circulation is only the result of the metamorphoses of the

144:1 Der kontinuierliche Kreislauf der zwei entgegengesetzten Warenmetamorphosen oder der flüssige Umschlag von Verkauf und Kauf erscheint im rastlosen Umlauf des Geldes oder seiner Funktion als perpetuum mobile der Zirkulation.
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commodities. As long as these movements are continuous, money moves incessantly; but once these metamorphoses are interrupted, the movement of money stops:

But as soon as the series of metamorphoses is interrupted, as soon as sales are not supplemented by subsequent purchases, money is immobilized. In other words, it is transformed, as Boisguillebert says, from ‘meuble’ into ‘immeuble’, from coin into money.

Once the movement is interrupted, i.e., as soon as someone no longer immediately supplements his or her sales with purchases, the means of circulation is transformed from coin into money. Why does this interruption make it money? Because suddenly it is no longer the vanishing mediation between two commodities, which only stays for a moment with each commodity owner and then moves on, but now one commodity owner holds it for a longer time. Next Marx gives reasons why someone would want to hold the money instead of continuing the circulation:

227:3/o When the circulation of commodities first develops, there also develops
the necessity and the passionate desire to hold fast to the product of the first metamorphosis, to hold fast to the transformed shape of the commodity, or its gold chrysalis.\textsuperscript{86} Now, commodities are sold not in order to buy commodities, but in order to replace their commodity form with their money form. Instead of being merely a way of mediating the metabolic process, this change of form becomes an end in itself. The form of the commodity in which it is divested of content is prevented from functioning as its absolutely alienable form or even as its merely transient money form. The money is petrified into a hoard, and the seller of commodities becomes a hoarder of money.

\textsuperscript{86} ‘Monetary wealth is nothing but \ldots wealth
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in products, transformed into money’ (Mercier de la Rivière, op. cit., p. 573). ‘A value in the form of a product has merely changed its form’ (ibid., p. 486).

Next, Marx gives an overview of the different historical stages of hoarding. At the beginning of the circulation of commodities, only the surplus of the products becomes commodities, therefore the possession of gold and silver is an expression of surplus, wealth, luxury.

228:1 In the very beginnings of the circulation of commodities, it is only the excess amounts of use-value which are converted into money. Gold and silver thus become of themselves social expressions for superfluity or wealth. This naïve form of hoarding is perpetuated among those peoples whose traditional mode of production, aimed at fulfilling their own requirements,
corresponds to a fixed and limited range of needs. This is true of the Asiatics, particularly the Indians.

Marx could not resist quoting Vanderlint here, in order to show how funny the quantity theory of money is:

Vanderlint, who imagines that the prices of commodities in a country are determined by the quantity of gold and silver to be found in it, asks himself why Indian commodities are so cheap. Answer: Because the Hindus bury their money. From 1602 to 1734, he remarks, they buried 150 millions of pounds sterling of silver, which originally came from America to Europe. 87 From 1856 to 1866, in other words in ten years, England exported to India (and China, but most of the silver exported to China makes
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its way to back India) £120,000,000 in silver, which had been received in exchange for Australian gold.

Both English translations say “Australian gold”, but my German edition says “Australisches Geld.”

87 “Tis by this practice they keep all their goods and manufactures at such low rates’ [Van34, p. 95, 96]

With the further development of commodity production, every commodity producer needs a reserve for his living while he produces his commodity, or for emergencies. Thus, at all points of commodity circulation, hoards are created:

228:2/oo As the production of commodities further develops, every producer of commodities is compelled to make sure of the nexus rerum or the social pledge. 88 His wants are constantly making themselves

87 „Durch diese Maßnahme halten sie all ihre Güter und Fabrikate so niedrig im Preis.“ [Van34, p. 95, 96]

145:1–2 Mit mehr entwickelter Warenproduktion muß jeder Warenproduzent sich den nervus rerum, das „gesellschaftliche Faustpfand“ sichern. 88 Seine Bedürfnisse erneuern sich unaufhörlich und gebieten unaufhörli-
felt, and necessitate the continual purchase of other people’s commodities, while the production and sale of his own goods require time, and depend upon circumstances. In order then to be able to buy without selling, he must have sold previously without buying.

88 “Money . . . is a pledge.” (John Bellers, *Essays about the Poor, Manufactures, Trade, Plantations, and Immorality*, Lond., 1699, p. 13.)

Hoards are therefore necessary at all points, but how can these hoards be generated? How can everybody sell without buying? Marx makes a brief digression in order to clarify this point:

This operation, conducted on a general scale, seems to contradict itself. The precious metals, at the sources of their production, however are directly exchanged for

88 „Geld ist ein Pfand.“ (John Bellers, „Essays about the Poor, Manufactures, Trade, Plantations, and Immorality“, Lond. 1699, p. 13.)

Diese Operation, auf allgemeiner Stufenleiter ausgeführt, scheint sich selbst zu widersprechen. An ihren Produktionsquellen jedoch tauschen sich die edlen Metalle direkt mit
other commodities. Here we have sales (by the owners of commodities) without purchases (by the owners of gold or silver). Any subsequent sales, by other producers, unfollowed by purchases, merely bring about the distribution of the newly produced precious metals among all the owners of commodities. In this way, all along the line of exchange, hoards of gold and silver of varied extent are accumulated.

A purchase, in a categorical sense, implies that gold and silver are already the converted form of commodities, or the product of a sale.

The sales without buying on the part of the hoarders are balanced by purchases without selling on the part of the gold producers. Each commodity producer who builds up a hoard withdraws money from circulation and fails to buy after having sold. This missing gold is then supplied by the gold producers, who receive those commodities in exchange for their...
newly minted gold which the hoarders did not buy.

The development of commodity production not only requires the ubiquitous generation of hoards, but also increases the greed for gold:

With the possibility of holding and storing up exchange-value in the shape of a particular commodity, arises also the greed for gold. Along with the extension of circulation, increases the power of money, that absolute and ever ready social form of wealth.

“Gold is a wonderful thing! Whoever possesses it is lord of all he wants. By means of gold one can even get souls into Paradise.” (Columbus in his letter from Jamaica, 1503.)

The power of gold is increased here because it no longer represents luxury but all material wealth. The next step is: gold represents more than material wealth:

229:0c/o Since gold does not disclose 145:3/oo Da dem Geld nicht anzusehn, was
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what has been transformed into it, every-
thing, commodity or not, is convertible
into gold. Everything becomes saleable
and buyable. The circulation becomes the
great social retort into which everything is
thrown, to come out again as a gold-crystal.
Nothing is immune to this alchemy; the
bones of saints cannot withstand it, let alone
certain other, more delicate, sacred things
beyond human commerce.  

In the German edition, Marx
switched in this passage from
“Gold” to “Geld”, i.e. he no longer
speaks about gold but about
money. The Moore-Aveling
translation still speaks about
“gold” here and makes the switch
to “money” only in the next
passage. Presumably this switch
was delayed because Marx uses
“crystal” and “alchemy” as a
metaphors here (“alchemy” refers
to the attempts of early chemists to
synthesize gold).

90 Henry III., most Christian king of France, | 90 Heinrich III., allerchristlichster König von
robbed cloisters of their relics, and turned them into money. It is well known what part the de-spoiling of the Delphic Temple, by the Phocians, played in the history of Greece. Temples with the ancients served as the dwellings of the gods of commodities. They were “sacred banks.” With the Phoenicians, a trading people par excellence, money was the transmuted shape of everything. It was, therefore, quite in order that the virgins, who, at the feast of the Goddess of Love, gave themselves up to strangers, should offer to the goddess the piece of money they received.

The final step of Marx’s discussion of the social power of money is: Money not only conveys wealth and things other than wealth, but it also transforms its owner:

Just as every qualitative difference between commodities is extinguished in money, so money, on its side, like the radical leveller


Wie im Geld aller qualitative Unterschied der Waren ausgelöscht ist, löschte es seinerseits als radikaler Leveller alle Unterschiede aus.\textsuperscript{91}
that it is, does away with all distinctions.91

91 “Gold, yellow, glittering, precious gold!
Thus much of this, will make black white, foul, fair;
Wrong, right; base, noble; old, young; coward, valiant.
… What this, you gods? Why, this
Will lug your priests and servants from your sides;
Pluck stout men’s pillows from below their heads;
This yellow slave
Will knit and break religions; bless the accurs’d;
Make the hoar leprosy ador’d; place thieves,
And give them title, knee and approbation;
With senators on the bench, this is it;
That makes the wappen’d widow wed again:
… Come damned earth,
Though common whore of mankind.”

91 „Gold! kostbar, flimmernd, rotes Gold!
Soviel hievon, macht schwarz weiß, häßlich schön
Schlecht gut, alt jung, feig tapfer, niedrig edel.
… Ihr Götter! warum dies? warum dies, Götter;
Ha! dies lockt Euch den Priester vom Altar;
Reißt Halbgenes’nen weg das Schlummerkissen;
Ja dieser rote Sklave löst und bindet
Geweihte Bande; segnet den Verfluchten;
Er macht den Aussatz lieblich; ehrt den Dieb,
Und gibt ihm Rang, gebeugtes Knie und Einfluß
Im Rat der Senatoren; dieser führt
Der überjähr’gen Witwe Freier zu;
…Verdammt Metall,
Gemeine Hure du der Menschen.“
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All this social power is vested in an object, which can become the private property of anybody. Therefore money is denounced in antiquity, but revered in modern society:

But money itself is a commodity, an external object, capable of becoming the private property of any individual. Thus social power becomes the private power of private persons. The ancients therefore denounced money as subversive of the economic and moral order of things.®

® ‘Nothing so evil as money ever grew to be current among men. This lays cities low, this drives men from their homes, this trains and warps honest souls till they set themselves to works of shame—this still teaches folk to practise villanies,
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and to know every godless deed.’
(Sophocles, Antigone.)

Rechtschaff’ner Männer, nachzugeh’n ruchloser Tat,
Zeigt an die Wege böser List den Sterblichen
Und bildet sie zu jedem gottverhaßten Werk.“
(Sophokles, „Antigone“.)

Modern society, which, soon after its birth, pulled Plutus by the hair of his head from the bowels of the earth,\(^{93}\) greets gold as its Holy Grail, as the glittering incarnation of the very principle of its own life.

\(^{93}\) ‘Avarice hopes to drag Pluto himself out of the bowels of the earth’ (Athenaeus, Deipnosophistae).

Die moderne Gesellschaft, die schon in ihren Kinderjahren den Plutus an den Haaren aus den Eingeweiden der Erde herauszieht,\(^{93}\) begrüßt im Goldgral die glänzende Inkarnation ihres eigensten Lebensprinzips.

\(^{93}\) „Der Geiz hofft Pluton selbst aus dem Innern der Erde zu ziehen.“ (Athen[aeus], „Deipnos“.)

This concludes Marx’s discussion of the evolution of the social power of gold. Originally, gold only represented surplus and luxury consumption. With the development of commodity production, it comes to represent any material wealth. By extension, it represents also other things that are not commodities or not wealth. Since all this social power is wielded by
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A material object which can be owned by anyone, these social powers are reflected on the personality of the money owner. In antiquity this personal exercise of social power was denounced, but in capitalism it is welcomed.

Now comes an important passage describing the “spell” implied in the money form. Although it is introduced here as the driving force behind the miser, we will see later that it is also the driving force behind the capitalist:

230:1/o The commodity, as a use-value, satisfies a particular need and forms a particular element of material wealth. But the value of a commodity measures the strength with which it attracts all other elements of material wealth, i.e., it measures the social wealth of its owner.

147:1 Die Ware als Gebrauchswert befriedigt ein besondres Bedürfnis und bildet ein besondres Element des stofflichen Reichtums. Aber der Wert der Ware mißt den Grad ihrer Attraktionskraft auf alle Elemente des stofflichen Reichtums, daher den gesellschaftlichen Reichtum ihres Besitzers.
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Fowkes's “degree of attractiveness for” is a blatantly incorrect translation of “Grad ihrer Attraktionskraft auf”; it reverses the attractor and the attractee, and it suggests a utility theory of value. The Moore-Aveling “degree of attraction for” is a little better, though I think it should have been “degree of attraction of.” I tried to translate it in such a way that it is unambiguous which attracts what.

Marx distinguishes here between material wealth and social wealth. Once this social wealth is available in the pure form of money, it overshadows material wealth:

To the commodity owner in primitive societies, and even to the peasant of Western Europe, value is inseparable from the value form, hence an increase of the hoard of gold and silver is an increase in value.

But is this indirectness of money, which is one step removed from real wealth, not an obstacle?

It is true that the value of money varies, whether as a result of a variation in its own value, or of a change in the values of commodities. But this on the one hand does not

Dem barbarisch einfachen Warenbesitzer, selbst einem westeuropäischen Bauer, ist der Wert unzertrennlich von der Wertform, Vermehrung des Gold- und Silberschatzes daher Wertvermehrung.

Allerdings wechselt der Wert des Geldes, sei es infolge seines eignen Wertwechsels, sei es des Wertwechsels der Waren. Dies verhindert aber einerseits nicht, daß 200 Unzen
prevent 200 ounces of gold from continuing to contain more value than 100 ounces, nor on the other hand does it prevent the metallic natural form of this object from continuing to be the universal equivalent form of all other commodities, and the directly social incarnation of all human labor.

On the other hand, this indirectness makes it desirable to acquire more and more money: The drive to hoard is insatiable by its nature. Qualitatively or formally considered, money is unlimited: it is the universal representative of material wealth because it is directly convertible into any other commodity. But at the same time every actual sum of money is quantitatively limited, and therefore has only a limited efficacy as a means of purchase. This contradiction between
the quantitative limitation and the qualitative unlimited character of money drives the miser again and again back to his Sisyphean task: accumulation. He is in the same situation as a world conqueror, who discovers a new boundary with each country he annexes.

The miser is driven to accumulate more and more money because qualitatively, money is universal, it can be converted into every use-value. But quantitatively it is limited, and in an effort to make its quantity as universal as its quality, the miser hoards more and more money. But however much money he has, it is never enough. Note that this is a non-psychological explanation of greed. The miser is trapped in a contradiction inherent in the social forms which organize production in a market economy. Since the miser has inherited his drive to accumulate from a contradiction, it is not surprising that the means by which he tries to reach his goal are riddled with contradictions as well:

231:1 In order that gold may be held as money, and made to form a hoard, it must be...

147:2 Um das Gold als Geld festzuhalten und daher als Element der Schatzbil-

und der qualitativen Schrankenlosigkeit des Geldes treibt den Schatzbildner stets zurück zur Sisyphusarbeit der Akkumulation. Es geht ihm wie dem Welteroberer, der mit jedem neuen Land nur eine neue Grenze erobert.
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prevented from circulating, or from dissolving into the means of purchasing enjoyment. The miser therefore sacrifices the lusts of his flesh to the fetish of gold. He takes the gospel of abstinence very seriously. On the other hand, he cannot withdraw any more from circulation, in the shape of money, than he has thrown into it, in the shape of commodities. The more he produces, the more he can sell. Work, thrift and greed are therefore his three cardinal virtues, and to sell much and buy little is the sum of his political economy.94

94 ‘These are the pivots around which all the measures of political economy turn—the maximum possible increase in the number of sellers of each commodity, and the maximum possible

dung, muß es verhindert werden zu zirkulieren oder als Kaufmittel sich in Genussmittel aufzulösren. Der Schatzbildner opfert daher dem Goldfetisch seine Fleischeslust. Er macht Ernst mit dem Evangelium der Entsagung. Andrerseits kann er der Zirkulation nur in Geld entziehn, was er ihr in Ware gibt. Je mehr er produziert, desto mehr kann er verkaufen. Arbeitsamkeit, Sparsamkeit und Geiz bilden daher seine Kardinaltugenden, viel verkaufen, wenig kaufen, die Summe seiner politischen Ökonomie.94

94 „Die Zahl der Verkäufer jeder Ware soweit wie möglich zu vermehren, die Zahl der Käufer soweit wie möglich zu vermindern, das sind die Angelpunkte, um die sich alle Maßnahmen der po-
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decrease in the number of buyers.’ Verri [Ver04, p. 52, 53].

The miser pursues his objectives in a ridiculous and contradictory way:

1. He has to renounce on consumption, i.e., has to make himself poor in order to get rich.

2. As long as he has wealth in the form of money, it is of as much use for him as if the gold were buried in the mountains. But if the miser wants to get wealth in its real form, he has to give away money, i.e., he will lose his hoard.

Gold and silver can be used to make beautiful things which display the wealth of their owner (and which are also more difficult to steal than anonymous gold coins).

Alongside the direct form of the hoard there runs its aesthetic form, the possession of commodities made out of gold and silver. This grows with the wealth of civil society. ‘Let us be rich, or let us appear rich’ (Diderot). In this way there is formed, on the one hand, a constantly expanding 147:3/o Neben der unmittelbaren Form des Schatzes läuft seine ästhetische Form, der Besitz von Gold- und Silberwaren. Er wächst mit dem Reichtum der bürgerlichen Gesellschaft. „Soyons riches ou paraissons riches.“ (Diderot.) Es bildet sich so teils ein stets ausgedehnterer Markt für Gold und Silber, un-
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market for gold and silver which is independent of their monetary functions, and on the other hand a latent source of monetary inflow which is used particularly in periods of social storms.

The functions which hoards play for the circulation process are discussed at the very end, since these are by no means the only reason for the existence of these hoards. There is a clear divergence between individual motivation for hoarding, and its economic function.

231:3 Hoarding serves various functions in an economy where metallic circulation prevails. Its first function arises out of the conditions of the circulation of gold and silver coins. We have seen how, owing to the continual fluctuations in the extent and rapidity of the circulation of commodities and in their prices, the quantity of money in circulation unceasingly ebbs and flows.

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flows. This quantity must therefore be capable of expansion and contraction. At one time money must be attracted as coin, at another time coin must be repelled as money. In order that the mass of money actually in circulation may always correspond to the saturation level of the sphere of circulation, it is necessary for the quantity of gold and silver available in a country to be greater than the quantity functioning as coin. This condition is fulfilled by money taking the form of hoards. The reserves created by hoarding serve as channels through which money may flow in and out of circulation, so that the circulation itself never overflows its banks.96

Kontraktion und Expansion fähig sein. Bald muß Geld als Münze attrahiert, bald Münze als Geld repelliert werden. Damit die wirklich umlaufende Geldmasse dem Sättigungsgrad der Zirkulationssphäre stets entspreche, muß das in einem Lande befindliche Gold- oder Silberquantum größer sein als das in Münzfunktion begriffene. Diese Bedingung wird erfüllt durch die Schatzform des Geldes. Die Schatzreserviers dienen zugleich als Abfuhr- und Zufuhrkanäle des zirkulierenden Geldes, welches seine Umlaufskanäle daher nie überfüllt.95

95 "Um Handel zu treiben, bedarf jede Nation
of the nation a determinate sum of specifick money, which varies, and is sometimes more sometimes less as the circumstances we are in require ... This ebbing and flowing of money supplies and accommodates itself, without any aid of Politicians ... The buckets work alternately; when money is scarce, bullion is coined, when bullion is scarce, money is melted' Sir D. North, [Nor91, Postscript, p. 3]. John Stuart Mill, who was for a long time an official of the East India Company, confirms that in India silver ornaments still continue to perform directly the functions of a hoard: 'Silver ornaments are brought out and coined when there is a high rate of interest, and go back again when the rate of interest falls' (J. S. Mill's evidence, in Report from the Select Committee on the Bank Acts, 1857, n. 2084, 2101). According to a parliamentary document of 1864 on the gold and silver import and export of India, the gold and silver export in 1863 exceeded.
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of India, the import of gold and silver in 1863 exceeded the export by £19,367,764. During the eight years up to 1864, the excess of imports over exports of the precious metals amounted to £109,652,917. During this century far more than £200,000,000 has been coined in India.

Economic function of hoard: absorb the varying mass of gold required as means of circulation. In those countries which had metallic circulation this was an important phenomenon.

3.3.b. Means of Payment

Money can function as money even if it is not withdrawn from circulation. Marx brings two more forms in which money functions as money: means of payment (subsection 3.3.b) and world money (subsection 3.3.c). Money also functions as money when it is advanced as capital, but since capital has not yet been defined, this is not discussed here (compare the end of footnote 98 to paragraph 234:1 below).

Subsection 3.3.b, about means of payment, follows closely the longer explanation in Contribution, p. 370:1/o.
In the direct form of commodity circulation hitherto considered, a given value was always present twice: as a commodity at one pole, and money at the opposite pole. The owners of commodities therefore came into contact only as the representatives of simultaneously present equivalents.

Fowkes again puts an epistemic gloss on it: In the direct form of commodity circulation hitherto considered, we found a given value always presented to us in a double shape, as a commodity at one pole, and money at the opposite pole. He also mis-translates "vorhandner" as "existing" instead of "present."

The "direct" form of commodity circulation is one in which all sales and purchases are paid in cash. For such cash transactions, the equivalents $C$ and $M$ must be present at the same place and time. This simultaneous presence was tacitly assumed until now. But it is not essential for commodity exchange:
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But with the development of circulation, conditions arise under which the alienation of the commodity becomes separated in time from the realization of its price. It will be sufficient to indicate the simplest of these conditions. One sort of commodity requires a longer, another a shorter time for its production. The production of different commodities depends on different seasons of the year. One commodity may be born in the market place, another must travel to a distant market. One commodity owner may therefore step forth as a seller before the other is ready to buy.

So far, Marx gave some illustrative examples where the commodity is ready to be transferred to the buyer, but the money to pay for it is not yet available—perhaps because the buyer has not yet sold his own commodity, which takes a long time to produce or only...
comes forward seasonally, or the buyer is far away and the commodity has to be transported, etc. Next Marx gives two more systematic criteria when this is the case:

When the same transactions are continually repeated between the same persons, the conditions of sale are regulated according to the conditions of production.

First basic situation: if regularly the same transactions occur between the same transactors, then mutual trust develops, people co-operate directly. The synchronization in time between money and commodity turns out to be bothersome, and the terms of commodity circulation are instead governed by the conditions of production (and also, although Marx does not mention this, of the final sale) of the products.

On the other hand, the use of certain kinds of commodity (houses, for instance) is sold for a definite period. Only after the lease has expired has the buyer actually received the use-value of the commodity. He therefore buys it before he pays for it.
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The second basic situation does not have to do with technology of production but with the incentive structure. The modern economic term is “time inconsistency.” The seller will not get the money until he has delivered the goods. For instance, the worker will not get his wage until after he has finished working. Marx also brings the example of renting a house. But this example does not apply here. In modern practice, rent must be paid in advance, because otherwise the renter might skip out before the end of the month. The purchase of labor-power is of course the classic example in which the purchase price is not paid until after the commodity is fully delivered.

The seller sells an existing commodity, the buyer buys as the mere representative of money, or rather as the representative of future money. The seller becomes a creditor, the buyer becomes a debtor. Since the metamorphosis of commodities, or the development of their form of value, has undergone a change here, money receives a new function as well. It becomes means of payment. Der eine Warenbesitzer verkauft vorhandene Ware, der andre kauft als bloßer Repräsentant von Geld oder als Repräsentant von künftigem Gelde. Der Verkäufer wird Gläubiger, der Käufer Schuldner. Da die Metamorphose der Ware oder die Entwicklung ihrer Wertform sich hier verändert, erhält auch das Geld eine andre Funktion. Es wird Zahlungsmittel.
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Note that interest or discount payments do not play a role in this derivation of the function of money as means of payment. It is not a capitalist function but flows from the exigencies of circulation alone.

[Note by Engels to the fourth German edition:] Luther distinguishes between money as means of purchase and means of payment: ‘You have caused me to suffer two-fold damage, because I cannot pay on the one hand and cannot buy on the other’ (Martin Luther, An die Pfarrherrn, wider den Wucher zu predigen, Wittenberg, 1540 [without pagination]).

This modification of the relation between commodity owners occurs whether or not commodity circulation is highly developed. It is one of the reasons why commodity producers must build up hoards of money to tide them over these discrepancies in time (see 228:2/oo, where Marx also remarks that it is contradictory when everyone sells without buying).

233:1 The role of creditor or of debtor results here from the simple circulation of commodities. The change in its form im-

96 Luther unterscheidet zwischen Geld als Kaufmittel und Zahlungsmittel. „Machest mir einen Zwilling aus dem Schadewacht, das ich hie nicht bezalen und dort nicht kauffen kann.“ (Martin Luther, „An die Pfarrherrn, wider den Wucher zu predigen“, Wittenberg 1540.)

149:1/o Der Charakter von Gläubiger oder Schuldner entspringt hier aus der einfachen Warenzirkulation. Ihre Formveränderung
presses this new stamp on seller and buyer. At first, therefore, these new roles are just as transient as those of seller and buyer, and are played alternately by the same actors. Nevertheless, this opposition now looks less pleasant from the very outset, and it is capable of a more rigid crystallization.\(^7^9\)

\(^7^9\) The following shows the relations existing between debtors and creditors among English traders at the beginning of the eighteenth century: ‘Such a spirit of cruelty reigns here in England among the men of trade, that is not to be met with in any other society of men, nor in any other kingdom of the world’ (An Essay on Credit and the Bankrupt Act, London, 1707, p. 2).

Although the economic characters of debtor and creditor come here only from the circula-
tion relations and not from any deeper relations of production, footnote 97 showed that they can be quite harsh. In the following historical examples, relations of debtors and creditors arise from deeper relations:

However, the same characteristics can emerge independently of the circulation of commodities. The class struggle in the ancient world, for instance, took the form mainly of a contest between debtors and creditors, and ended in Rome with the ruin of the plebeian debtors, who were replaced by slaves. In the Middle Ages the contest ended with the ruin of the feudal debtors, who lost their political power together with its economic basis. Here, indeed, the money-form—and the relation between creditor and debtor does have the form of a money-relation—was only the reflection of an antagonism which...
lay deeper, at the level of the economic conditions of existence.

Another example not mentioned by Marx is the modern credit system. The reason for capitalist credit is deeper than the reason for the function of means of payment discussed here. It is in a sense opposite: it is not that money gets into the way of circulation, but money has much better things to do than mere circulation tasks, circulation gets into the way of money.

Next Marx analyses the functions of money in the modified sale:

233:2/o Let us return to the sphere of circulation. The two equivalents, commodities and money, have ceased to appear simultaneously at the two poles of the process of sale. The money functions now, first as a measure of value in the determination of the price of the commodity sold; the price fixed by contract measures the obligation of the buyer, i.e. the sum of money he owes at a
particular time. Secondly it serves as a no-
tional means of purchase. Although it exists
only in the promise of the buyer to pay, it
causes the commodity to change hands. Not
until payment falls due does the means of
payment actually step into circulation, i.e.
leave the hand of the buyer for that of the
seller.

In this third function, money functions as money. In order to develop this, Marx compares
the means of payment with the hoard:

The circulating medium was transformed
into a hoard because the process stopped
short after the first phase, because the con-
verted shape of the commodity was with-
drawn from circulation. The means of pay-
ment does enter circulation, but only af-
ter the commodity has already left it. The

Zeittermin schuldet. Es funktioniert zwei-
tens als ideelles Kaufmittel. Obgleich es nur
im Geldversprechen des Käufers existiert, be-
wirkt es den Händewechsel der Ware. Erst am
fälligigen Zahlungstermin tritt das Zahlungs-
mittel wirklich in Zirkulation, d.h. geht aus
der Hand des Käufers in die des Verkäufers
über.

Das Zirkulationsmittel verwandelte sich in
Schatz, weil der Zirkulationsprozeß mit der
ersten Phase abbrach oder die verwandelte
Gestalt der Ware der Zirkulation entzogen
wurde. Das Zahlungsmittel tritt in die Zirku-
lation hinein, aber nachdem die Ware bereits
aus ihr ausgetreten ist. Das Geld vermittelt
3. Money or the Circulation of Commodities

Money no longer mediates the process. It brings it to an end by an independent act, as the absolute form of existence of exchange-value, i.e., as the universal commodity.

_Contribution 373:2/o_ adds: “in short, as money.”

The seller turned his commodity into money in order to satisfy some need; the hoarder in order to preserve the monetary form of his commodity, and the indebted purchaser in order to be able to pay. If he does not pay, his goods will be sold compulsorily. The value form of the commodity, money, has now become the self-sufficient purpose of the sale, owing to a social necessity springing from the conditions of the process of circulation itself.

234:1 The buyer converts money back

Der Verkäufer verwandelte Ware in Geld, um ein Bedürfnis durch das Geld zu befriedigen, der Schatzbildner, um die Ware in Geldform zu präservieren, der schuldige Käufer, um zahlen zu können. Zahlte er nicht, so finden Zwangsverkäufe seiner Habe statt. Die Wertgestalt der Ware, Geld, wird also jetzt zum Selbstzweck des Verkaufs durch eine den Verhältnissen des Zirkulationsprozesses selbst entspringende, gesellschaftliche Notwendigkeit.

150:2 Der Käufer verwandelt Geld zurück
into commodities before he has turned commodities into money: in other words, he achieves the second metamorphosis of commodities before the first. The seller’s commodity circulates, but it realizes its price only as a title to money in civil law. It is converted into a use-value before it has been converted into money. The completion of its first metamorphosis occurs only subsequently.\textsuperscript{98}

\textsuperscript{98} The reason why I take no notice in the text of an opposite form will be seen from the following quotation from my book which appeared in 1859: “Conversely, in the transaction $M - C$, money taking effect as a means of purchase may be alienated, and thus the price of the commodity may be realized, before the use-value of the commodity circulates, but it realizes its price only as a title to money in civil law. It is converted into a use-value before it has been converted into money. The completion of its first metamorphosis occurs only subsequently.\textsuperscript{98}

\textsuperscript{98} Note zur 2. Ausg. Aus folgendem, meiner 1859 erschienenen Schrift entlehnten Zitat wird man sehn, warum ich im Text keine Rücksicht nehme auf eine entgegengesetzte Form: „Umgekehrt kann im Prozeß $G - W$ das Geld als wirkliches Kaufmittel entäußert und der Preis der Ware so realisiert werden, ehe der Gebrauchswert des Gel-
money is realized, or before the commodity is handed over. This happens, for instance, in the well-known form of advance-payment. Or in the form of payment used by the English government to buy opium from Indian ryots . . . In these cases, however, money functions only in the familiar form of means of purchase . . . Of course capital, too, is advanced in the form of money . . . but this aspect does not lie within the scope of simple circulation.” Zur Kritik, etc., pp. 119, 120 [English edition, p. 140 and n.].

This quote is 372:2/o.

Now the two phases, the modified sale and the sale by the debtor, together (compare Contribution 374:2/o). From the point of view of the time when the commodity enters circulation, Marx goes over to the metamorphosis of the commodities of the two transactors. Originally, every commodity owner must sell his commodity first, and then buy another commodity with that money. In the modified sale, the order of these two phases is reversed for the buyer: he converts money back into a commodity before he converts his commodity
3.3. Money

into money.

Looking at the commodity entering circulation, it must first become exchange-value, money, for its seller, before it can become use-value for its buyer. In the modified sale, also these two phases are in reverse order: it first becomes use-value for its buyer, and the first phase, its becoming exchange-value for its seller, is delayed.

234:2–237:0 Mass of money required for the functions as means of payment, and the contradictions springing from the fact that in part money is not needed at all, in part it is needed as the absolute form of wealth!

234:2/0 The obligations falling due within a given time period represent the sum of the prices of the commodities whose sale gave rise to these obligations. The quantity of money necessary to realize this sum depends in the first instance on the turnover speed of the means of payment. This speed is conditioned by two factors: first, the way in which relations between creditors and

151:1 In jedem bestimmten Zeitabschnitt des Zirkulationsprozesses repräsentieren die fälligen Obligationen die Preissumme der Waren, deren Verkauf sie hervorrief. Die zur Realisierung dieser Preissumme nötige Geldmasse hängt zunächst ab von der Umlaufsgeschwindigkeit der Zahlungsmittel. Sie ist bedingt durch zwei Umstände: die Verkettung der Verhältnisse von Gläubiger und Schuld-
3. Money or the Circulation of Commodities

debtors interlock, as when $A$ receives money from $B$, who is in debt to him, and then pays it out to his creditor $C$, and second, the length of time between the days in which the various obligations fall due.

The pronoun “sie” in “sie ist bedingt durch zwei Umstände” refers to turnover speed, not to the mass of gold necessary, as both the Fowkes and the Moore-Aveling translations suggest. In Contribution 376:2/o the wording is unambiguous.

The quantity of money is determined by the price sum and the turnover speed. The turnover speed depends on two factors:

- Concatenation of the debtor-creditor relations so that the same person $A$ first receives a payment from $B$ and then makes a payment to $C$.

- Length of time between the different due-dates of the obligations.

The discussion that follows focuses on the first of these two factors, the concatenation of payments. First Marx makes a very abstract observation about it:
3.3. Money

The chain of successive payments, i.e., retarded first metamorphoses, differs essentially from the interlacing of the metamorphosis-sequences which we considered on a former page. The movement of the (money functioning as) means of circulation is more than a mere expression of the connection between buyers and sellers. This connection itself only originates by and together with the movement of money. Contrariwise, the movement of the means of payment is the expression of a social relation which is already complete and in existence before the money begins to move.

This observation already sets the stage for the discussion of crisis which coming up. The topic of discussion is: how does the structure of retarded first metamorphoses allow to economize the quantity of means of payment? The simultaneous occurrence of sales at the same
3. Money or the Circulation of Commodities

location is on the one hand a hindrance, but on the other allows the development of new techniques for economizing payments:

235:1 Since sales take place simultaneously and side by side, the extent to which the turnover speed can make up for the quantity of currency available is limited. On the other hand, this simultaneity gives a new impulse towards the economical use of the means of payment. With the concentration of payments in one place, special institutions and methods of liquidation develop spontaneously. For instance, the virements (clearing houses) in medieval Lyons. The debts due to A from B, to B from C, to C from A, and so on, have only to be brought face to face in order to cancel each other out, to a certain extent, as positive and negative Größen aufzuheben. So z.B. die Virements im mittelalterigen Lyon. Die Schuldforderungen von A an B, B an C, C an A usw. brauchen bloß konfrontiert zu werden, um sich wechselseitig bis zu einem gewissen Belauf als positive und negative Größen aufzuheben. So bleibt nur eine Schuldbilanz zu saldieren. Je massenhafter
Money

3.3. Money

ative amounts. There remains only a single debit balance to be settled. The greater the concentration of the payments, the less is this balance in relation to the total amount, hence the less is the mass of the means of payment in circulation.

The amount of money required as means of payment is economized by the cancellation of obligations. This cancellation can either go in a circle: A owes B, B owes C, and C owes A the same amount, payable on the same day: they cancel each other out without any residue. Or you have a chain which is not a circle: A owes B, B owes C the same amount: then only a payment from A to C is necessary.

If the system of mutual cancellations of payments is disturbed on a social scale, then more money is required to settle the obligations than is available: crisis.

The function of money as means of payment contains an unmediated contradiction. As long as the payments balance each other, money functions only notionally. The amount of money required as means of payment is economized by the cancellation of obligations. This cancellation can either go in a circle: A owes B, B owes C, and C owes A the same amount, payable on the same day: they cancel each other out without any residue. Or you have a chain which is not a circle: A owes B, B owes C the same amount: then only a payment from A to C is necessary.

Die Funktion des Geldes als Zahlungsmittel schließt einen unvermittelten Widerspruch ein. Soweit sich die Zahlungen ausgleichen, funktioniert es nur ideell.
3. Money or the Circulation of Commodities

ally, as money of account or as measure of value. But if actual payments have to be made, money does not come onto the scene as a means of circulation, as a merely transient and intermediary form of the social metabolism, but as the individual incarnation of social labor, the independent existence of exchange-value, the absolute commodity.

Now a famous passage about money crises:

This contradiction bursts forth in that aspect of an industrial and commercial crisis which is known as a monetary crisis. Such a crisis occurs only where the ongoing chain of payments has been fully developed, along with an artificial system for settling them. Whenever there is a general disturbance of

als Rechengeld oder Maß der Werte. Soweit wirkliche Zahlung zu verrichten, tritt es nicht als Zirkulationsmittel auf, als nur verschwindende und vermittelnde Form des Stoffwechsels, sondern als die individuelle Inkarnation der gesellschaftlichen Arbeit, selbständiges Dasein des Tauschwerts, absolute Ware.

Dieser Widerspruch eklatiert in dem Moment der Produktions- und Handelskrisen, der Geldkrise heißt. Sie ereignet sich nur, wo die prozessierende Kette der Zahlungen und ein künstliches System ihrer Ausgleichung völlig entwickelt sind. Mit allgemeineren Störungen dieses Mechanismus, woher sie
the mechanism, no matter what its cause, money suddenly and immediately changes over from its merely notional shape, money of account, into hard cash. Profane commodities can no longer replace it. The use-value of commodities becomes valueless, and their value vanishes in the face of its own value form. The bourgeois, drunk with prosperity and arrogantly certain of himself, has just declared that money is a purely imaginary creation. ‘Commodities alone are money,’ he said. But now the opposite cry resounds over the markets of the world: only money is a commodity. As the hart pants after fresh water, so pants the soul of the bourgeois after money, the only wealth. In a crisis, the antithesis between commodi-

ties and their value form, money, is raised to the level of an absolute contradiction. Hence money’s form of appearance is here also a matter of indifference. The monetary famine remains whether payments have to be made in gold or in credit-money, such as bank-notes.\textsuperscript{101}

\textsuperscript{99} [Note by Engels to the third German edition:] The monetary crisis defined in the text as a particular phase of every general industrial and commercial crisis, must be clearly distinguished from the special sort of crisis also called a monetary crisis, which may appear independently of the rest and only affects industry and commerce by its backwash. The pivot of these crises is to be found in money capital, and their immediate sphere of impact is therefore banking, the stock exchange and finance.

\textsuperscript{99} Die Geldkrise, wie im Text bestimmt als besondere Phase jeder allgemeinen Produktions- und Handelskrise, ist wohl zu unterscheiden von der speziellen Sorte der Krise, die man auch Geldkrise nennt, die aber selbständig auftreten kann, so daß sie auf Industrie und Handel nur rückschlagend wirkt. Es sind dies Krisen, deren Bewegungszentrum das Geld-Kapital ist, und daher Bank, Börse, Finanz ihre unmittelbare Sphäre. (Note von M. zur 3. Aufl.)
This sudden transformation of the credit system into a monetary system adds theoretical dismay to the actually existing panic, and the agents of the circulation process are overawed by the impenetrable mystery surrounding their own relations’ (Karl Marx, Zur Kritik, etc., p. 126) [English edition, p. 146]. ‘The poor stand still, because the rich have no money to employ them, though they have the same land and hands to provide victuals and clothes, as ever they had; … which is the true Riches of a Nation, and not the money’ (John Bellers, Proposals for Raising a Colledge of Industry London, 1696, pp. 3–4).

The following shows how such occasions are exploited by the ‘friends of commerce’: ‘On one occasion (1839) an old, grasping banker (in the city) in his private room raised the lid of the desk he sat over, and displayed to a friend

„Dieses plötzliche Umschlagen aus dem Kreditsystem in das Monetarsystem fügt den theoretischen Schrecken zum praktischen Panik: und die Zirkulationsagenten schaudern vor dem un­durchdringlichen Geheimnis ihrer eignen Verhältnisse.“ (Karl Marx, l.c. p. 126.) „Die Armen haben keine Arbeit, weil die Reichen kein Geld haben um sie zu beschäftigen, obwohl sie die gleichen Ländereien und die gleichen Arbeitskräfte besitzen wie früher, um Lebensmittel und Kleider herstellen zu lassen, diese aber bilden den wahren Reichum einer Nation und nicht das Geld.“ (John Bellers, „Proposals for raising a Colledge of Industry“, Lond. 1696, p. 3, 4.)

Wie solche Momente von den „amis du commerce“ ausgebeutet werden: „Bei einer Gelegenheit“ (1839) „hob ein alter habsüchtiger Bankier“ (der City) „in seinem Privatzimmer den Deckel des Schreibtisches, an dem er saß, und
rolls of bank-notes, saying wth intense glee there were £600,000 of them, they were held to make money tight, and would all be let out after three o’clock on the same day’ (The Theory of Exchange. The Bank Charter Act of 1844, London, 1864, p. 81) [by H. Roy]. The Observer, a semi-official government organ, remarked on 24 April 1864: ‘Some very curious rumours are current of the means which have been resorted to in order to create a scarcity of bank-notes … Questionable as it would seem, to suppose that any trick of the kind would be adopted, the report has been so universal that it really deserves mention.’

Geldkrise (i.e., the monetary aspect of general crises, not the independent crises of the moneyed capitalists, see the footnote 99).
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The periodic swings in the cycle, in one phase only commodity is money, in another only the money counts, indicate that the link of money to gold can be established only in crisis phases.

237:1 If we now consider the total amount of money in circulation during a given period, we find that, for any given turnover rate of the medium of circulation and the means of payment, it is equal to the sum of prices to be realized, plus the sum of the payments falling due, minus the payments which balance each other out, and, finally, minus the number of circuits in which the same piece of coin serves alternately as medium of circulation and means of payment. The farmer, for example, sells his wheat for £2, and this money serves thus as the medium of circulation. On the day when the payment falls

153:1 Betrachten wir nun die Gesamtsumme des in einem gegebenen Zeitabschnitt umlaufenden Geldes, so ist sie, bei gegebener Umlaufsgeschwindigkeit der Zirkulations- und Zahlungsmittel, gleich der Summe der zu realisierenden Warenpreise plus der Summe der fälligen Zahlungen, minus der sich ausgleichenden Zahlungen, minus endlich der Anzahl Umläufe worin dasselbe Geldstück abwechselnd bald als Zirkulations-, bald als Zahlungsmittel funktioniert. Z.B. der Bauer verkauft sein Getreide für 2 Pfd.St., die so als Zirkulationsmittel dienen. Am Verfallstag zahlt er damit Leinwand, die ihm der Weber
due, he uses it to pay for linen which the weaver has delivered. The same £2 now serves as the means of payment. The weaver now buys a Bible for cash. This serves again as the medium of circulation, and so on. Therefore, even when prices, speed of monetary circulation and economies in the use of the means of payment are given, the quantity of money in circulation no longer corresponds with the mass of commodities in circulation during a given period, such as a day. Money which represents commodities long since withdrawn from circulation continues to circulate. Commodities circulate, but their equivalent in money does not appear until some future date. Moreover, the debts contracted each day, and the payments
falling due on the same day, are entirely incommensurable magnitudes.\textsuperscript{102}

\textsuperscript{102} ‘The amount of purchases or contracts entered upon during the course of any given day, will not affect the quantity of money afloat on that particular day, but, in the vast majority of cases, will resolve themselves into multifarious drafts upon the quantity of money which may be afloat at subsequent dates more or less distant . . . The bills granted or credits opened, today, need have no resemblance whatever, either in quantity, amount, or duration, to those granted or entered upon tomorrow or next day; nay, many of today’s bills, and credits, when due, fall in with a mass of liabilities whose origins traverse a range of antecedent dates altogether indefinite, bills at 12, 6, 3 months or 1 often aggregating together to swell the common liabilities of one particular day . . .’

\textsuperscript{102} „Der Umfang der Verkäufe oder Verträge, die während eines bestimmten Tages abgeschlossen werden, beeinflußt nicht die Geldmenge, die an diesem Tage umläuft, aber in der großen Mehrzahl der Fälle wird sie sich auflösen in mannigfaltiges Ziehen von Wechseln auf die Geldmenge, die an späteren, mehr oder weniger fernen Tagen im Umlauf sein mag . . . Die heute gewährten Wechsel oder eröffneten Kredite brauchen weder in der Zahl noch in der Höhe noch in der Laufzeit irgendeine Ähnlichkeit zu haben mit denen, die auf morgen oder übermorgen gewährt oder aufgenommen wurden; vielmehr decken sich viele der heutigen Wechsel und Kredite, wenn fällig, mit einer Menge von Verbindlichkeiten, deren Ursprung sich über eine Reihe früherer, völlig unbestimmter
3. Money or the Circulation of Commodities

Now the total mass of circulating money is discussed, whether it circulates as means of payment or as means of purchase. In *Contribution* this case was left out, in which some money first functions as means of payment and then as means of purchase. If the turnover speed and economy of payments is given, the amount of money still depends on the price sum of commodities: but no longer of the commodities circulating the same day.

238:1 Credit-money springs directly out of the function of money as a means of payment, in that certificates of debts owing for already purchased commodities themselves circulate for the purpose of transferring those debts to others. On the other
hand, the function of money as a means of payment undergoes expansion in proportion as the system of credit itself expands. As the means of payment money takes on its own peculiar forms of existence, in which it inhabits the sphere of large-scale commercial transactions. Gold and silver coin, on the other hand, are mostly relegated to the sphere of retail trade.\footnote{As an example of how little real money enters into true commercial operations, I give below a statement by one of the largest London merchant banks (Morrison, Dillon & Co.) of its yearly receipts and payments. Its transactions during the year 1856, extending in fact to many millions of pounds are here reduced to the scale of one million.}

dehnt, so die Funktion des Geldes als Zahlungsmittel. Als solches erhält es eigne Existenzformen, worin es die Sphäre der großen Handelstransaktionen behaust, während die Gold- oder Silbermünze hauptsächlich in die Sphäre des Kleinhandels zurückgedrängt wird.\footnote{Als Beispiel, wie wenig reelles Geld in die eigentlichen Handelsoperationen eingeht, folgt hier das Schema eines der größten Londoner Handelshäuser (Morrison, Dillon & Co.) über seine jährlichen Geldeinnahmen und Zahlungen. Seine Transaktionen im Jahr 1856, die viele Millionen Pfd.St. umfassen, sind auf den Maßstab einer Million verkürzt.}
### 3. Money or the Circulation of Commodities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Einnahmen</td>
<td>Pfd.St.</td>
</tr>
<tr>
<td>Wechsel von Bankiers und Kaufleuten</td>
<td>553 596</td>
</tr>
<tr>
<td>nach Datum zahlbar</td>
<td></td>
</tr>
<tr>
<td>Cheques von Bankiers etc. bei Sicht zahlbar</td>
<td>357 715</td>
</tr>
<tr>
<td>Landbank-Noten</td>
<td>9 627</td>
</tr>
<tr>
<td>Noten der Bank von England</td>
<td>68 554</td>
</tr>
<tr>
<td>Gold</td>
<td>28 089</td>
</tr>
<tr>
<td>Silber und Kupfer</td>
<td>1 486</td>
</tr>
<tr>
<td>Post Office Orders</td>
<td>933</td>
</tr>
<tr>
<td>Totalsumme</td>
<td>1 000 000</td>
</tr>
</tbody>
</table>
3.3. Money

Receipts
Bankers’ and merchants’ bills payable after date £533,596
Cheques on bankers, etc. payable on demand £357,715
Country notes £9,627
Bank of England notes £68,554
Gold £28,089
Silver and copper £1,486
Post Office orders £933
Total: £1,000,000

Payments £
Bills payable after date £302,674
Cheques on London bankers £663,672
Bank of England notes £22,743
Gold £9,427
Silver and copper £1,484
Total: £1,000,000

(Report from the Select Committee on the Bank Acts, July 1858, p. lxxi.)

Ausgaben
£533,596
302 674
£357,715
663 672
£9,627
22 743
£68,554
9 427
£28,089
1 486
£933
1 000 000

„Report from the Select Committee on the Bank Acts“, July 1858, p. LXXI.)
3. Money or the Circulation of Commodities

Credit money *springs from* the function of money as means of payment, and on the other hand, the development of the credit system *increases* the function of money as means of payment. Existenzformen of money as means of payment are obviously: bills of exchange, cheques, country bank notes, etc., which develop because they are also forms of giving credit and earning interest.

238:2/o When the production of commodities has attained a certain level and extent, the function of money as means of payment begins to spread out beyond the sphere of the circulation of commodities. It becomes the universal material of contracts. Rent, taxes and so on are transformed from payments in kind to payments in money. The great extent to which this transformation is conditioned by the total shape of the process of production is shown for example by the twice-repeated failure of the Roman
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Empire to levy all contributions in money. The unspeakable misery of the French agricultural population under Louis XIV, a misery so eloquently denounced by Boisguillebert, Marshall Vauban and others, was due not only to the weight of the taxes but also to the conversion of taxes in kind into taxes in money. In Asia, on the other hand, the form of ground rent paid in kind, which is at the same time the main element in state taxation, is based on relations of production which reproduce themselves with the immutability of natural conditions. And this mode of payment in its turn acts to maintain the ancient form of production. It forms one of the secrets of the self-preservation of the Ottoman Empire. If the foreign trade im-

...
posed on Japan by Europe brings with it the transformation of rents in kind into money rents, then the exemplary agriculture of that country will be done for. Its narrowly based economic conditions of existence will be swept away.

104 ‘The course of trade being thus turned, from exchanging of goods for goods, or delivering and taking, to selling and paying, all the bargains are now stated upon the foot of a Price in money’ ([Daniel Defoe], An Essay upon Publick Credit, 3rd edn, London, 1710, p. 8).

105 ‘Money ... has become the executioner of everything.’ Finance is ‘the alembic in which a frightful quantity of goods and commodities has been distilled in order to extract that unholy essence.’ ‘Money declares war on the whole of

If production has become to a certain extent the production of commodities, the function of means of payment reaches beyond the circulation of commodities, for taxes, rent, etc. Transformation of taxes in kind into money taxes destroys the older modes of production.

239:1/o In every country, certain days become established as the dates on which general settlements are made. They depend in part, leaving aside other circular movements described by reproduction, upon the natural conditions of production, which are bound up with the alternation of the seasons. They also regulate the dates for payments which have no direct connection with the circulation of commodities, such as taxes, rents and
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so on. The fact that the quantity of money required to make these isolated payments over the whole surface of society falls due on certain days of the year causes periodic, but entirely superficial, perturbations in the economy of the means of payment.\textsuperscript{106}

\textsuperscript{106} ‘On Whitsuntide, 1824,’ said Mr Craig before the Commons Committee of 1826, ‘there was such an immense demand for notes upon the banks of Edinburgh, that by 11 o’clock we had not a note left in our custody. We sent round to all the different banks to borrow, but could not get them, and many of the transactions were adjusted by slips of paper only; yet by three o’clock the whole of the notes were returned into the banks from which they had issued! It was a mere transfer from hand to hand.’ Although the average effective circulation of bank-notes in Scotland is Zahlungen an gewissen Tagen des Jahres erheischt ist, verursacht periodische, aber ganz oberflächliche Perturbationen in der Ökonomie der Zahlungsmittel.\textsuperscript{106}

\textsuperscript{106} „Pfingstmontag 1824“, erzählt Herr Craig dem parlamentarischen Untersuchungskomitee von 1826, „war eine solche ungeheure Nachfrage für Banknoten in Edinburgh, daß wir um 11 Uhr keine einzige Note mehr in unsrem Verwahrsam hatten. Wir sandten der Reihe nach zu den verschiedenen Banken, um welche zu borgen, konnten aber keine erhalten, und viele Transaktionen konnten nur durch slips of paper berichtigt werden. Um 3 Uhr nachmittags jedoch waren bereits sämtliche Noten returniert zu den Banken, von denen sie ausliefen. Sie hatten nur die Hände gewech-
less than £3m., yet on certain settlement days in
the year every single note in the possession of the
bankers, amounting altogether to about £7m., is
called into activity. On these occasions the notes
have a single and specific function to perform,
and as soon as they have performed it they flow
back into the various banks from which they is-
sued. (See John Fullarton, Regulation of Curren-
cies, London 1845, p. 86, note.) In explanation
it should be added that in Scotland, at the time
of Fullarton’s work, notes and not cheques were
used to withdraw deposits.

In German MEW 23 it is
ambiguous if there should be a
paragraph break here or not. In
Volksausgabe there isn’t, in
Moore-Aveling there is, in Fowkes
there isn’t. Judged from the text,
what follows now is still part of
the above paragraph. Therefore I
treat it as one paragraph.
3. Money or the Circulation of Commodities

From the law of the rapidity of circulation of the means of payment, it follows that the quantity of the means of payment required for all periodic payments, whatever their source, is in direct proportion to the length of the periods.\[107\]

\[107\] To the question ´if there were occasion to raise 40 millions p.a., whether the same 6 millions (gold) . . . would suffice for such revolutions and circulations thereof, as trade requires,´ Petty replies in his usual masterly manner, ´I answer yes: for the expense being 40 millions, if the revolutions were in such short circles, viz., weekly, as happens among poor artisans and laborers, who receive and pay every Saturday, then 40/52 parts of 1 million of money would answer these ends; but if the circles be quarterly, according to our custom of paying rent, and gathering

Aus dem Gesetz über die Umlaufsgeschwindigkeit der Zahlungsmittel folgt, daß für alle periodischen Zahlungen, welches immer ihre Quelle, die notwendige Masse der Zahlungsmittel in geradem Verhältnis zur Länge der Zahlungsperioden steht.\[107\]

\[107\] Auf die Frage, ´Ob, wenn die Notwendigkeit bestünde, 40 Millionen im Jahre umzusetzen, dieselben 6 Millionen“ (Gold) „für die sich ergebenden Umläufe und Kreisläufe genügen würden, die der Handel erfordere?“ antwortet Petty mit seiner gewohnten Meisterschaft: „Ich antworte ja: für den Betrag von 40 Millionen würden schon 40/52 von 1 Million ausreichen, wenn die Umläufe so kurzfristige, d.h. wöchentliche wären, wie das unter armen Handwerkern und Arbeitern geschieht, die jeden Sonnabend erhalten und zahlen; wenn jedoch die Termine vierteljährlich sind, wie bei uns
taxes, then 10 million were requisite. Therefore supposing payments in general to be of a mixed circle between one week and 13, then add 10 millions to 40/52, the half of which will be 5 1/2, so as if we have 5 1/2 millions we have enough’ (William Petty, Political Anatomy of Ireland, 1672, London edition, 1691, pp. 13, 14) [what Marx cites here is Petty’s essay Verbum Sapienti, which appeared as a supplement to the Political Anatomy of Ireland].

The quantitative aspect of money not only as means of purchase and payment for the movement of commodities, but also for other payments, and its seasonal fluctuations. The needed amount of money changes periodically, with the seasonal payment dates. Very superficial disturbances!

240:1 The development of money as a means of payment makes it necessary to accumulate it in preparation for the days when the sums which are owing fall due. 156:1 Die Entwicklung des Geldes als Zahlungsmittel ernötit Geldakkumulationen für die Verfallstermine der geschuldeten Summen. Während die Schatzbildung als
While hoarding, considered as an independent form of self-enrichment, vanishes with the advance of bourgeois society, it grows at the same time in the form of the accumulation of a reserve fund of the means of payment.

Development of money as means of payment requires its development as a hoard, not as a form of enrichment, but for reserves.

### 3.3.c. World Money

This last section is very brief. The corresponding section in *Contribution* is a little more explicit. For instance, the first sentence in the first paragraph in *Capital* is only the last sentence in the corresponding first paragraph 381:1.

Although Marx does not often say so explicitly, it is apparently his understanding that the social metabolism with division of labor and abstract human labor takes place on a national scale. According to Marx’s understanding, money has nationally the economic...
function to be standard of value, and from this follows also means of circulation and then also the independent incarnation of abstract wealth. All this follows from its function for domestic production, namely, being the the appropriate surface expression of abstract human labor (in other words, money being the social institution which induces the producers to abide by the law of value). Domestically, money is general equivalent because it represents abstract human labor. Therefore it tries to be general equivalent also in international trade. Internationally, money assumes the role of general equivalent before the labors themselves have been equalized. This world-wide general equivalent has then the effect of melding the domestic labors into one world-wide human labor in the abstract.

240:2/o When money leaves the domestic sphere of circulation it strips off the local forms it has acquired domestically, as the standard of prices, gold coin, small change, and paper bills, and falls back into the original bullion form of the precious metals.

156:2 Mit dem Austritt aus der innern Zirkulation streift das Geld die dort aufschließenden Lokalformen von Maßstab der Preise, Münze, Scheidemünze und Wertzeichen, wieder ab und fällt in die ursprüngliche Barrenform der edlen Metalle zurück.

At Marx’s time, the international monetary system was different than it is now. Each national currency was based on gold; gold therefore was the common denominator estab-
lishing the exchange rates between these currencies. The central banks did not hold each other’s currencies but they held gold bullion. Therefore only gold could settle international balances. I.e., in order to perform its most advanced functions, money fell back into its most primitive form. Marx gives a very brief explanation why this is so:

In world trade, commodities unfold their values on a universal scale. Trade and commerce within a nation has a different character than world trade. The labor within every nation is drawn together into a developed system of division of labor, and it is equalized within the nation. But these systems of division of labor are only local; they interact with each other and there may be a world market with respect to certain commodities, but overall there is not one single system of division of labor which encompasses all labor on this planet, and the market has not yet equalized all the labor throughout the world. A Swedish krone represents labor of Sweden, it does not represent the labor of everybody in the world. Only the labor contained in those commodities which are traded internationally begin a process of international equalization. When such an internationally traded good enters the market, the labor contained in it tries out to what extent it is human labor in general, instead of merely to what extent it is human labor belonging to this or that local economy.
This is what Marx means by “unfolding their value on a universal scale.”

This is why their independent value form confronts them here as world money.

Fowkes misunderstands the “auch.” He writes: “Their independent value form thus confronts them here too as world money.”

Here we come to a deeper definition of world money: it can circulate internationally only because it represents human labor in general, regardless of nationality. It is a more general and simpler concept than the national moneys, and this simplicity of concept results in a simplicity of form:

Only on the world market, money fully functions as the commodity whose bodily form is at the same time the form in which human labor in the abstract becomes a social reality. Its mode of existence becomes adequate to its concept.
3. Money or the Circulation of Commodities

This is an enticing example of a Hegelian return to the beginning: that which is most developed turns into that which is most simple, and only in this way fully expresses the truth contained in this simplicity. But in my view, something less mysterious is going on here: the primitive form which world money took at Marx’s time does not come from its generality, but from the fact that the institutions facilitating international trade and payments were not yet very well developed. The thing itself had to step in because the more refined forms of money were not yet in existence.

Next Marx discusses the differences between world money and the domestic moneys.

241:1 Within the sphere of domestic circulation, there can only be one commodity which by serving as a measure of value becomes money. On the world market a double standard prevails, both gold and silver.\textsuperscript{108}

\textsuperscript{108} Hence the absurdity of all legislation laying down that the banks of a country should form

157:1 In der innern Zirkulationssphäre kann nur eine Ware zum Wertmaß und daher als Geld dienen. Auf dem Weltmarkt herrscht doppeltes Wertmaß, Gold und Silber.\textsuperscript{108}

\textsuperscript{108} Daher die Abgeschmacktheit jeder Gesetzgebung, die den Nationalbanken vorschreibt, nur
reserves only of the particular precious metal circulating within the country as money. The ‘pleas-ant difficulties’ created in this way by the Bank of England for itself are a well-known example. On the subject of the major historical epochs in the relative value of gold and silver, see Karl Marx, op. cit., pp. 136 ff. [English edition, pp. 155 ff.]. Sir Robert Peel, by his Bank Act of 1844, sought to tide over the difficulty by allowing the Bank of England to issue notes against silver bullion, on condition that the reserve of silver should never exceed more than one fourth of the reserve of gold. For that purpose, the value of silver is estimated according to its market price (in gold) on the London market. [The following was added by Engels to the fourth German edition:] We find ourselves once more in a period of strong changes in the relative values of gold and silver. About twenty-five years ago the ra-

das edle Metall aufzuschätzen, das im Innern des Landes als Geld funktioniert. Die so selbstge-
schaffnen „holden Hindernisse“ der Bank von England z.B. sind bekannt. Über die großen histo-
3. Money or the Circulation of Commodities

tio expressing the relative value of gold and silver was 15 1/2:1; now it is approximately 22:1, and silver is still constantly falling as against gold. This is essentially the result of a revolution in the mode of production of both metals. Formerly gold was obtained almost exclusively by washing it out from gold-bearing alluvial deposits, products of the weathering of auriferous rocks. Now this method has become inadequate and has been forced into the background by the processing of quartz lodes themselves, a mode of extraction which formerly was only of secondary importance, although well known to the ancients (Diodorus, III, 12–14). Moreover, not only were huge new silver deposits discovered in North America in the western part of the Rocky Mountains, but these and the Mexican silver mines were really opened up by the laying of railways, which made possible the shipment of
modern machinery and fuel and in consequence the mining of silver on a very large scale at low cost. However, there is a great difference in the way the two metals occur in the quartz lodes. The gold is mostly native, but disseminated throughout the quartz in minute quantities. The whole mass of the vein must therefore be crushed and the gold either washed out or extracted by means of mercury. Often 1,000,000 grammes of quartz barely yield 1–3 grammes of gold, and very seldom do they yield 30–60 grammes. Silver is seldom found native: however, it occurs in special quartz that is separated from the lode with comparative ease and contains mostly 40–90 per cent silver, and is also contained, in smaller quantities, in copper, lead and other ores which in themselves are worthwhile working. From this alone it is apparent that the labor expended on the production of gold is tending to increase, while that of silver is mostly native, but disseminated throughout the quartz in minute quantities. The whole mass of the vein must therefore be crushed and the gold either washed out or extracted by means of mercury. Often 1,000,000 grammes of quartz barely yield 1–3 grammes of gold, and very seldom do they yield 30–60 grammes. Silver is seldom found native: however, it occurs in special quartz that is separated from the lode with comparative ease and contains mostly 40–90 per cent silver, and is also contained, in smaller quantities, in copper, lead and other ores which in themselves are worthwhile working. From this alone it is apparent that the labor expended on the production of gold is tending to increase, while that
expended on silver production has decidedly decreased, which quite naturally explains the drop in the value of the latter. This fall in value would express itself in a still greater fall in price if the price of silver were not pegged even today by artificial means. But America’s rich silver deposits have so far barely been tapped, and thus the prospects are that the value of this metal will keep on dropping for rather a long time to come. A still greater contributing factor here is the relative decrease in the need for silver for articles of general use and for luxuries, that is its replacement by plated goods, aluminium, etc. One may thus gauge the utopianism of the bimetallist idea that compulsory international quotation will raise silver again to the old value ratio of 1:15 1/2. It is more likely that silver will forfeit its money function more and more in the world market.

Internationally double standard, even though in the domestic circulations, only one stan-
3.3. Money

dard prevails. (Why can this violation against the concept of money persist internationally?) Due to this duplication, the two functions of money, the national and the international, can be seen to be different. Even in a country with gold standard, the central bank must have silver reserves for the trade with countries with silver standard.

World money has the same three functions as domestic money, but there is a shift in importance:

242/o World money serves as the universal means of payment, as the universal means of purchase, and as the absolute social materialization of wealth as such (UNIVERSAL WEALTH). Its predominant function is as means of payment in the settling of international balances. Hence the slogan of the Mercantile System: balance of trade. 109 Gold and silver serve as international means of purchase essentially only when the customary equilibrium in the interchange of

3. Money or the Circulation of Commodities

products between different nations is suddenly disturbed. And, lastly, world money serves as the universally recognized social materialization of wealth, whenever it is not a matter of buying or paying, but of transferring wealth from one country to another, and whenever its transfer in the form of commodities is ruled out, either by the conjuncture of the market, or by the purpose of the transfer itself.\footnote{109}

The German “\textit{wesentlich}” is sometimes used for brief characterizations which capture the essentials although they may not cover all the details or all the possibilities. I translated it here with “essentially only.”

Footnote 109 is another polemic against the quantity theory of money.\footnote{109} The opponents of the Mercantile System, a system which considered the settlement of surplus balances, were critical of the classical quantity theory of money, which they believed overemphasized the role of money in economic transactions. They argued that the circulation of commodities, rather than money, was the true measure of wealth and the foundation of economic activity.
plus trade balances in gold and silver as the aim of international trade, were for their part entirely mistaken as to the function of world money. I have thoroughly demonstrated elsewhere, taking Ricardo as an example, the way in which a false conception of the laws which regulate the quantity of the circulating medium is reflected in a false conception of the international movement of the precious metals (*Contribution*, pp. 398:1/o sqq.). Ricardo’s erroneous dogma: ‘An unfavourable balance of trade never arises but from a redundant currency … The exportation of the coin is caused by its cheapness, and is not the effect, but the cause of an unfavourable balance,’ already occurs in Barbon: ‘The balance of Trade, if there be one, is not the cause of sending away the money out of a nation; but that proceeds from the difference of the value of bullion in every country’ (N. Barbon, [Bar96, durch Gold und Silber als Zweck des Welthandelst, verkannten ihrerseits durchaus die Funktion des Weltgeldes. Wie die falsche Auffassung der Gesetze, welche die Masse der Zirkulationsmittel regeln, sich in der falschen Auffassung der internationalen Bewegung der edlen Metalle nur widerspiegelt, habe ich ausführlich an Ricardo nachgewiesen (l.c. p. 398:1/o sqq. Sein falsches Dogma: „Eine ungünstige Handelsbilanz kann nie anders als durch eine Überfülle von Zirkulationsmitteln entstehen … Die Ausfuhr von Münzen ist ihrer Billigkeit geschuldet, und ist nicht die Folge, sondern die Ursache einer ungünstigen Bilanz“ findet man daher schon bei Barbon: „Die Handelsbilanz, wenn es eine solche gibt, ist nicht die Ursache dafür, daß das Geld aus einem Lande ausgeführt wird. Die Ausfuhr ergibt sich vielmehr aus dem Wertunterschied der Edelmetalle in jedem Land.“ N. Barbon [Bar96, p. 59]. MacCulloch in
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pp. 59, 60). MacCulloch, in The Literature of Political Economy: A Classified Catalogue, London, 1845, praises Barbon for this anticipation, but very wisely avoids even mentioning the naïve forms in which the absurd presuppositions of the ‘currency principle’ appear in Barbon’s work. The uncritical and even dishonest nature of MacCulloch’s catalogue reaches its summit in the sections devoted to the history of the theory of money, where he is flattering Lord Overstone (ex-banker Loyd), whom he describes as ‘facile princeps argentariorum’ [the recognized king of the money merchants].

\[110\] For instance, in the case of subsidies, money loans for carrying on wars or for enabling banks to resume cash payments, etc., value may be required precisely in the form of money.

In \[231:3/o\], Marx had mentioned that the gold hoards so copiously created by private citi-


\[110\] Z.B. bei Subsidien, Geldanleihen zur Kriegsführung oder zur Wiederaufnahme der Barzahlungen von Banken usw. kann Wert grade in der Geldform erheischt sein.
zens at that time had the economic function of allowing quantity of the circulating medium to ebb and flow. These hoards not only served as buffer stocks for the domestic circulation, but also for international payments:

243:1 Just as every country needs a reserve fund for its internal circulation, so too it requires one for circulation in the world market. The functions of hoards, therefore, arise in part out of the function of money as medium of payment and circulation internally, and in part out of its function as a world money.\textsuperscript{110a} In this latter role it is always the genuine money-commodity, gold and silver in their physical shape, which is required. For that reason Sir James Steuart expressly characterizes gold and silver as ‘money of the world’ in order to distinguish them from their merely local represen-

158:1/o Wie für seine innere Zirkulation, braucht jedes Land für die Weltmarktszirkulation einen Reservefonds. Die Funktionen der Schätze entspringen also teils aus der Funktion des Geldes als inneres Zirkulations- und Zahlungsmittel, teils aus seiner Funktion als Weltgeld.\textsuperscript{110a} In der letzteren Rolle ist stets die wirkliche Geldware, leibhaftes Gold und Silber, erheischt, weswegen James Steuart Gold und Silber, im Unterschied von ihren nur lokalen Stellvertretern, ausdrücklich als „money of the world“ charakterisiert.
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110a ‘I would desire, indeed, no more convincing evidence of the competency of the machinery of the hoards in specie-paying countries to perform every necessary office of international adjustment, without any sensible aid from the general circulation, than the facility with which France, when but just recovering from the shock of a destructive foreign invasion, completed within the space of 27 months the payment of her forced contribution of nearly 20 millions to the allied powers, and a considerable proportion of the sum in specie, without any perceptible contraction or derangement of her domestic currency, or even any alarming fluctuation of her exchanges’ (Fullarton, op. cit., p. 141). [Added by Engels to the fourth German edition:] We have a still more striking example in the facility with which the same France was able in 1871–3

110a Note zur 2. Ausgabe: „Tatsächlich könnte ich mir keinen überzeugenderen Beweis dafür wünschen, daß der Mechanismus der Schatzbildung in Ländern mit Metallwährung imstande ist, jede notwendige Funktion bei Begleichung internationaler Verbindlichkeiten zu erfüllen, und zwar ohne wahrnehmbare Unterstützung durch die allgemeine Zirkulation, als die Leichtigkeit, mit der Frankreich, das erst im Begriffe war, sich von der Erschütterung durch eine zerstörende feindliche Invasion zu erholen, in einem Zeitraum von 27 Monaten die Zahlung der ihm aufgeräumten Kriegsentschädigung von fast 20 Millionen an die verbündeten Mächte leistete, und zwar einen beträchtlichen Teil dieser Summe in Metallgeld, ohne merkbare Einschränkung oder Störung des inländischen Geldumlaufs oder irgendwelche alarmierende Schwankungen seines Wechselkur-
to pay off within 30 months a forced contribution more than ten times as great, a considerable part of it likewise in specie.

Next Marx discusses the international movements of gold and silver:

243:2/o The stream of gold and silver follows a twofold movement. On the one hand, it spreads out from its sources all over the world, and is absorbed to various extents into the different national spheres of circulation, where it enters into the various channels of internal circulation. There it replaces abraded gold and silver coins, supplies the material for articles of luxury, and petrifies into hoards.\textsuperscript{111} This first movement

159:1 \textit{Die Bewegung des Gold- und Silberstroms ist eine doppelte. Einerseits wälzt er sich von seinen Quellen über den ganzen Weltmarkt, wo er von den verschiedenen nationalen Zirkulationssphären in verschiedenem Umfang abgefangen wird, um in ihre inneren Umlaufskanäle einzugehn, verschlissene Gold- und Silbermünzen zu ersetzen, das Material von Luxuswaren zu liefern und zu Schätzen zu erstarren.}\textsuperscript{111} Diese erste Be-
3. *Money or the Circulation of Commodities*

is mediated through the direct exchange of the labor of individual countries which has been realized in commodities for the labor realized in the precious metals by the gold- and silver-producing countries. On the other hand, gold and silver continually flow back and forth between the different national spheres of circulation, and this movement follows the unceasing fluctuations of the rate of exchange.¹¹²

¹¹¹ ‘Money is shared among the nations in accordance with their need for it . . . as it is always attracted by the products’ (Le Trosne, op. cit., p. 916). ‘The mines which are continually giving gold and silver, do give sufficient to supply such a needful balance to every nation’ (J. Vanderlint, [Van34, p. 40]).

¹¹² „Das Geld verteilt sich auf die Nationen nach ihren Bedürfnissen . . . indem es immer durch die Produkte angezogen wird.“ Le Trosne, [LT46, p. 916]. „Die Minen, die fortwährend Gold und Silber liefern, sind ergiebig genug, um jeder Nation dieses notwendige Quantum zu liefern.“ J. Vanderlint, [Van34, p. 40].
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112 ‘Exchanges rise and fall every week, and at some particular times in the year run high against a nation, and at other times run as high on the contrary’ (N. Barbon, [Bar96, p. 39]).

112 „Die Wechselkurse steigen und fallen in jeder Woche, sie steigen zu bestimmten Zeiten des Jahres zuungunsten einer Nation in die Höhe und erreichen zu anderen Zeiten die gleiche Höhe zu deren Vorteil.“ N. Barbon, [Bar96, p. 39].

The very last paragraph of the chapter about Money discusses the modern dictates of efficiency to reduce the stock of money to a minimum.

244:1 Countries with developed bourgeois production limit the hoards, which are concentrated in the strong rooms of the banks, to the minimum required for the performance of their specific functions.113

160:1 Länder entwickelter bürgerlicher Produktion beschränken die in Bankressorts massenhaft konzentrierten Schätze auf das zu ihren spezifischen Funktionen erheischte Minimum.113

This increased efficiency however makes the system more vulnerable. The two functions of the money stock, for domestic or international circulation, come now in conflict. Footnote 113 is an argument against Peel’s 1844 Bank Act, which made the Bank of England’s ability to issue short term credit (by the conversion of bank notes of private issuers into its own notes) dependent on the level of gold reserves:
These different functions can come dangerously into conflict whenever gold and silver have also to serve as a fund for the conversion of bank notes.

This is very terse. Marx could have said much more about the contradictions between domestic money and international money. As long as private gold hoards were ample, they could easily satisfy their two different functions, for domestic and international circulation. However when hoards are minimized since they are considered an unprofitable dead weight, these two functions get into contradiction with each other. This contradiction persists even today. If international transactions create an unwanted increase in high-powered currency, then the central bank must “sterilize” these transactions. International currency movements may also make it difficult or impossible for the central bank to pursue the monetary policy indicated by the domestic economic conditions. In the world monetary system since World War II, the dollar and later a bundle of national currencies serve as world money. The fact that national currencies serve as world money is again a source of conflicts.

Marx’s final remark: under the modern dictates of efficiency, larger hoards are no longer a sign of more wealth but a sign of malfunction.
Whenever these hoards are strikingly above their average level, this is, with some exceptions, an indication of stagnation in the circulation of commodities, i.e. of an interruption in the flow of their metamorphoses.\(^{114}\) Marx is witnessing here a change in regime: the former regime in which numerous individual gold hoards formed an extremely elastic supply to the changing circulation needs was replaced by a regime with much more centralized and relatively much smaller currency reserves. The footnote illustrates the new-found sense of economy, which considered gold hoards as unproductive and according to which a country could also have too much money.

\(^{114}\) ‘What money is more than of absolute necessity for a Home Trade, is dead stock ... and brings no profit to that country it’s kept in, but as it is transported in trade, as well as imported’ (John Bellers, Essays, etc., p. 13). ‘What if we have too much coin? We may melt down the heaviest and turn it into the splendour of plate, vessels or utensils of gold or silver; or send it...” (John Bellers, Essays etc., p. 13.)

Mit gewisser Ausnahme zeigt auffallendes Überfüllen der Schatzreservoirs über ihr Durchschnittsniveau Stockung der Warenzirkulation an oder unterbrochenen Fluß der Warenmetamorphose.\(^{114}\) „Was an Geld mehr vorhanden ist, als für den inländischen Handel unbedingt notwendig, stellt totes Kapital dar, und bringt dem Lande, das es besitzt, keinen Gewinn, außer wenn es selbst exportiert bzw. importiert wird.“
out as a commodity, where the same is wanted or desired; or let it out at interest where interest is high’ (W. Petty, Quantulumcunque, p. 39). ‘Money is but the fat of the Body Politick, whereof too much doth as often hinder its agiliiy, as too little makes it sick . . . as fat lubricates the motion of the muscles, feeds in want of victuals, fills up the uneven cavities, and beautifies the body, so doth money in the state quicken its action, feeds from abroad in time of dearth at home; evens accounts . . . and beautifies the whole; altho’ more especially the particular persons that have it in plenty’ (W. Petty, Political Anatomy of Ireland, pp. 14, 15) [in fact, this is again the supplement, Verbum Sapienti].
Part II.

The Transformation of Money into Capital
In the English version, part Two consists of three chapters. In all German editions, these three chapters formed three sections of one chapter. This is why there is a discrepancy of two for most of the remaining chapter numbers between the German and the English.
4. The General Formula of Capital

After the discussion of money and the circulation of commodities in chapter Three, Marx turns now to the discussion of capital. The first four paragraphs make the transition from commodity circulation to capital, which can be summarized by the first sentence:

247:1 The circulation of commodities is the point of departure of capital.

161:1 Die Warenzirkulation ist der Ausgangspunkt des Kapitals.

⇓ (1) First of all, this sentence can be taken as a historical statement:

Commodity production and developed commodity circulation, trade, are the historical presuppositions under which capital originates. World trade and the world market, in

Warenproduktion und entwickelte Warenzirkulation, Handel, bilden die historischen Voraussetzungen, unter denen es entsteht. Welthandel und Weltmarkt eröffnen im 16. Jahr-
4. General Formula of Capital

the sixteenth century, usher in the modern life-history of capital. hundert die moderne Lebensgeschichte des Kapitals.

Marx says here two things:

(1a) Commodity production must exist and trade must be developed before capital can come into being. This tells us something about the pre-capitalist period, which is not yet subject to the logic of capital. Even before capitalism itself came into being, commodity circulation must have reached a certain degree of development so that capitalism could take off.

(1b) The creation of world trade and the world market in the sixteenth century ushered in what Marx calls the “modern life-history of capital.” Here Marx speaks about the first period in the history of capital itself. The term *life-history* indicates that the history of modern capital, as opposed to scattered and transient prior forms of capital (usury and merchant capital), is the history of one persistent organism, which gradually spread over the whole world. Marx generally does not use the term “capitalism,” but here it would be appropriate.

(2) It is not a coincidence that commodity circulation plays such an important role for the historical origin of capital. The link between circulation and capital is made by *money*. Marx will show three things: (2a) circulation leads to money, (2b) money is the first form of
appearance of capital, and (2c) money as capital distinguishes itself from money as money first only by its form of circulation.

(2a) The first step is: commodity circulation leads to money.

If we disregard the material content of commodity circulation, i.e., the exchange of the various use-values, and consider only the economic forms generated by this process, we find that its ultimate product is money.

Downloading (2b) Money is one of the forms which capital can assume, and while it is arguably not the most important form of capital—this honor, or curse, belongs to labor-power—the money form nevertheless has special significance. Marx calls it the “first” form of capital:

This ultimate product of commodity circulation is the first form of appearance of capital.

Downloading (2bA) On the one hand, this is true in history. At the present point, Marx remains a little vague about the historical transition between pre-capitalist commodity circulation and
4. General Formula of Capital

capital, for the following reason: Circulation alone does not generate capital. Circulation leads to money, which is the condition, the soil, from which a new process emerges. But soil alone is not enough, a seed is necessary as well. We will see later that the commodity labor-power is this seed. Labor-power as a commodity however implies the appropriation of the labor of others, and this brings in much deeper social relations than those studied so far in Capital, namely, it brings in class relations. In chapter Six, p. 273, Marx is going to emphasize that we are entering here a new realm. This new realm is hinted at already here, in the next sentence, where Marx brings evidence that the statement “money is the first form of capital” is valid in history:

247:3 Historically speaking, capital invariably first confronts landed property in the form of money; as monetary wealth, merchants’ capital, and usurers’ capital.¹

161:3 Historisch tritt das Kapital dem Grundeigentum überall zunächst in der Form von Geld gegenüber, als Geldvermögen, Kaufmannskapital und Wucherkapital.¹

↑ The historic confrontation of capital with landed property started with monetary wealth.
↓ Footnote 1 comments on the character of this confrontation:

¹ The contrast between the power of landed property, which based on personal relations of Knechtschafts- and Herrschaftsverhältnissen beru-
domination and servitude, and the impersonal power of money, is clearly expressed in the two French proverbs ‘No land without its lord’ and ‘Money has no master.’

Also in its daily practical functions, money is the “first form of appearance of capital.”

However, we do not need to look back at capital’s early history in order to recognize that money is its first form of appearance. The same story is played out before our eyes every day. Every new capital makes its first appearance on the stage—i.e. the market, whether it is the commodity market, the labor market, or the money market—in the shape of money, money which has the vocation to transform itself into capital by certain specific processes.

4. General Formula of Capital

The German text contains a pun which is not recognizable in the translation: “history” and “story” are in German the same word “Geschichte.” By the way, the translation “has the vocation to” tried to capture the Hegelian meaning of “soll.”

(2bC) Later in this chapter, in 255:2/o, Marx will give the structural or “logical” reasons why money plays such a central role for capital.

△ (2c) The question “how does money as capital differ from money in its previously discussed functions?” leads us back to the circulation process.

247:4/o Money as capital distinguishes itself from money as money at first only by its different form of circulation.

161:4 Geld als Geld und Geld als Kapital unterscheiden sich zunächst nur durch ihre verschiedene Zirkulationsform.

Let us recapitulate the argument so far. Marx started the chapter with the historical link between circulation and capital, which we called here point (1). This led him to the special role which money plays for capital, called here point (2). The discovery of money as the bridge between circulation and capital allows him to take a second, deeper look at the link between circulation and capital, which will be called here point (3).

△ (3) In order to tell whether a given amount of money is capital or not, one has to look at the movement in which it is engaged. (3a) We already know what the movement of money
looks like if it is not capital:

The immediate form of the circulation of commodities is $C - M - C$, transformation of commodities into money and reconversion of money into commodities; selling in order to buy.

⇑ Here it might be useful to recapitulate how $C - M - C$ arose. The direct barter is a transaction in which each participant pursues two different goals: realizing the value of the product given in exchange, and selecting the use-value of the product received. These two goals are so much in conflict with each other that the direct barter breaks into two halves, sale and purchase. $C - C$ becomes $C - M - C$. The first transaction $C - M$ specializes on the realization of value, while the second transaction $M - C$ specializes on the selection of use-values. All this was discussed at length in chapter Three. ⇩ (3b) But these two fragments, sale and purchase, can also be put together in the reverse order: $M - C - M$.

But alongside this form we find a second, specifically different form: $M - C - M$, transformation of money into commodities...
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ties and reconversion of commodities into money; buying in order to sell.

\[ M - C - M \] is, of course, the form of circulation of capital. Marx will show this while at the same time deriving what capital is. A delicate bootstrapping act.

The last sentence of the paragraph announces a result which will be developed next in great detail:

Money, which follows this latter course in its movement, transforms itself into capital, becomes capital, and, according to its determination, already is capital.

4.1. [M–C–M as an Act of Circulation]

Since money is the first form of capital, it makes sense to begin the systematic discussion of capital with money. And since money as capital differs from money as money at first only
in its circulation, it makes sense to look at the circulation of money as capital, at $M - C - M$.

The first paragraph gives a simple description of $M - C - M$.

248:1 Let us examine the circular movement $M - C - M$ a little more closely. Just like the simple circulation of commodities, it passes through two opposite phases. In the first phase, $M - C$ (the purchase), the money is changed into a commodity. In the second phase, $C - M$ (the sale), the commodity is changed back into money. The unity of these two phases, however, is the movement as a whole, which exchanges money for a commodity and the same commodity back for money, which buys a commodity in order to sell it, or, if one neglects the formal differences between buying and selling, buys a commodity with money and then...

162:2 Sehn wir uns die Zirkulation $G - W - G$ näher an. Sie durchläuft, gleich der einfachen Warenzirkulation, zwei entgegengesetzte Phasen. In der ersten Phase, $G - W$, Kauf, wird das Geld in Ware verwandelt. In der zweiten Phase, $W - G$, Verkauf, wird die Ware in Geld rückverwandelt. Die Einheit beider Phasen aber ist die Gesamtbewegung, welche Geld gegen Ware und dieselbe Ware wieder gegen Geld austauscht, Ware kauft, um sie zu verkaufen, oder wenn man die formellen Unterschiede von Kauf und Verkauf vernachlässigt, mit dem Geld Ware und mit der Ware Geld kauft. Das Resultat, worin der ganze Prozeß erlischt, ist Austausch von...
4. General Formula of Capital

buys money with a commodity.² The result which remains after completion of the process is the exchange of money for money, \( M - M \). If I purchase 2000 lb. cotton for £100, and resell them for £110, I have, in the end, exchanged £100 for £110, money for money.

⇓ Footnote 2 cites the origin of a memorable formulation:

² ‘With money one buys commodities, and with commodities one buys money.’ Mercier de la Rivière, [MdlR46, p. 543].

⇓ The next paragraph introduces an abstraction. Although a \( M - C - M \) in which the first and second \( M \) are equal does not occur in reality, Marx argues that we must disregard these quantitative differences at the beginning:

248:2 Now it is evident that the circulatory process \( M - C - M \) would be absurd and empty of content if the intention were,

162:3 Es ist nun zwar augenscheinlich, daß der Zirkulationsprozeß \( G - W - G \) abgeschmackt und inhaltslos wäre, wollte man
4.1. [M–C–M as an Act of Circulation]

by using this roundabout route, to exchange two equal sums of money, £100 for £100. The miser’s plan would be far simpler and surer: he holds on to his £100 instead of exposing it to the dangers of circulation.

vermittelst seines Umwegs denselben Geldwert gegen denselben Geldwert, also z.B. 100 Pfd.St. gegen 100 Pfd.St. austauschen. Ungleich einfacher und sicherer bliebe die Methode des Schatzbildners, der seine 100 Pfd. St. festhält, statt sie der Zirkulationsgefahr preiszugeben.

↑ This was an inference from the form of circulation to the motivations of the agents performing these circulation acts. Marx will make such inferences much more systematically starting with 249:2. At the present time he is only taking a short peek at the motivations of the transactors, in order to argue that one should not expect actual $M - C - M$ to occur in which the first and second $M$ are quantitatively equal. Nevertheless, Marx insists on abstracting from the quantities first. ↓ This can be defended on the grounds that the intended quantitative increase is not always achieved:

And yet, whether the merchant who has paid £100 for his cotton sells it for £110, or lets it go for £100, or even £50, in each of these

Andrerseits, ob der Kaufmann die mit 100 Pfd.St. gekaufte Baumwolle wieder verkauft zu 110 Pfd.St., oder ob er sie zu 100 Pfd.St.
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cases his money has described a characteristic and original path, quite different in kind from the path of simple circulation, as for instance in the case of the peasant who sells corn, and with the money thus garnered buys clothes.

Even if a merchant loses money in a specific transaction, he is still a merchant who is engaged in a characteristic behavior. In other words, the merchant’s behavior is a social form, i.e., the surface manifestation of a social relation of production. In his investigation of this form, Marx first disregards its quantitative aspect, as he also did when he investigated the Simple form of value in 140:3–141:1.

It is therefore first necessary to characterize the formal differences between the two circular paths $M - C - M$ and $C - M - C$. This will provide us at the same time with the difference in content lurking behind these for-
mal differences.

The entire discussion of various aspects of $M - C - M$ in this chapter takes the form of a comparison of $C - M - C$ and $M - C - M$. Since we are disregarding the quantitative differences between the first and second $M$, $M - C - M$ is simply the inversion of $C - M - C$ in which the two halves are put together in the “wrong” order. Therefore it makes sense to use $C - M - C$ as the point of reference.

248:3 Let us first see what the two forms have in common.

† In order to see the commonalities, Marx describes both circuits in as much detail as possible in a wording ambiguous enough that it applies to both circuits without alteration:

248:4/o Both circular paths are composed of the same two opposite phases, $C - M$, sale, and $M - C$, purchase. In each phase the same material elements confront each other, namely a commodity and money, and the same economic character masks, a buyer and a seller. Each circular path is the unity
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of the same two opposite phases, and in each case this unity is mediated through the participation of three contractual agents, of whom one only sells, another only buys, and the third both buys and sells.

⇓ By disambiguating the last phrase of this paragraph, “both buys and sells,” i.e., by specifying the order in which sale and purchase take place, Marx enters the discussion of the differences:

249:1 However the two circular paths $C - M - C$ and $M - C - M$ differ, obviously, by the inverted order in which the same two opposite phases of circulation are traversed. The simple circulation of commodities begins with a sale and ends with a purchase, while the circulation of money as capital be-

4.1. [M–C–M as an Act of Circulation]

gins with a purchase and ends with a sale. In the one case, starting point and end point of the movement are commodities, in the other, money.

beginnt mit dem Kauf und endet mit dem Verkauf. Dort bildet die Ware, hier das Geld den Ausgangspunkt und Schlußpunkt der Bewegung.

↑ So far, Marx has only described the acts in circulation. ↓ The next sentence goes beyond a mere description:

The whole process is mediated in the first form by money, while in the second, inversely, by the commodity.

In der ersten Form vermittelt das Geld, in der andren umgekehrt die Ware den Gesamtverlauf.

↑ All we know at this point is that in the first form money is in the middle, and in the second form the commodity is in the middle. The category of mediation does not exist if one looks at it merely as a process of circulation. It anticipates—and can be viewed as a transition to—the next big step in Marx’s argument, where Marx concludes from the form in circulation to the motives of the agents performing these circulation acts:
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4.2. [The Motives of the Agents Performing M–C–M]

Marx’s ultimate goal is to explore the relations of production of which \( M - C - M \) are the surface mediations. Marx approaches this goal slowly and deliberately. Until now, Marx has looked at \( M - C - M \) and \( C - M - C \) as phenomena in the sphere of circulation. Now he looks at these circulation acts from the point of view of the main agents, the one who both purchases and sells. What does this agent do, and why does he or she do it? After this, in a third step, Marx will look at the social relations which make these individual activities possible and at the same time are sustained by them.

4.2.a. [Difference between Spending and Advancing]

\( \Downarrow \) We already know the motives of the agents performing \( C - M - C \). Marx uses the differences between \( C - M - C \) and \( M - C - M \) to make the transition to the motives of the agents performing \( M - C - M \). He focuses on the difference that in the first process, money is in the middle, while in the second, money constitutes the end points. In \( C - M - C \), the main agent purchases a commodity in order to consume it, i.e., the money is definitely spent, while in
4.2. [The Motives of the Agents Performing M–C–M]

$M - C - M$, the main agent releases the money with the intention to get it back.

249:2 In the circulation $C - M - C$, money is in the end converted into a commodity which serves as a use-value; it has therefore been spent once and for all. In the inverted form $M - C - M$, on the contrary, the buyer lays out money in order that, as a seller, he may recover money. By his purchase of a commodity he throws money into circulation, in order to withdraw it again by the sale of the same commodity. He releases the money, but only with the cunning intention of getting it back again.

\[\downarrow\] These two types of spending money have different names:

The money therefore is not spent, it is merely advanced.\(^3\)

163:3 In der Zirkulation $W - G - W$ wird das Geld schließlich in Ware verwandelt, die als Gebrauchswert dient. Das Geld ist also definitiv ausgegeben. In der umgekehrten Form $G - W - G$ gibt der Käufer dagegen Geld aus, um als Verkäufer Geld einzunehmen. Er wirft beim Kauf der Ware Geld in die Zirkulation, um es ihr wieder zu entziehn durch den Verkauf derselben Ware. Er entläßt das Geld nur mit der hinterlistigen Absicht, seiner wieder habhaft zu werden.

\(^3\) ‘When a thing is bought in order to be sold

\(^3\) „Wenn ein Ding gekauft wird, um wieder ver-
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again, the sum employed is called money advanced; when it is bought not to be sold, it may be said to be expended’ (James Steuart, Works, etc., edited by General Sir James Steuart, his son, London, 1805, Vol. 1, p. 274).

The fact that language has reserved two different words for the act $M - C$, according to whether it is part of $C - M - C$ or $M - C - M$, makes it easier to make the inference the form of circulation to individual motivations. All Marx has to do is look at what these two words mean. The existence of these two words is also a nice confirmation for Marx’s method of concluding from the form of circulation to individual motivations.

4.2.b. [The Reflux]

The insight which we gained into the motivations of the transactors allows us to get a better understanding of the circulation process itself:

249:3 In the form $C - M - C$, the same piece of money is displaced twice. The
4.2. [The Motives of the Agents Performing M–C–M]

The seller gets it from the buyer and pays it away to another seller. The whole process, which begins with the receipt of money in return for commodities, comes to an end with the relinquishing of money in return for commodities. In the form \( M - C - M \) this process is inverted. Here it is not the piece of money which is displaced twice, but the commodity. The buyer takes it from the hands of the seller and passes it into the hands of another buyer. Whilst in the simple circulation of commodities the twofold displacement of the same piece of money effects its definitive transfer from one hand into another, here the twofold displacement of the same commodity causes the money to flow back to its initial point of departure.

Verkäufer erhält es vom Käufer und zahlt es weg an einen anderen Verkäufer. Der Gesamtprozeß, der mit der Einnahme von Geld für Ware beginnt, schließt ab mit der Weggabe von Geld für Ware. Umgekehrt in der Form \( G - W - G \). Nicht dasselbe Geldstück wechselt hier zweimal die Stelle, sondern dieselbe Ware. Der Käufer erhält sie aus der Hand des Verkäufers und gibt sie weg in die Hand eines andern Käufers. Wie in der einfachen Warenzirkulation der zweimalige Stellenwechsel desselben Geldstücks sein definitives Übergehn aus einer Hand in die andre bewirkt, so hier der zweimalige Stellenwechsel derselben Ware den Rückfluß des Geldes zu seinem ersten Ausgangspunkt.
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Marx places a lot of emphasis on this reflux; the next two paragraphs give clarifications about it:

- That there is a reflux is not a question of the quantity of the reflux.

- The fact that the money flows back is a “palpable difference,” one which one can see by a mere observation of the circulation phenomena without having to “interpret” the agents.

- In $C - M - C$ there is no reflux, but there can be repetition.

- The reflux allows the person doing $M - C - M$ to continue this process indefinitely.

250:1 This reflux of money to its starting-point does not depend on the commodity’s being sold for more than was paid for it. That only has a bearing on the amount of money which flows back. The phenomenon of reflux itself takes place as soon as the pur-
4.2. [The Motives of the Agents Performing M–C–M]

chased commodity is resold, i.e., as soon as the cycle $M - C - M$ has been traversed in its entirety. This is, therefore, a palpable difference between the circulation of money as capital, and its circulation as mere money.

↑ In this last sentence, Marx refers to the macroeconomic “law of reflux” which played a big role in the monetary economics of his time. [Gre87], in the Palgrave dictionary, says that this law of reflux is a rehabilitation of the real bills doctrine. The reflux is known also today in the aphorism “capitalists get what they spend, and workers spend what they get.” Apparently, Marx takes this reflux as empirical confirmation that the capitalists are indeed engaged in $M - C - M$.

↓ This reflux leads to an important difference which becomes apparent only if one looks at $C - M - C$ and $M - C - M$ as continuous processes. To explain this, Marx reminds us of an aspect of the form $M - C - M$ which he had already discussed in chapter Three, p. 210:1.

250:2 The cycle $C - M - C$ is fully traversed when the money brought in by the
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sale of one commodity is withdrawn again by the purchase of another. If nevertheless a reflux of money to its starting-point occurs, this can happen only through a renewal or repetition of the whole course of the movement. If I sell a quarter of corn for £3, and with this £3 buy clothes, the money, so far as I am concerned, is irreversibly spent. I have nothing more to do with it. It belongs to the clothes merchant. If I now sell a second quarter of corn, money indeed flows back to me—not however as a result of the first transaction, but due to its repetition. The money again leaves me as soon as I complete this second transaction by a fresh purchase. In the cycle $C - M - C$, therefore, there is no connection between the expendi-

4.2. [The Motives of the Agents Performing M–C–M]

In chapter Three, this was Marx’s starting point for the discussion of the flow of money, which is not a circular flow although the metamorphosis of the commodity describes a circle. Here in chapter Four, however, the fact is relevant that this circle dies down after one turnover. This distinguishes it from $M - C - M$, where the circle does not die down:

In $M - C - M$, on the other hand, the very manner in which the money is expended creates the condition for its reflux. Without this reflux, the operation fails, or the process is interrupted and incomplete, since its complementary and final phase, the sale, is missing.

I think “has nothing to do with” (hat nichts damit zu schaffen) is an unfortunate choice of words by Marx. One might say in $M - C - M$ the expenditure of money has nothing to do with its reflux, or the reflux was not facilitated by the expenditure.

Also the word “conditions” (bedingt) is usually seen in a negative way: A conditions $B$ means: A can happen only if $B$ happens. It is positive only in an epistemological view: if we know that A has happened then we can
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conclude that \( B \) has happened. But Marx means it positively in an ontological way: A conditions \( B \) means: A creates the condition for \( B \). This is how I translated it.

4.2.c. [Motives Behind the Entire Processes \( C\text{–}M\text{–}C \) and \( M\text{–}C\text{–}M \)]

After discussing the difference in the role played by money for the agents performing \( C\text{–}M\text{–}C \) and \( M\text{–}C\text{–}M \), Marx investigates now the purposes pursued by the agents in the entire process. Since Marx and his readers live in the same society investigated here, he can draw on the common knowledge about what goes on in the heads of the persons performing \( C\text{–}M\text{–}C \) and \( M\text{–}C\text{–}M \). Marx’s presentation still has the form of a comparison of \( M\text{–}C\text{–}M \) with \( C\text{–}M\text{–}C \).

\[ \downarrow \]

The purposes of the agents performing \( C\text{–}M\text{–}C \) are easy to see:

250:3 The circuit \( C\text{–}M\text{–}C \) issues from the extreme constituted by one commodity, and concludes with the extreme constituted by another commodity, which falls out of circulation and into consumption. Con-

164:3 Der Kreislauf \( W\text{–}G\text{–}W \) geht aus von dem Extrem einer Ware und schließt ab mit dem Extrem einer andren Ware, die aus der Zirkulation heraus und der Konsumtion anheimfällt. Konsumtion, Befriedigung von
4.2. [The Motives of the Agents Performing M–C–M]

The satisfaction of needs, in short use-value, is therefore the final purpose of this circuit.

Marx infers the purposes of $C - M - C$ and $M - C - M$ from comparing the beginning point with the end point—because this tells us the effect of this transaction for the main agent. $C - M - C$ begins with a commodity, and ends with a commodity that has a different use-value. Therefore its purpose must be use-value.

The circuit $M - C - M$, however, issues from the extreme of money and finally returns to that same extreme. Its driving motive and determining purpose is therefore exchange-value itself.

$M - C - M$ goes from money to money. By the same logic as above we can conclude that its purpose is exchange-value. In fact, we know that the purpose of the individual performing $M - C - M$ is to get *more* exchange-value than he previously had. But since we are not looking at quantities right now, but only the qualitative aspect of the movement, we can only say here that the concern of the transactors revolves around the exchange-value,
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not the use-value of the product.

4.3. [The Social Content Behind C–M–C and M–C–M]

Once we know the purposes of the agents, we get a better understanding of what they do, and from this we can make inferences about the social content of their actions. (This social content is not dependent on the purpose themselves, but on what the agents do while pursuing their purposes.)

In the simple circulation of commodities the two extremes have the same economic form. They are both commodities, and commodities of equal value.

The individual motivation is, of course, to get as good a bargain as possible, but since everybody has this goal, the competitive outcome is that on average the commodities which change hands have equal values. The content of the movement therefore does not have to do with value, but with use-value only:

But they are qualitatively different use-
values, as for example corn and clothes. The exchange of products, the metabolism between the various physical objects in which social labor represents itself, constitutes here the content of the movement.

The social function which the agents fulfill while they pursue their private advantage in the commodity exchange is the transfer of the goods from those who produce them to those who use them, see also 726:2. Next Marx looks at the content of $M - C - M$:

It is otherwise in the cycle $M - C - M$. At first sight it seems to lack any content, to be tautological. Both extremes have the same economic form. Instead of being qualitatively different use-values they are both money—precisely the transmuted form of commodities in which their particular use-values are extinguished. To exchange £100 for cotton, and then to exchange this same
cotton again for £100, is merely a round-about way of exchanging money for money, the same for the same, and seems to be an operation as purposeless as it is absurd.\footnote{4}

\[ M - C - M \]
doesn’t seem to have a social content, since the transaction ends up at the same place where it began. What social function can this have? As in several other instances before, we have arrived at an impasse.

Footnote 4 documents how the social benefits (as opposed to the private advantage) of \[ M - C - M \] are discussed in the literature:

\footnote{4} ‘One does not exchange money for money’, exclaims Mercier de la Rivière to the mercantilists [MdlR46, p. 486]. In a work which professes to deal with ‘trade’ and ‘speculation’ there occurs the following: ‘All trade consists in the exchange of things of different kinds; and the advantage’ (to the merchant?) ‘arises out of this difference. To exchange a pound of bread against a
4.3. [The Social Content Behind C–M–C and M–C–M]

Pfund Brot austauschen wäre ohne allen Vorteil ... daher der vorteilhafte Kontrast zwischen Handel und Spiel, welches nur Austausch von Geld gegen Geld ist.“ (Th. Corbet, „An Inquiry into the Causes and Modes of the Wealth of Individuals; or the Principles of Trade and Speculation Explained“, London, 1841, p. 5.) Obgleich Corbet nicht sieht, daß $G - G$, Geld gegen Geld aus- tauschen, die charakteristische Zirkulationsform, nicht nur des Handelskapitals, sondern alles Kapitals ist, gibt er wenigstenstens zu, daß diese Form einer Art des Handels, der Spekulation, mit dem Spiel gemein sei, aber dann kommt MacCulloch und findet, daß Kaufen, um zu verkaufen, Spekulieren ist, und der Unterschied zwischen Spekulation und Handel also wegfällt. „Jedes Geschäft, bei dem eine Person ein Erzeugnis kauft, um es wieder zu verkaufen, ist tatsächlich eine Spekulation.“ (MacCulloch, „A Dictionary, practical etc.
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*Practical etc., of Commerce*, London, 1847, p. 1009. With much more naïveté, Pinto, the Pindar of the Amsterdam Stock Exchange, remarks: ‘Trade is a game’ (this phrase is borrowed from Locke) ‘and nothing can be won from beggars. If one won everything from everybody for long, it would be necessary to give back voluntarily the greater part of the profit in order to begin the game again’ (Pinto, *Traité de la circulation et du crédit*, Amsterdam, 1771, p. 231).

Overall, the conclusions are the same as that drawn by Marx in the main text: $M - C - M$ does not seem to serve a useful social purpose.

4.3.a. [From M–C–M to M–C–M’]

However $M - C - M$ is much too prevalent *not* to have a social content (or to merely have the content of gambling, as suggested in the footnote). In order to resolve this impasse and find this social content, Marx includes the quantity of value into the form. Marx has already
4.3. [The Social Content Behind C–M–C and M–C–M]

remarked in 248:2 that individuals would never engage in $M - C - M$ if they would not get more money back than they spend. These quantitative differences do not cancel each other out but they all go in the same direction, and they must therefore be considered if one is interested in the overall social impact of the activity of the countless capitalists:

One sum of money is distinguishable from another only by its quantity. The process $M - C - M$ therefore owes its content not to any qualitative difference between its extremes, for they are both money, but solely to their quantitative difference. More money is withdrawn from circulation at the end than was thrown into it at the beginning. The cotton originally bought for £100 is for example re-sold at £100 + £10, i.e., £110. The complete form of this process is therefore $M - C - M'$, where $M' = M + \Delta M$, i.e., the original sum advanced plus an increment.

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The phrase “complete form of this process” is presumably short for “complete description of the form of this process.” (The word “complete” is also used in 256:3/o). Earlier in the chapter we have made abstraction of the quantities involved, in order to see the characteristic activities of the agents performing these circulation acts. But now we discover that we cannot keep the quantity separate from the qualitative aspects of the form if we want to uncover the social relations which make these circulation acts possible and necessary. The abstraction from quantities, which served us well earlier, has become a hindrance at the present stage of the investigation.

In his second attempt below, Marx will therefore search for the social content behind \( M - C - M' \), not \( M - C - M \). Before doing this, Marx gives the difference between \( M \) and \( M' \) its own name:

This increment or excess over the original value I call—surplus-value.

Dieses Inkrement oder den Überschüß über den ursprünglichen Wert nenne ich—Mehrwert (surplus-value).

Again, the existence of a name for this quantitative difference is confirmation that this
quantitative difference is here an essential difference. ↓ The full description of the circulation of capital is therefore:

The value originally advanced, therefore, not only remains intact while in circulation, but it increases its magnitude, adds to itself a surplus-value, or is valorized. And this movement converts this value into capital.

⇓ If we need to look at the quantities in order to understand the social content of $M - C - M'$, does this mean we should also look at the quantities involved in $C - M - C$? The next paragraph explains why this is not necessary:

252:1 Of course, it is also possible that in $C - M - C$ the two extremes $C$ and $C$, say corn and clothes, may represent quantitatively different magnitudes of value. The peasant may sell his corn above its value, or may buy the clothes at less than their value. He may, on the other hand, be cheated by
the clothes merchant. Yet, for this particular form of circulation, such differences in value are purely accidental. The fact that the corn and the clothes are equivalents does not deprive the process of all sense and meaning, as it does in \( M - C - M \). The equality of their values is rather the condition under which it can take its normal course.

\[ G \rightarrow W \rightarrow G \]  
\[ Korn \]  
\[ Kleider \]  
\[ \mathrm{z.B., \ Äquivalente \ sind.} \]  
\[ \mathrm{Ihr \ Gleichwert \ ist \ hier \ vielmehr \ Bedingung \ des \ normalen \ Verlaufs.} \]

Although it is possible that the values of the two extremes in \( C - M - C \) have different magnitudes, this would be only an accident, an irregularity. There is no need to introduce quantitative differences into the form \( C - M - C \) in order to understand its social content.

\[ \uparrow \]

4.3.b. [\( C - M - C \) and \( M - C - M' \) as Ongoing Processes]

After revisiting the form in the sphere of circulation order to introduce the quantitative dimension into it, Marx investigates once more the purposes of the agents, and the social content behind both \( C - M - C \) and \( M - C - M' \). But Marx makes one additional change
compared with his first attempt: he looks at these processes not as one-time processes but as repeated processes. And since he brought the quantity in, he is not only interested in the quality of the content driving these processes but also in its measure.

The repetition or renewal of the process of selling in order to buy finds its measure and its goal (as does the process itself) in a final purpose which lies outside it, namely consumption, the satisfaction of certain specific needs.

The repetition of $C - M - C$ does not alter the conclusion already obtained in 250:4/oo. It finds its measure in the satisfaction of the needs, which are themselves regenerated over time. But $M - C - M'$ has only itself as measure and is therefore insatiable.

In buying in order to sell, by contrast, the end and the beginning are the same, money or exchange-value. Already because of this, the movement is endless.

Marx says here “endless” (*endlos*), not yet “insatiable” (*maßlos*). The movement is
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endless because beginning and end point coincide. This is a condition for the insatiability of capital, which will be developed later. After saying that beginning and end are the same, Marx says in the next sentence that there is a difference after all:

Certainly, \( M \) has become \( M + \Delta M \), £100 turned into £100 + £10. But, considered qualitatively, £110 is the same as £100, namely money; while, from the quantitative point of view, £110 is, like £100, a sum of definite and limited value.

This passage emphasizes that the difference between \( M \) and \( M' \) is slight. Both have the same quality, they are money, and quantitatively both are limited—this is a brief allusion to the curse of money which will be made more explicit in the third sentence after this. \( M' \) is not really different from \( M \) and therefore must also do the same thing as \( M \), namely, re-enter the process. Marx argues this by ruling out possible alternative uses of this additional money:

If the £110 were spent as money they would fall out of character, they would cease to be money; while, from the quantitative point of view, £110 is, like £100, a sum of definite and limited value.
4.3. [The Social Content Behind C–M–C and M–C–M]

capital. Withdrawn from circulation, they petrify into a hoard, and even if they were to endure in this position until the Last Judgement, not a single farthing would accrue to them.

Marx has therefore ruled out two possible uses of $M'$, either spending it, or hoarding it miser-like as in 231:1. In the first alternative, money leaves the circuit $M - C - M'$ and enters $C - M - C$, and in the second it is unable to achieve any further increments $M'$ after the original $M - C - M'$.

As long as, therefore, valorization of value is the purpose, £110 have the same need for valorization as £100. Both are bounded expressions of exchange-value, and therefore both have the same calling, to approach, by quantitative expansion, as near as possible to absolute wealth.

Kapital zu sein. Der Zirkulation entzogen, versteinern sie zum Schatz, und kein Farthing wächst ihnen an, ob sie bis zum Jüngsten Tage fortlagern.

† There is therefore no other possibility left than re-entering the circuit.

Handelt es sich also einmal um Verwertung des Werts, so besteht dasselbe Bedürfnis für die Verwertung von 110 Pfd.St. wie für die von 100 Pfd.St., da beide beschränkte Ausdrücke des Tauschwerths sind, beide also denselben Beruf haben, sich dem Reichstum schlechthin durch Größenausdehnung
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anzunähern.

Marx generally distinguishes between “bounded” and “limited.” A “bound” or “barrier” (Schranke) is a restriction imposed from outside, while a “limit” (Grenze) is inherent. In the present case he calls the quantity of $M$ a “bound” which needs to be overcome.

4.3.c. [Digression: The Curse of Money]

This last paragraph contained a very brief introduction of what we are calling here, in these Annotations, the “curse of money,” namely, the need for self-expansion which is implied in the nature of money. The same mechanism was also mentioned briefly in chapter Three, 230:1/oo, during the discussion of the miser. Since this is an important subject I will bring here a passage from Grundrisse, 269:2/oo, where Marx discusses this in more detail.

First Marx’s argument is very similar to the argument given here in chapter Four of Capital, in the first sentence of 250:4/oo:

Wir haben schon gesehn beim Geld, wie der als solches verselbständigte Wert—oder die allgemeine Form des Reichtums—keiner
4.3. [The Social Content Behind C–M–C and M–C–M]

Wealth—is capable of no other motion than a quantitative one; to increase itself.

But then Marx goes on to explain that besides being the only possibility, this quantitative expansion is also a necessity rooted in the money form:

According to its concept, money is the quintessence of all use-values; but since it is always only a given amount of money (here, capital), its quantitative limitation stands in contradiction to its quality. The constant drive beyond its own limitation is therefore inherent in its nature.

In other words: qualitatively, money gives access to all use-values, i.e., qualitatively it is universal. This qualitative universality comes in conflict with its quantitative boundedness, since money always only exists as a limited sum of money. This conflict tries to come to a resolution by quantitative expansion. The drive for quantitative expansion belongs therefore to the nature of money. This is often not recognized. A few sentences after the above quotes, in the same long paragraph in Grundrisse, Marx writes:
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It is damned difficult for Messrs the economists to make the theoretical transition from the self-preservation of capital to its multiplication, not merely as a contingent feature or a result, but belonging its fundamental character.

There is evidence that Marx was thinking along the same lines when he wrote *Capital*. Chapter Three, 230:1/o, contains a similar allusion as part of the discussion of the miser, which applies not only to the miser but also to the capitalist. Also the last sentence which we just read, here in chapter Four, namely 252:2/o, gives a shorthand version of the argument. It reads more like a brief allusion to an argument developed elsewhere, than such an argument itself. Marx seems unaware that he never developed this argument in sufficient detail in *Capital*. Marx is writing as if something corresponding to the above *Grundrisse* passage had been included somewhere in *Capital*, while in fact it never was.
4.3. [The Social Content Behind C–M–C and M–C–M]

4.3.d. [The Measure of M–C–M’]

From this discussion of the curse of money it becomes clear that the agents who perform $M - C - M'$ can never get enough—because the increased amount of money suffers from the same contradiction as the original amount: both would be able to buy everything were they not eventually exhausted. Through the never-ending expansion of the magnitude of its value, capital tries to capture the infinite variety of use-values in which value can represent itself.

After arguing that there is no essential difference between $M$ and $M'$ (this is Hegel’s definition of a quantitative difference, it is a difference with nothing to distinguish the differing elements), the next step of the argument is that the receipt of $M'$ automatically puts the capitalist in the position to begin the circle again. This is not the case with $C - M - C$. The second commodity $C$ “falls out of circulation,” and in order to restart the process one has to come up with a new first commodity $C$. In *Grundrisse*, Marx writes that $C - M - C$ is like a fire which can only keep burning if fuel is continually added to it from the outside. $M - C - M'$ might perhaps be compared with a nuclear reactor which generates its own fuel.

The argument starts with the observation that the absence of a difference between $M$ and $M'$ is not just theoretical reflection. Also in the practical turnover, this difference does
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not persist:

For a moment, it is true, the value originally advanced, the £100, distinguishes itself from the surplus-value of £10 added to it during circulation. But in an instant, this distinction dissipates again. At the end of the process, we do not receive on the one hand the original £100, and on the other surplus-value of £10. What emerges is rather a value of £110, which is exactly in the same form, appropriate for commencing the valorization process, as the original £100. At the end of the movement, money re-emerges in order to begin it again.5

5 ‘Capital is divided … into the original cap-


5 „Das Kapital teilt sich … in das ursprüngliche
4.3. [The Social Content Behind C–M–C and M–C–M]

ital and profit—the increment of capital . . . although practice itself immediately lumps this gain together with capital and sets it in motion with it’ (F. Engels, Umrisse zu einer Kritik der Nationalökonomie, in Deutsch-Französische Jahrbücher, edited by Arnold Ruge and Karl Marx, Paris, 1844, p. 99)

Footnote 5 quotes Engels that “practice itself” lumps original capital and profit together and renews the motion. The renewal of the process does not require additional initiative or intervention. It is automatic.

The final result of every single cycle of purchasing for the purpose of consequent sale constitutes therefore, by itself, the starting-point of a new cycle.

The last two sentences of this paragraph take another shot at the transition from the motives of the individuals to the general social content of their activity.

The simple circulation of commodities—selling in order to buy—is a means to a final point of a new cycle.


Das Ende jedes einzelnen Kreislaufs, worin sich der Kauf für den Verkauf vollzieht, bildet daher von selbst den Anfang eines neuen Kreislaufs.

Die einfache Warenzirkulation—der Verkauf für den Kauf—dient zum Mittel für einen au-
goal which lies outside circulation, namely the appropriation of use-values, the satisfaction of needs. As against this, the circulation of money as capital is an end in itself, for the valorization of value takes place only within this constantly renewed movement. The movement of capital is therefore insatiable.  

Fowkes’s “limitless” is not a good translation for “maßlos.” Moore-Aveling’s “has no limits” is a little better.

↑ The last sentence echoes the first sentence of this paragraph, but now with the word insatiable (maßlos) instead of endless. And instead of having no purpose at all, as in 250:4/oo, it now has itself as purpose.  

⇓ Footnote 6 documents that Aristotle had said exactly the same thing:

6 Aristotle contrasts economics with ‘chrematistics’. He starts with economics. So far as it

6 Aristoteles stellt der Chrematistik die Ökonomik entgegen. Er geht von der Ökonomik aus. So-
is the art of acquisition, it is limited to procuring the articles necessary to existence and useful either to a household or the state. ‘True wealth (δ ἀληθινὸς πλοῦτος) consists of such use-values; for the amount of property which is needed for a good life is not unlimited . . . There is, however, a second mode of acquiring things, to which we may by preference and with correctness give the name of chrematics, and in this case there appear to be no limits to riches and property. Trade (“ἡ κατηγορία” is literally retail trade, and Aristotle chooses this form because use-values predominate in it) does not in its nature belong to chrematics, for here the exchange only has reference to what is necessary for (the buyer or the seller) themselves.’ Therefore, as he goes on to show, the original form of trade was barter, but with the extension of the latter there arose the necessity for money. With weit sie Erwerbskunst, beschränkt sie sich auf die Verschaffung der zum Leben notwendigen und für das Haus oder den Staat nützlichen Güter. „Der wahre Reichtum (δ ἀληθινὸς πλοῦτος) besteht aus solchen Gebrauchswerten; denn das zum guten Leben genügende Maß dieser Art von Besitz ist nicht unbegrenzt. Es gibt aber eine zweite Erwerbskunst, die vorzugsweise und mit Recht Chrematistik heißt, infolge deren keine Grenze des Reichtums und Besitzes zu existieren scheint. Der Warenhandel („ἡ κατηγορία“ heißt wörtlich Kramhandel, und Aristoteles nimmt diese Form, weil in ihr der Gebrauchswert vorherrschte) gehört von Natur nicht zur Chrematistik, denn hier bezieht sich der Austausch nur auf das für sie selbst (Käufer und Verkäufer) Nötige.“ Daher, entwickelt er weiter, war auch die ursprüngliche Form des Warenhandels der Tauschhandel, aber mit seiner Ausdehnung entstand notwendig das Geld. Mit der
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the discovery of money, barter of necessity developed into κατηλική, into trading in commodities, and this again, in contradiction with its original tendency, grew into chrematistics, the art of making money. Now chrematistics can be distinguished from economics in that ‘for chrematistics, circulation is the source of riches (ποιητική χρημάτων ... διά χρημάτων μεταβολῆς). And it appears to revolve around money, for money is the beginning and the end of this kind of exchange (τὸ γὰρ νόμισμα στοιχεῖον καὶ πέρας τῆς ἀλλαγῆς ἐστίν). Therefore also riches, such as chrematistics strives for, are unlimited. Just as every art which is not a means to an end, but an end in itself, has no limit to its aims, because it seeks constantly to approach nearer and nearer to that end, while those arts which pursue means to an end are not boundless, since the goal itself imposes a limit on them, so with chrematistics Erfindung des Geldes mußte sich der Tauschhandel notwendig zur κατηλική, zum Warenhandel entwickeln, und dieser, im Widerspruch zu seiner ursprünglichen Tendenz, bildete sich zur Chrematistik aus, zur Kunst, Geld zu machen. Die Chrematistik nun unterscheidet sich von der Ökonomik dadurch, daß „für sie die Zirkulation die Quelle des Reichtums ist (ποιητικὴ χρημάτων ... διά χρημάτων μεταβολῆς). Und um das Geld scheint sie sich zu drehen, denn das Geld ist der Anfang und das Ende dieser Art von Austausch (τὸ γὰρ νόμισμα στοιχεῖον καὶ πέρας τῆς ἀλλαγῆς ἐστίν). Daher ist auch der Reichtum, wie ihn die Chrematistik anstrebt, unbegrenzt. Wie nämlich jede Kunst, der ihr Ziel nicht als Mittel, sondern als letzter Endzweck gilt, unbegrenzt in ihrem Streben ist, denn sie sucht sich ihm stets mehr zu nähern, während die Künste, die nur Mittel zum Zwecke verfolgen, nicht unbegrenzt sind,
4.3. [The Social Content Behind C–M–C and M–C–M]

There are no bounds to its aims, these aims being absolute wealth. Economics, unlike chrematistics, has a limit ... for the object of the former is something different from money, of the latter the augmentation of money ... By confusing these two forms, which overlap each other, some people have been led to look upon the preservation and increase of money *ad infinitum* as the final goal of economics.’ (Aristotle, *De Republica*, edit. Bekker, lib. I, c. 8, 9, passim.)

This is still not a full formulation of the social forces underlying $M - C - M'$. In his earlier attempt in 250:4/oo Marx had come to the conclusion that it cannot have any social purpose at all—but that was before looking at the quantitative differences. With the quantitative differences factored in, the result is that it has itself as purpose. As Marx says in the next paragraph, the purpose is the valorization of value, making more value out of value. On the other hand, due to the backflow of money in $M - C - M'$, those who are engaged in
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$M - C - M'$ remain engaged in it. These are the capitalists. They are motivated to pursue $M - C - M'$, because the curse of money has them under its spell. Marx therefore takes a look at the capitalists, and will only afterwards say more about the social forces for which the capitalists are the instruments.

4.4. [The Capitalist]

Because of the backflow (reflux) discussed above, it is easy for someone who is engaged in $M - C - M$ today to do it again tomorrow. This social form therefore does not define a fleeting character mask like being buyer or seller, see 178:1/o. Everyone in society is sometimes buyer and sometimes seller, but the role of performing $M - C - M$ is permanently attached to the same persons, the capitalists. Marx says this also very clearly in chapter Twenty-Three, p. 711:3/o.

254:1 As the conscious carrier of this movement, the money owner becomes a capitalist. His person, or rather his pocket, is the point from which the money starts, and

167:1/o Als bewusster Träger dieser Bewegung wird der Geldbesitzer Kapitalist. Seine Person, oder vielmehr seine Tasche, ist der Ausgangspunkt und der Rückkehr-
to which it returns. The objective content of
the circulation we have been discussing—
the valorization of value—is his subjective
purpose, and it is only in so far as the appro-
priation of ever more wealth in the abstract
is the sole driving force behind his opera-
tions that he functions as a capitalist, i.e.,
as a capital personified and endowed with
consciousness and a will. Use-values must
therefore never be treated as the immediate
aim of the capitalist;⁷ nor must the profit on
any single transaction. His aim is rather the
unceasing movement of profit-making.⁸

The formulation “only in so far as the appropriation of ever more wealth in the abstract is
the sole driving force” indicates that the economic category “capitalist” does not capture the
full depth of individual agency. And in the Preface to Capital I, 92:1, Marx concedes that it
is a limited view of the individuals to define them only by their economic roles.
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The two footnotes emphasize once more: the purpose of capital is not *use-value*, and also not *one-time profit*.

7 ‘Commodities’ (here used in the sense of use-values) ‘are not the terminating object of the trading capitalist, money is his terminating object.’ [Cha32, pp. 165–6]

8 ‘Though the merchant does not count the profit he has just made as nothing, he nevertheless always has his eye on his future profit’ [Gen03, vol. 8, p. 139]

In order to gain a correct perspective on this brief introduction of the capitalist note also that Marx characterizes here only what *makes* a capitalist (and capitalists were frugal only in the early times); *being* a capitalist implies more, just as the function of measure of value makes money what it is, but once this function has been attached to a specific use-value, many additional functions accrue to it. In money, it was the coalescence, by social custom, of a value form with a specific use-value which generated these new determinations; in the case of a capitalist it is the coming together of individual willful activity, driven by the “curse of money,” with a social determination. ⏤ The following comparison between capitalist and
miser indicates that the capitalist is driven by the “curse of money.”

This boundless drive for enrichment, this passionate chase after value,\(^9\) is common to the capitalist and the miser; but while the miser is merely a clumsy capitalist, the capitalist is the rational miser. The ceaseless augmentation of value, which the miser seeks to attain by saving his money from circulation,\(^{10}\) is achieved by the more cunning capitalist by means of throwing his money again and again into circulation.\(^{10a}\)

Later, in 739:1, Marx points out another difference: the capitalist represents a social force, while in the miser the curse of money shows itself as an individual mania.

Marx compares here the capitalist with the miser. With the miser it is obvious that he is a victim who got stuck in the contradiction between real wealth and its social representation in money. With the capitalist this is less obvious, since he is more successful than the miser. But
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for instance in *Results*, 988:1/oo, Marx emphasizes how much the capitalist is impoverished and enslaved by the social relation that seems to serve him so well:

The self-valorization of capital—the creation of surplus-value—is therefore the determining, dominating, and overarching purpose of the capitalist; it is the absolute motive and content of his activity. And in fact it is no more than the rationalized motive and aim of the miser—a highly impoverished and abstract content which makes the capitalist appear, from a different side, just as enslaved by the relations of capitalism, even if it is from the other side, on the opposite pole, as the worker.

The difference between capitalist and laborer is described here as follows:

What we are confronted by here is the *process of alienation* of his own labor. The


Es ist der *Entfremdungsprozeß* seiner eigenen Arbeit. Insofern steht hier der Arbei-
worker stands on a higher plane than the capitalist from the outset, to the extent that the latter has his roots in the process of alienation and finds his absolute satisfaction in it, whereas right from the start the worker is a victim who confronts it as a rebel and experiences it as a process of enslavement.

Objectively, capitalists are just as enslaved as the workers by the impoverished and abstract drive of self-valorization of capital. What distinguishes the workers and raises them to a higher level is that they experience their objective enslavement as enslavement, while the capitalists find subjective satisfaction in it.

According to footnote 9, the classical economists knew that the capitalists, like misers, were driven by money, not by use-values. But the economists quickly forgot this again when confronted with the consequences of this drive (overproduction):

9 ‘The inextinguishable passion for gain, the “accursed hunger for gold,” will always lead capitalists.’ (MacCulloch, *The Principles of Polit.*

9 „Die unauslöschliche Leidenschaft für den Gewinn, die auri sacra fames bestimmt stets den Kapitalisten.“ (MacCulloch, „The Principles of
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This insight does not, of course, prevent the same MacCulloch and his associates, when they are in theoretical difficulties, as for instance in the treatment of over-production, from transforming the same capitalist into a good citizen whose sole concern is for use-values, and who even develops an insatiable hunger for boots, hats, eggs, calico, and other such mundane every-day use-values.

In the comparison capitalist—miser, Marx used the word “to save” in two meanings. Although Marx wrote in German, he was aware of this English pun. He mentions it in footnote 10.

Footnote 10a gives an interesting philosophical commentary:

10 “Σωζεῖν” is a characteristic Greek expression for hoarding. So in English the word “TO SAVE” means both “to rescue” and “to save money.”
4.5. [Capital as Self-Expanding Value]

Animated with the will of the capitalist, $M - C - M'$ becomes a powerful process in which value, as subject, expands itself. These are the relations of production of which the capitalists are only the unconscious executors. The remainder of chapter Four is devoted to their description:

10a ‘Things possess an infinite quality when moving in a circle which they lack when advancing in a straight line’ [Gal03, p. 156]

10a „Das Unendliche, das die Dinge im Fortschreiten nicht haben, haben sie im Kreislauf.“ [Gal03, p. 156]

The social function of the capitalist is described in *Capital*, 738:2–741:1.

As to what being a capitalist implies see the following quote from *Capital II*, chapter Two, p. 149:1: “(T)he purpose of the whole process, enrichment (the production of surplus-value) does not by any means exclude increasing consumption on the part of the capitalist as his surplus-value (and hence his capital) increases; on the contrary, it emphatically includes it.”
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4.5.a. [Capital as Value in Motion]

In $C - M - C$, value gains an independent form, but it stays in this form only for an instant:

255:1 The independent form, i.e., the monetary form, taken by the value of commodities in simple circulation, merely mediates the exchange of commodities, and vanishes again in the final result of the movement.

By contrast, $M$, the independent form of value, remains present at the end of $M - C - M$. In the circulation $M - C - M$, however, both money and commodity function as only two different modes of existence of value itself—the money as its general and the commodity as its particular or, so to speak, disguised mode of existence.\footnote{But Marx says more. The whole movement has become a movement of value, in which the independent form of value is only one phase. Say formulated this very succinctly:}

\[ \]
‘It is not the material which forms capital, but the value of that material’ (J. B. Say, *Traité d’Économie Politique*, 3rd edn, Paris, 1817, Vol. 2, p. 429).

In its movement through these phases, capital maintains its identity:

It is continually changing from one form into the other, without losing itself in this movement; it thus transforms itself into an automatic subject.

What is remarkable about capital is not that it undergoes changes. Everything in the world changes. What is peculiar about capital is that it maintains its identity through these changes. If an elementary particle decays, it no longer exists but something else took its place. If capital changes from the money form to the commodity form, it still consists of the same value. This value changed its form but maintains its identity through these changes. The form change of value between commodity and money can be seen in analogy to the biological metabolism every living organism must go through. (And maintaining identity with oneself is a nontrivial issue for biological organisms, as the many auto-immunity disorders...
4. General Formula of Capital

Since capital maintains its identity through the process it is going through, Marx calls it a subject. The movement of capital becomes the action of that which persists through this movement. See [Pos96, p. 269] and also [Alb95]. However it is not a deliberate, conscious, but an automatic action. In the next sentence, Marx talks about the “life” of capital. This is an appropriate metaphor, as long as one keeps in mind that it is not a conscious life but has a “circular” course.

If one fixes the specific forms of appearance assumed in turn by self-valorizing value in the circular course of its life, one arrives at the explanations: capital is money, capital is commodities.\(^\text{12}\)

Macleod’s *The Theory and Practice of Banking* is critiqued much more thoroughly in footnote * to 375:1/o in *Contribution*. This theory-critical remark serves only as a point of entry for Marx’s own description of the process as a whole:

In truth, however, value is here the subject of a process in which, while constantly alternating between the forms of money and commodities, it changes its own magnitude, repels itself as surplus-value from itself as original value, and thus valorizes itself. The movement in the course of which it adds surplus-value is its own movement, its valorization is therefore self-valorization. It has acquired the occult ability to add value to itself, by virtue of being value. It brings forth living offspring, or at least lays golden eggs.
4. General Formula of Capital

Capital is not money or commodity but value as subject. Valorization is its own movement, not something which is done with it.

This concludes the description of the development of capital out of money, so to say, of the birth of capital. The next paragraph describes the relationship of capital with its logical parent, money:

4.5.b. [Money: Point of Reference in the Movement of Capital]

255:2/o As the overarching subject of such a process, in which it alternately assumes and discards the forms of money and commodities, but preserves and expands itself through all these changes, value is above all in need of an independent form by means of which its identity with itself is asserted. Only in the shape of money does it possess this form. Money is therefore the

169:1 Als das übergreifende Subjekt eines solchen Prozesses, worin er Geldform und Warenform bald annimmt, bald abstreift, sich aber in diesem Wechsel erhält und ausreckt, bedarf der Wert vor allem einer selbständigen Form, worin seine Identität mit sich selbst konstatiert wird. Und diese Form besitzt er nur im Gelde. Dies bildet daher Ausgangspunkt und Schlußpunkt jedes Verwertungs-
starting point and the conclusion of every valorization process. It was £100, and now it is £110, etc.

In order to define a metabolism, a fixed point is necessary, which defines the identity in this turnover of materials. (This is one of the many examples that everything contains its opposite: metabolism, i.e., change of materials, cannot be conceived without the identity of the changing subject!) This fixed point is money. Here we have the explanation of the fact which had been the starting point of chapter Four. Money is the “first” form of capital because it is the form which represents the unity of the process.

But the money itself counts here only as one of the two forms of value. Unless it takes the form of some commodity, money does not
4. General Formula of Capital

become capital. Money does not polemize here against commodities, as in hoarding. The capitalist knows that all commodities, however tattered their looks, or however foul their smell, are by faith and in truth money, are deep inside circumcised Jews, and in addition are miraculous means for making more money out of money.

The foul smell of the commodities is an allusion to the proverb that money does not smell, which Marx uses in 205:1.

“Miraculous means”: the capitalist often does not know why the process he is going through results in more money.
4.5. [Capital as Self-Expanding Value]

4.5.c. [Capital as Self-Referencing Value]

With money as point of reference and comparison, self-expanding value is no longer only a relation between commodities, but enters a relation to itself.

The self-activity of capital goes even further. Capital is not only an automatic subject; it is a subject which has a relation to itself (value for itself). Value no longer relates commodities, and in the final analysis commodity producers, to each other, but enters a relation to itself.

256:1 In simple circulation, the highest achievement of the value of the commodities was to attain a form independent of their use-values, namely, the form of money. By contrast, in the circulation $M - C - M$, value suddenly presents itself as a self-moving substance, which passes through a process of its own, and for which commodities and money are both mere forms. Even more: instead of simply representing the relations of commodities, value now enters into a pri-
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This self-referencing aspect of the profit criterion gives stability to capital accumulation. Capital stays its course and pulls the other spheres of society along. There are no similar mechanisms monitoring whether a democracy is democratic enough, etc.

By way of a summary, Marx gives a definition of capital which does not start with circulation but with value. Capital is value which begets more value. The necessity to self-
expand, to beget more value, is the ultimate form of the law of value!

Value therefore now becomes value in process, money in process and, as such, capital. It comes out of circulation, enters into it again, preserves and multiplies itself within circulation, emerges from it with an increased size, and starts the same cycle again and again.¹³

The chapter began with the one-sentence paragraph that the circulation of commodities is the point of departure for capital. The sentence which we just read says what capital does after this point of departure.

\[ M - M' \], ‘money which begets money’, such is the description of capital given by its first interpreters, the mercantilists.

\[ G - G' \], geldheckendes Geld—money which begets money—lautet die Beschreibung des Kapitals im Munde seiner ersten Dolmetscher, der Merkantilisten.

The word “interpreter” (in German “Dolmetscher”) does not mean someone who gives an interpretation, but someone who translates from one language into another, here, from
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the commodity language into the human language.


"Kapital ... permanenter sich vervielfältigender Wert." (Sismondi, "Nouveaux Principes d’Écon. Polit.“, t. 1, p. 89.)

The mercantilist phrase “money which begets money” is testimony that the mercantilists have understood something about capital, despite their confusion of value with its independent form.

4.5.d. [M–C–M‘ and Other Forms of Capital]

The last two paragraphs of the chapter lead from this most general definition of capital back to $M - C - M'$. $M - C - M'$ is not only the form of merchant capital; it is the *general* form of capital as long as we look at it only in *circulation*:

256:3/o It may seem that buying in order to sell (or, to give a more complete description, buying in order to sell dearer, $M - C - M'$), is the form peculiar to only one kind of capital, namely, merchant capital. But

170:2 Kaufen, um zu verkaufen, oder vollständiger, kaufen, um teurer zu verkaufen, $G - W - G'$, scheint zwar nur einer Art des Kapitals, dem Kaufmannskapital, eigentümliche Form. Aber auch das industrielle Kapi-
also industrial capital is money which has been changed into commodities, and reconverted into more money by the sale of these commodities. Events which take place outside the sphere of circulation, in the interval between buying and selling, do not affect the form of this movement. Lastly, in the case of interest-bearing capital, the circulation $M - C - M'$ presents itself in abridged form, in its final result and without any intermediate stage, in a concise style, so to speak, as $M - M'$, i.e., money which is worth more money, value which is greater than itself.

The formula $M - C - M'$ is therefore not just the form of circulation of mercantile capital but the general formula of capital, as the title of the chapter says.

257:1 $M - C - M'$ is therefore in fact the general formula of capital, as the title of the chapter says.

170:3 In der Tat also ist $G - W - G'$ die...
4. General Formula of Capital

general formula of capital, as it immediately appears in the sphere of circulation.

↑ This is the “immediate” appearance of capital in circulation because it does not show the mediations which make this circuit possible. In the next chapter Marx will show that capital can only beget surplus-value if it does not stay in circulation but spends part of its life outside circulation.
Chapter Four inferred, from the form \( M - C - M' \), that the purpose of capital must be to turn value into more value. But we do not yet know how capital does this. We began with the general empirical observation that \( M - C - M' \) is being performed, and inferred the motivations of the agents and the underlying social content of this movement. It was an almost hypothetical argument of the kind: we see that \( M - C - M' \) is happening, and assuming that we can trust our eyes and this is what is indeed happening, what are the purposes of the agents and their social roles in doing this? To use a term from Critical Realism, it was a big second-order conclusion. Chapter Five continues on this hypothetical
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level, but this time with a conflicting result. Namely, chapter Five shows that $M - C - M'$ seems impossible—unless some conditions are satisfied which one would not expect to encounter because they are so contradictory. The resolution will be given in chapter Six. Chapter Six shows the existence of a mechanism which generates exactly these contradictory conditions.

258:1 The form of circulation within which money is transformed into capital contradicts all the previously developed laws bearing on the nature of commodities, value, money and of circulation itself.

170:4 Die Zirkulationsform, worin sich das Geld zum Kapital entpuppt, widerspricht allen früher entwickelten Gesetzen über die Natur der Ware, des Werts, des Geldes und der Zirkulation selbst.

The Moore-Aveling formulation “is opposed to all the laws” is misleading: one might think it means that a capitalist must cheat or otherwise break the laws of circulation. Fowkes has “contradicts” which is better since it has more the connotation of an internal contradiction.

The only thing that distinguishes this form from the simple circulation of commodities is the inverted order in which the same two

Was sie von der einfachen Warenzirkulation unterscheidet, ist die umgekehrte Reihenfolge derselben zwei entgegengesetzten Prozes-
opposite processes, sale and purchase, take place. How should such a purely formal difference be able to magically change the nature of these processes?

It is ok to translate the first “unterscheidet” with “distinguishes,” but “Unterschied” is, in the above translation, not translated with “distinction” but with “difference.” Here is why. “Distinguishes” means: this is a difference which allows us to tell them apart, i.e., distinguish them. But the noun “distinction” is the act of distinguishing, maybe the German counterpart would be “Unterscheidung.” The German “Unterschied,” on the other hand, is not the distinction made by the observer but a difference in the object. Translating “Unterschied” with “distinction” introduces the epistemic fallacy.

This chapter gives a critical reassessment of the results of the preceding chapter. Marx throws doubt on his earlier findings with two questions.

1. How can it be that a simple change in form, a merely inverted order of two actions, can make such a radical difference?
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2. Besides it being a mere change in form, this change moreover seems to be only subjective, it exists only for the capitalist. His business partners cannot tell whether he is engaged in $M-C-M$ or $C-M-C$:

258:2/o But that is not all. This inversion has no existence for two of the three persons transacting business with each other.


Only the capitalist $K$ knows that he first buys from $A$ and then sells to $B$. $A$ or $B$ neither know nor do they care. To show this, Marx argues: if the capitalist $K$ were to switch from $M-C-M$ to $C-M-C$, i.e., if $K$ were to first sell to $B$ and then buy from $A$, neither $A$ nor $B$ would be able to see a difference.

As a capitalist, I buy commodities from $A$ and sell them again to $B$, but as a simple owner of commodities I sell commodities to $B$ and then purchase further commodities from $A$. For $A$ and $B$ this difference does not exist. They step forth only as buyers or sellers of commodities. I myself con-
front them each time as a mere owner of either money or commodities, as a buyer or a seller. Whether I do $M - C - M$ or $C - M - C$, I confront $A$ only as a buyer and $B$ only as a seller, I confront the one only as money, the other only as commodities, but neither of them as capital or a capitalist or a representative of anything more than money or commodities, or of anything which might produce any effect beyond that produced by money or commodities.

Neither $A$ nor $B$ know that the capitalist $K$ is trying to act as a capitalist instead of a simple commodity owner, and therefore $K$ will get no different treatment from them than any other commodity owner. Finally, the connection between purchase and subsequent sale exists only for the capitalist, not for anybody else:

For me the purchase from $A$ and the sale to $B$ are part of a sequence. But the connection
5. Contradictions of $M\!-\!C\!-\!M$

between these two acts exists only for me. $A$ does not trouble himself about my transaction with $B$, nor does $B$ about my business with $A$.

$\uparrow$ In other words, the inversion from $C - M - C$ to $M - C - M$ does not remove the capitalist from simple circulation. $\downarrow$ This is all Marx needs to show, but Marx cannot resist giving a comical ending to his counterfactual situation. He imagines now that $K$, in such a situation, implores $A$ and $B$ to please treat him as a capitalist, but instead of gaining respect and recognition from $A$ and $B$, they first pretend not to understand what $K$ is talking about, and if $K$ insists, he is kicked off the stage unceremoniously, and $A$ starts selling directly to $B$.

And if I offered to explain to them the meritorious nature of my inversion of the order of sale and purchase, they would probably point out to me that I was mistaken as to that order, and that the whole transaction, instead of beginning with a purchase and end-

Wollte ich ihnen etwa das besondere Verdienst klarmachen, das ich mir durch die Umkehrung der Reihenfolge erwerbe, so würden sie mir beweisen, daß ich mich in der Reihenfolge selbst irre und daß die Gesamttransaktion nicht mit einem Kauf begann und ei-
ing with a sale, began, on the contrary, with a sale and was concluded with a purchase. In truth, my first act, the purchase, was from the standpoint of A a sale, and my second act, the sale, was from the standpoint of B a purchase. Not content with that, A and B would declare that the whole series was superfluous and nothing but hocus-pocus; that for the future A would buy direct from B, and B sell direct to A. With this the whole transaction would shrink down to a single, one-sided phase of the ordinary circulation of commodities, a mere sale from A’s point of view, and from B’s, a mere purchase.

In other words, the capitalist’s individual point of view seems to have little chance of gaining social recognition. A similar issue came up in the third formulation of the contradiction of the direct exchange in 180:2, where the producer of widgets considers widgets as
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the general equivalent, but cannot convince others to use widgets as general equivalent as well, because every producer treats his own product as such.

 Serious again, Marx takes stock: obviously, the inversion from $C-M-C$ to $M-C-M$ does not take us outside of simple commodity circulation. Therefore the next question must be: is there any way to make profits in simple circulation?

Thus the inversion of the order of succession does not take us outside the sphere of the simple circulation of commodities, and we must rather look to see whether this simple circulation, by its nature, might permit the valorization of the values entering into it and consequently the formation of surplus-value.

Wir sind also durch die Umkehrung der Reihenfolge nicht über die Sphäre der einfachen Warenzirkulation hinausgekommen und müssen vielmehr zusehn, ob sie ihrer Natur nach Verwertung der in sie eingehenden Werte und daher Bildung von Mehrwert gestattet.

Marx’s formulation “we must rather look to see” is a variation of the usual announcement “let us look at it more closely” whenever Marx takes a step back in order to question his own argument. Since the formula $M-C-M$ does not go beyond circulation, and since there is no obvious way to generate surplus-value in circulation, Marx is going to look systemati-
Marx first asks whether surplus-value can be generated in circulation if equivalents are exchanged, then he looks at the exchange of non-equivalents, then he asks whether individual differences between the exchanger could lead to profits. In all these cases, the answer is “no,” this cannot be the mechanism generating the profits which we see in capitalism.

First step: Can surplus-value be created in circulation if prices are equal to values? In order to avoid the complications brought into this question by money, Marx first looks at a situation in which commodity is exchanged against commodity, and money is used only afterwards in order to settle the balances—and he looks at a situation in which those balances happen to be zero, so that money, physically, does not change hands at all:
5. Contradictions of M–C–M

259:1/o Let us take the process of circulation in a form in which it looks like a simple barter of commodities. Circulation presents itself in the form of simple barter whenever two owners of commodities buy from each other, and on the date of settlement the amounts they owe to each other balance out equally. Money serves here as money of account, and expresses the values of the commodities in their prices, but does not itself confront the commodities as a thing.

↑ Such a transaction may have many advantages for the trading partners, but is the creation of surplus-value one of these advantages? ↓ Marx looks at the advantages in turn. First advantage: both exchangers may gain in terms of use-value:

In so far as use-values are concerned, it is clear that both parties may gain. Both of them part with commodities which are of no
service to them as use-values, and receive others they need to use.

Second advantage: in the presence of exchange, the producers can be more productive than without exchange, since they can specialize on those things in which they are better. Marx uses here Ricardo’s famous example with corn (England) and wine (Portugal):

And this may not be the only advantage gained. A, who sells wine and buys corn, possibly produces more wine in the same labor-time than B, the corn farmer, could produce, and B, on the other hand, may produce more corn than A, the wine grower, could produce. A may therefore get more corn for the same exchange-value, and B more wine, than each would respectively get without any exchange if they had to produce their own corn and wine. With reference to use-value, it can therefore indeed be

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said that ‘exchange is a transaction by which both sides gain’.\textsuperscript{14}

\textsuperscript{14} ‘Exchange is an admirable transaction by which both sides gain—always (!)’ (Destutt de Tracy, Traité de la volonté et de ses effets, Paris, 1826, p. 68). This same book also appeared under the title Traité d’économie politique.

\uparrow Higher productivity means: more use-value is produced in the same time. Each party trades that commodity which they can produce more efficiently, but in terms of labor-time it is an equal trade. Also this second example illustrates therefore gains in use-value, not gains in value. \downarrow Now Marx looks at exchange-value: there is equality, no advantage:

\textbf{It is otherwise with exchange-value.}

‘A man who has plenty of wine and no corn treats with a man who has plenty of corn and no wine; an exchange takes place between them of corn to the value of 50, for wine of the same value. This act produces no increase of exchange-value either for the one or the other; “der Austausch eine Transaktion ist, worin beide Seiten gewinnen“\textsuperscript{14}.

\textsuperscript{14} „L’échange est une transaction admirable dans laquelle les deux contractants gagnent—toujours (!).“ (Destutt de Tracy, „Traité de la Volonté et de ses effets“ Paris 1826, p. 68.) Dasselbe Buch erschien auch als „Traité d’Éc. Pol.“

Anders mit dem Tauschwert.

„Ein Mann, der viel Wein und kein Getreide besitzt, handelt mit einem Mann, der viel Getreide und keinen Wein besitzt, und zwischen ihnen wird ausgetauscht Weizen zum Wert von 50 gegen einen Wert von 50 in Wein. Dieser Austausch ist keine Vermehrung des Tauschwerths
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for each of them already possessed, before the exchange, a value equal to that which he acquired by means of that operation.’\textsuperscript{15}

\begin{quote}
\textsuperscript{15} Mercier de la Rivièrè, op. cit., p. 544.
\end{quote}

↑ If commodities are exchanged against commodities without money changing hands at the same time, both sides may gain with respect to use-value, but the values are not increased.

↓ The result will be the same if the commodity is sold for money:

260:1 This situation is not altered when money, as a medium of circulation, steps between the commodities, and when sale and the purchase become two physically distinct acts.\textsuperscript{16}

\begin{quote}
\textsuperscript{16} ‘Whether one of these two values is money, or whether they are both ordinary commodities, is in itself a matter of complete indifference’ (Mercier de la Rivièrè, op. cit., p. 543).
\end{quote}

172:2 Es ändert nichts an der Sache, wenn das Geld als Zirkulationsmittel zwischen die Waren tritt und die Akte des Kaufs und Verkaufs sinnlich auseinanderfallen.\textsuperscript{16}

\begin{quote}
\textsuperscript{16} „Ob einer dieser beiden Werte Geld ist oder beide gewöhnliche Waren sind, nichts kann an sich gleichgültiger sein.“ (Mercier de la Rivièrè, l.c. p. 543.)
\end{quote}
5. Contradictions of M–C–M

Marx defends this claim with an argument of the form: it cannot be otherwise, since money is only an intermediary which only \textit{physically} splits up sale and purchase. This physical presence cannot add anything new.

The next sentence, that value is not determined in circulation but already exists before circulation, is additional corroboration:

The value of a commodity is expressed in its price before it enters into circulation, and is therefore a precondition of circulation, not its result.\footnote{It is not the parties to a contract who decide on the value; that has been decided before the contract’ (Le Trosne, op. cit., p. 906).

But this last sentence is also the opening for quite abstract positive argument in which Marx scrutinizes his earlier abstract analysis of \( C - M - C \) (from chapter Three) to see if there is an opening for the creation of surplus-value in circulation:

\textbf{260:2/o If considered in the abstract, i.e. disregarding any circumstances that do not}
flow from the immanent laws of simple commodity circulation, all that happens in exchange (if we leave aside the replacement of one use-value by another) is a metamorphosis, a mere change in the form of the commodity.

Two things are going on in the circulation process if one disregards all other mechanisms: replacement of one use-value by another, and a form change of the commodity. Marx concentrates now on the latter.

The same value, i.e. the same quantity of objectified social labor, remains throughout in the hands of the same commodity-owner, first in the shape of his own commodity, then in the shape of the money into which the commodity has been transformed, and finally in the shape of the commodity into which this money has been re-converted.
This change of form does not imply any change in the magnitude of the value. But the change which the value of the commodity undergoes in this process is limited to a change in its money-form. This form exists first as the price of the commodity offered for sale, then as an actual sum of money, which was, however, already expressed in the price, and lastly as the price of an equivalent commodity. This change of form no more implies, taken alone, a change in the quantity of value than does the changing of a £5 note into sovereigns, half-sovereigns and shillings.

If you “make change,” i.e., exchange dollar bills for smaller bills or coins, you don’t think you have different money now. It is the same money in a different form. Now if you buy something with your money you of course no longer have the same money, but you still have
the same value, just in a different form. This form change does not affect the quantity of your value.

As long as the circulation of commodities is nothing but the vehicle for the form change of its value, it involves therefore, if the phenomenon occurs in its purity, the exchange of equivalents.

(↑ Note that this is a very conditional conclusion: so far as circulation is a change of form only, it does not generate changes in the magnitude of value.) ↓ Even the vulgar economists impose such a condition whenever they assume away imbalances between demand and supply:

Even the vulgar economists, who have no inkling of the nature of value, assume therefore that supply and demand are equal, i.e. that supply and demand cease to have any effect at all, whenever they wish to consider, after their fashion, the phenomenon in its

Sofern also die Zirkulation der Ware nur einen Formwechsel ihres Werts bedingt, bedingt sie, wenn das Phänomen rein vorgeht, Austausch von Äquivalenten.

Die Vulgärökonomie selbst, so wenig sie ahnt, was der Wert ist, unterstellt daher, sooft sie in ihrer Art das Phänomen rein betrachten will, daß Nachfrage und Zufuhr sich decken, d.h., daß ihre Wirkung überhaupt aufhört.
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purity.

The lesson to be drawn from this abstract argument is that circulation cannot be the source of value.

With respect to the use-values exchanged, therefore, both buyer and seller may possibly gain something, but this is not the case with respect to exchange-values. Here we must rather say: ‘Where there is equality there is no gain.’\(^{18}\) It is true that commodities may be sold at prices which diverge from their values, but this divergence appears as a violation of the laws governing the exchange of commodities.\(^{19}\) In its pure form, the exchange of commodities is an exchange of equivalents, and thus it is not a method of increasing value.\(^{20}\)

Wenn also mit Bezug auf den Gebrauchswert beide Austauscher gewinnen können, können sie nicht beide gewinnen an Tauschwert. Hier heißt es vielmehr: „Wo Gleichheit ist, ist kein Gewinn.“\(^{18}\) Waren können zwar zu Preisen verkauft werden, die von ihren Werten abweichen, aber diese Abweichung erscheint als Verletzung des Gesetzes des Warenaustausches.\(^{19}\) In seiner reinen Gestalt ist er ein Austausch von Äquivalenten, also kein Mittel, sich an Wert zu bereichern.\(^{20}\)
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18 Dove è egualità non è lucro. (Galiani, Della Moneta, in Custodi, Parte moderna, Vol. 4, p. 244).

19 ‘The exchange becomes unfavorable for one of the parties when some external circumstance comes to lessen or increase the price; then equality is infringed; but this infringement arises from that cause and not from the exchange itself’ (Le Trosne, op. cit., p. 904).

20 ‘Exchange is by its nature a contract which rests on equality, i.e. it takes place between two equal values. It is therefore not a means of self-enrichment, since as much is given as is received’ (Le Trosne, op. cit., p. 903).

Next Marx takes a look at the many false theories about this matter. He begins with a summary judgment which will then be backed up by quotes from Condillac, Le Trosne, and Neumann:

261:1/0 Hence we see that behind all at-
5. Contradictions of $M\!-\!C\!-\!M$

Attempts to represent the circulation of commodities as a source of surplus-value, there lurks an inadvertent substitution, a confusion of use-value and exchange-value.

The distinction between exchange-value and use-value is one of the first observations Marx makes about the commodity (and is literally the first thing he says in *Contribution* 269:1) Rightly so, because nothing useful can be said about the commodity if this distinction is not made. Let’s see how Condillac confounds these two concepts in the following quote:

In Condillac, for instance:

‘It is not true that in an exchange of commodities we give value for value. On the contrary, each of the two contracting parties in every case gives a less for a greater value . . . If we really exchanged equal values, neither party could make a profit. And yet they both gain, or ought to gain. Why? The value of a thing consists solely in its relation to our needs. What is more to the one is less to the other, and vice...
versa … It is not to be assumed that we offer for sale articles essential for our own consumption … We wish to part with a useless thing, in order to get one that we need; we want to give less for more … It was natural to think that, in an exchange, one value was given for another equal to it whenever each of the articles exchanged was of equal value with the same quantity of gold … But there is another point to be considered in our calculation. The question is, whether we both exchange something superfluous for something necessary.’

Condillac, Le Commerce et le gouvernement (1776), éd. Daire and Molinari, in the Mélanges d’économie politique, Paris, 1847, pp. 941

hängt auf unsre Bedürfnisse. Was für den einen mehr, ist für den andren weniger, und umgekehrt … Man setzt nicht voraus, daß wir für unsre Konsumtion unentbehrliche Dinge zum Verkauf ausbieten … Wir wollen eine uns nutzlose Sache weggeben, um eine uns notwendige zu erhalten; wir wollen weniger für mehr geben … Es war natürlich, zu urteilen, daß man im Austausch gleichen Wert für gleichen Wert gebe, sooft jedes der ausgetauschten Dinge an Wert demselben Quantum Geld gleich war … Aber eine andere Betrachtung muß noch in die Rechnung eingehn; es fragt sich, ob wir beide einen Überfluß gegen etwas Notwendiges austauschen.”

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267, 291.

The unspoken implication here is that the markup over the cost price, which one observes in capitalism, is the remuneration for the productive services which commodity trade performs by moving the goods into the hands of those who have more use-value for them.

The conflation of use-value and exchange-value however is not the only error in the quote from Condillac.

We see in this passage how Condillac not only throws together use-value and exchange-value, but in a really childish manner assumes that, in a society in which the production of commodities is well developed, each producer produces his own means of subsistence, and throws into circulation only what is superfluous, the excess over his own requirements.\footnote{Le Trosne therefore answers his friend}

Already Condillac’s friend Le Trosne gave some good critiques here:

\footnote{Le Trosne antwortet daher seinem Freunde}
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Condillac quite correctly as follows: ‘In a developed society absolutely nothing is superfluous.’ At the same time he pokes fun at him with the remark, that, ‘if both the persons who exchange receive more in return for an equal amount, and part with less in return for an equal amount, they both get the same.’

Le Trosne’s “tease” in footnote 22 can be found in [LT46, pp. 907, 904].

Despite Le Trosne’s critique of Condillac, Condillac is cited by Roscher as his authority: 22 ctd It is because Condillac has not the remotest idea of the nature of exchange-value that he has been chosen by Herr Professor Wilhelm Roscher as a suitable guarantor of the soundness of his own childish notions. See Roscher’s Die Grundlagen der Nationalökonomie, 3rd edn, 1858.

Still, Condillac’s argument is frequently repeated by modern economists, especially

Condillac sehr richtig: „In der entwickelten Gesellschaft gibt es überhaupt nichts Überflüssiges.“ Zugleich neckt er ihn mit der Glosse, daß, „wenn beide Austauscher gleich viel mehr für gleich viel weniger erhalten, sie beide gleich viel erhalten“.


Dennoch wird Condillacs Argument häufig bei modernen Ökonomen wiederholt, na-
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when the point is to show that the exchange of commodities in its developed form, commerce, is productive of surplus-value. For instance,

‘Commerce ... adds value to products, for the same products in the hands of consumers are worth more than in the hands of producers, and it may strictly be considered an act of production.’²³


If a merchant were to justify his markup by his services of bringing the use-values together with those who need them, a Marxist would answer: you are trying to charge me twice for the same merchandise:

But commodities are not paid for twice over, once on account of their use-value, and a

Aber man zahlt die Waren nicht doppelt, das eine Mal ihren Gebrauchswert und das andre
5.1. [Creation of Surplus-Value in Circulation]

According to the labor theory of value, the price of commodities does not depend on their use-values but only on their values. In other words, the buyer only has to pay for their value, i.e., he has to compensate the seller for the labor put into the commodity. What the buyer does with the commodity and how much use-value he derives from it is his private affair; he does not have to pay the seller once more when he gets a lot of use-value out of it. The fact that the buyer gains use-value is therefore not reflected in the price of the commodity, and can therefore not be a source of surplus-value.

This redescription of Newman’s theory from the point of view of the labor theory of value shows strikingly what is wrong with it if the labor theory is right, but it is not an immanent critique. It only proves that Newman’s theory differs from the labor theory of value; it is not yet proof that Newman’s theory is false. In order to show that Newman’s theory cannot be right Marx comes with a second argument, namely, he tries to show that Newman’s theory is internally inconsistent:

And though the use-value of a commodity is more serviceable to the buyer than to the seller, its money-form is more so to the buyer nützlicher als dem Verkäufer, ist ihre Geldform dem Verkäufer nützlicher als dem
5. Contradictions of $M\text{–}C\text{–}M$

seller. Would he sell it otherwise? We might therefore just as well say that the buyer performs what is ‘strictly’ an ‘act of production’ by converting stockings, for example, into money.

Marx ends his argument here, but the implication is clear: the merchant’s activity of converting the buyer’s money into stockings and the buyer’s activity of converting the merchant’s stockings into money cannot both be considered production, because each of these activities exactly undoes the other. It is a good thing that the buyer gets his socks and the merchant his money, and everybody is happier for it, but production it is not.

5.1.b. [Exchange of Nonequivalents]

After it has been shown impossible to create surplus-value through the exchange of equivalents, Marx asks now: is it possible to create surplus-value in circulation with the exchange of nonequivalents?
5.1. [Creation of Surplus-Value in Circulation]

262:1 If commodities, or commodities and money, of equal exchange-value, and consequently equivalents, are exchanged, it is plain that no one extracts more value from circulation than he throws into it. There is no creation of surplus-value. In its pure form, the circulation process necessitates the exchange of equivalents, but in reality processes do not take place in their pure form. Let us therefore assume an exchange of non-equivalents.

Whenever nonequivalents are exchanged, the question is: who must buy above value and/or is forced to sell below value? Here Marx tries two different assumptions.

[Differences between Individuals]

First assumption: the distinction is drawn according to economic categories.
5. Contradictions of $M–C–M$

262:2/o In any case the market for commodities is frequented only by owners of commodities, and the power which these persons exercise over each other is no other than the power of their commodities. The bodily difference of the commodities is the bodily driving force behind their exchange, and it makes buyers and sellers mutually dependent, because none of them possesses the object of his own need, and each holds in his own hand the object of another’s need. Apart from this bodily difference in their use-values, there is only one other mark of distinction between commodities, the distinction between their natural form and their converted form, between commodities and money. Consequently, the owners of com-

modities can be differentiated only into sellers, those who own commodities, and buyers, those who own money.

The only distinction one can make between different commodity owners is either the use-values of their products, or the distinction between buyer and seller. Marx tries first to use these distinctions provided by commodity-exchange itself as criteria who can sell above or buy below value. However, he rules out the distinction of use-values, apparently because it is a symmetric relationship, everyone depends on everyone else, and asks:

263:1 Suppose then that some inexplicable privilege allows the seller to sell his commodities above their value, to sell what is worth 100 for 110, therefore with a nominal price increase of 10 per cent. In this case the seller pockets a surplus-value of 10. But after he has sold he becomes a buyer. A third owner of commodities now comes to him as a seller, and he too, for his

Warenbesitzer nur als Verkäufer, Besitzer von Ware, und als Käufer, Besitzer von Geld.

175:1 Gesetzt nun, es sei durch irgendein unerklärliches Privilegium dem Verkäufer gegeben, die Ware über ihrem Werte zu verkau- fen, zu 110, wenn sie 100 wert ist, also mit einem nominellen Preisaufschlage von 10%. Der Verkäufer kassiert also einen Mehrwert von 10 ein. Aber nachdem er Verkäufer war, wird er Käufer. Ein dritter Warenbesitzer be- gegnet ihm jetzt als Verkäufer und genießt
5. Contradictions of $M$–$C$–$M$

part, enjoys the privilege of selling his commodities 10 per cent too dear. Our friend gained 10 as a seller only to lose it again as a buyer.24 In fact the net result is that all owners of commodities sell their goods to each other at 10 per cent above their value, which is exactly the same as if they sold them at their true value. A universal and nominal price increase of this kind has the same effect as if the values of commodities had been expressed for example in silver instead of in gold. The money-names or prices of the commodities would rise, but the relations between their values would remain unchanged.

24 ‘By the augmentation of the nominal value of the produce . . . sellers [are] not enriched . . .

seinerseits das Privilegium, die Ware 10% zu teuer zu verkaufen. Unser Mann hat als Verkäufer 10 gewonnen, um als Käufer 10 zu verlieren.24 Das Ganze kommt in der Tat darauf hinaus daß alle Warenbesitzer ihre Waren einander 10% über dem Wert verkaufen, was durchaus dasselbe ist, als ob sie die Waren zu ihren Werten verkauften. Ein solcher allgemeiner nomineller Preisaufschlag der Waren bringt dieselbe Wirkung hervor, als ob die Warenwerte z.B. in Silber statt in Gold geschätzt würden. Die Geldnamen, d.h. die Preise der Waren würden anschwellen, aber ihre Wertverhältnisse unverändert bleiben.

24 „Durch die Heraufsetzung des nominellen Werts des Produkts . . . werden die Verkäufer nicht
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since what they gain as sellers, they precisely expend in the quality of buyers’ ([J. Gray], The Essential Principles of the Wealth of Nations etc., London, 1797, p. 66).

What if all sellers can sell at too high prices? This makes no difference, since everybody becomes a buyer after he is a seller. Value proportions remain the same, although the absolute price level increases. The opposite assumption that the sellers sell too cheaply comes to the same result.

263:2 Let us make the opposite assumption, that the buyer has the privilege of purchasing commodities below their value. In this case we do not even need to recall that he is his turn will become a seller. He was a seller before he became a buyer; he had already lost 10 per cent as a seller before he gained 10 per cent as a buyer.25 Everything remains as it was before.

175:2 Unterstellen wir umgekehrt, es sei das Privilegium des Käufers, die Waren unter ihrem Wert zu kaufen. Hier ist es nicht einmal nötig zu erinnern, daß der Käufer wieder Verkäufer wird. Er war Verkäufer, bevor er Käufer ward. Er hat bereits 10% als Verkäufer verloren, bevor er 10% als Käufer gewinnt.25 Alles bleibt wieder beim alten.
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25 ‘If one is compelled to sell a quantity of a certain product for 18 livres when it has a value of 24 livres, then, when one employs the same amount of money in buying, one will receive for 18 livres the same quantity of the product as 24 livres would have bought otherwise’ (Le Trosne, op. cit., p. 897).

263:3 The formation of surplus-value, and therefore the transformation of money into capital, can consequently be explained neither by assuming that commodities are sold above their value, nor by assuming that they are bought at less than their value.26

26 ‘A seller can normally only succeed in raising the prices of his commodities if he agrees to pay, by and large, more for the commodities of the other sellers; and for the same reason a consumer can normally only pay less for his pur-

25 „Wenn man für 18 Livres eine Menge eines bestimmten Erzeugnisses verkaufen muß, die 24 Livres wert ist, wird man, wenn man die gleiche Geldsumme zum Kauf verwendet, für 18 Livres ebenfalls so viel wie für 24 Livres erhalten.“ (Le Trosne, l.c. p. 897.)

175:3 Die Bildung von Mehrwert und daher die Verwandlung von Geld in Kapital, kann also weder dadurch erklärt werden, daß die Verkäufer die Waren über ihrem Werte verkaufen, noch dadurch, daß die Käufer sie unter ihrem Werte kaufen.26

26 „Kein Verkäufer kann daher gewöhnlich seine Waren im Preis heraufsetzen, ohne ebenso die Waren der anderen Verkäufer teurer bezahlen zu müssen; und aus dem gleichen Grunde kann kein Verbraucher gewöhnlich billiger einkaufen, ohne
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chases if he submits to a similar reduction in the prices of the things he sells’ (Mercier de la Rivière, op. cit., p. 555).

\[\text{ebenso die Waren, die er verkauft, im Preise herabsetzen zu müssen.} \text{“ (Mercier de la Rivière, l.c. p. 555.)}\]

\[\downarrow \text{It is also of no avail to make distinctions along criteria outside circulation, e.g., between producers and consumers. In circulation, producers are sellers and consumers are buyers, i.e., we have the same case as before.}\]

264:1a The problem is in no way simplified if extraneous matters are smuggled in, as with Colonel Torrens:

\[\text{‘Effectual demand consists in the power and inclination (!), on the part of consumers, to give for commodities, either by immediate or circuitous barter, some greater portion of … capital than their production costs.’}^{27}\]

176:1–2 Das Problem wird in keiner Weise dadurch vereinfacht, daß man fremde Beziehungen einschmuggelt, also etwa mit Oberst Torrens sagt:

\[\text{„Die effektive Nachfrage besteht in dem Vermögen und der Neigung (!) der Konsumen- ten, sei es durch unmittelbaren oder vermittelten Austausch, für Waren eine gewisse größere Portion von allen Ingredienzien des Kapitals zu geben, als ihre Produktion kostet.“}^{27}\]

27 R. Torrens, An Essay on the Production of
5. Contradictions of $M-C-M$


264:1b In circulation, producers and consumers confront each other only as buyers and sellers. To assert that the surplus-value acquired by the producer has its origin in the fact that consumers pay for commodities more than their value is only to disguise the following simple phrase: the owner of commodities possesses, as a seller, the privilege of selling too dear. The seller is either the producer or the representative of the producer of his commodities, but the buyer is no less either the producer or the representative of the producer of the commodities represented by his money. One producer is therefore confronted with another producer. The distinction between them is

176:3 In der Zirkulation stehn sich Produzenten und Konsumenten nur als Verkäufer und Käufer gegenüber. Behaupten, der Mehrwert für den Produzenten entspringe daraus, daß die Konsumenten die Ware über den Wert zahlen, heißt nur den einfachen Satz maskieren: Der Warenbesitzer besitzt als Verkäufer das Privilegium, zu teuer zu verkaufen. Der Verkäufer hat die Ware selbst produziert oder vertritt ihren Produzenten, aber der Käufer hat nicht minder die in seinem Gelde dargestellte Ware selbst produziert oder vertritt ihren Produzenten. Es steht also Produzent dem Produzenten gegenüber. Was sie unterscheidet, ist, daß der eine kauft und der andre verkauft. Es bringt uns keinen
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that one buys and the other sells. One does not throw any light on the origin of surplus-value if one says that the owner of the commodities sells them at more than their value, under the designation of producer, and pays too much for them, under the designation of consumer.\footnote{28}

The footnote makes the same point:

\footnote{28} ‘The idea of profits being paid by the consumers, is, assuredly, very absurd. Who are the consumers?’ (G. Ramsay, An Essay on the Distribution of Wealth, Edinburgh, 1836, p. 183).

I.e., everyone is a consumer, but profits paid for by everyone cannot show up as profits.

\footnote{264:2} Those who most consistently uphold the illusion that surplus-value has its origin in a nominal rise of prices, or in the

Schritt weiter, daß der Warenbesitzer unter dem Namen Produzent die Ware über ihrem Werte verkauft und unter dem Namen Konsument sie zu teuer zahlt.\footnote{28}

\footnote{28} „Der Gedanke, daß die Profite von den Konsumenten gezahlt werden, ist sicher völlig absurd. Wer sind die Konsumenten?“ (G. Ramsay, „An Essay on the Distribution of Wealth“, Edinburgh 1836, p. 183.)

\footnote{176:4/o} Die konsequenten Vertreter der Illusion, daß der Mehrwert aus einem nominalen Preiszuschlag entspringt oder aus dem
privilege which the seller has of selling too dear, assume therefore that there exists a class of buyers who do not sell, i.e. a class of consumers who do not produce.

Can the theory that profits come from inflated prices be salvaged by the assumption that there is a class which consumes but does not produce? Marx says no. These nonproducers must have stolen their money. Selling to them at an inflated price simply recaptures part of this theft.

The existence of such a class cannot yet be explained from the standpoint we have reached at present, that of simple circulation. But let us anticipate. The money with which such a class is constantly making purchases must constantly flow into its coffers without any exchange, gratis, whether by might or by right, from the pockets of the commodity-owners themselves. To sell
commodities at more than their value to such a class is only to get back again, by swindling, a part of the money previously handed over for nothing.  

29 ‘When a man is in want of a demand, does Mr Malthus recommend him to pay some other person to take off his goods?’ is a question put by an infuriated Ricardian to Malthus, who, like his disciple Parson Chalmers, economically glorifies this class of simple buyers or consumers. See An Inquiry into Those Principles, Respecting the Nature of Demand and the Necessity of Consumption, Lately Advocated by Mr. Malthus etc., London, 1821, p. 55.

There is only one way that sellers can gain over the buyers by selling too expensively: if they do not become buyers afterwards. But this means, they must be giving their money away to the buyers without getting something in exchange. In this case, their gains in selling too expensively only mean that they gain some money back which they had to give away.
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before. This is not merely a theoretical possibility but has a fitting historical example with the towns in Asa Minor (Turkey).

Thus, the towns of Asia Minor paid a yearly money tribute to ancient Rome. With this money Rome bought commodities from them and bought them too expensively. The provincials cheated the Romans, and in this way swindled back from their conquerors a portion of the tribute in the course of trade. Yet, for all that, the provincials remained the ones who were cheated. Their commodities were paid to them with their own money. That is not the way to get rich or to create surplus-value.

[Differences between Individuals]

Next the distinction is drawn not along economic categories but simply between different individuals.

265:1 Let us therefore keep within the limits of the exchange of commodities, where sellers are buyers, and buyers are sellers. Our perplexity may perhaps have arisen from conceiving people merely as personified categories, instead of as individuals.

265:2 A may be clever enough to get the advantage of B and C without their being able to take their revenge. A sells wine worth £40 to B, and obtains from him in exchange corn to the value of £50. A has converted his £40 into £50, has made more money out of less, and has transformed his commodities into capital. Let us examine

177:1 Halten wir uns also innerhalb der Schranken des Warenaustausches, wo Verkäufer und Käufer Verkäufer sind. Unsre Verlegenheit stammt vielleicht daher, daß wir die Personen nur als personifizierte Kategorien, nicht individuell, gefaßt haben.

177:2 Warenbesitzer A mag so pfiffig sein, seine Kollegen B oder C übers Ohr zu hauen, während sie trotz des besten Willens die Revanche schuldig bleiben. A verkauft Wein zum Wert von 40 Pfd.St. an B und erwirbt im Austausch Getreide zum Wert von 50 Pfd.St. A hat seine 40 Pfd.St. in 50 Pfd.St. verwandelt, mehr Geld aus weniger Geld gemacht
5. Contradictions of \( M-C-M \)

this a little more closely. Before the exchange we had £40 of wine in the hands of A, and £50 worth of corn in those of B, a total value of £90. After the exchange we still have the same total value of £90. The value in circulation has not increased by one iota; all that has changed is its distribution between A and B. What appears on one side as a loss of value, appears on the other side as surplus-value; what appears on one side as a minus appears on the other side as a plus. The same change would have taken place if A, without the disguise provided by the exchange, had directly stolen the £10 from B. The sum of the values in circulation can clearly not be augmented by any change in their distribution, any more than a Jew can und seine Ware in Kapital verwandelt. Sehn wir näher zu. Vor dem Austausch hatten wir für 40 Pfd.St. Wein in der Hand von A und für 50 Pfd.St. Getreide in der Hand von B, Gesamtwert von 90 Pfd.St. Nach dem Austausch haben wir denselben Gesamtwert von 90 Pfd.St. Der zirkulierende Wert hat sich um kein Atom vergrößert, seine Verteilung zwischen A und B hat sich verändert. Auf der einen Seite erscheint als Mehrwert, was auf der andren Minderwert ist, auf der einen Seite als Plus, was auf der andren als Minus. Derselbe Wechsel hätte sich ereignet, wenn A, ohne die verhüllende Form des Austausches, dem B 10 Pfd.St. direkt gestohlen hätte. Die Summe der zirkulierenden Werte kann offenbar durch keinen Wechsel in ihrer
increase the quantity of the precious metals in a country by selling a farthing from the time of Queen Anne for a guinea. The capitalist class of a given country, taken as a whole, cannot defraud itself.\textsuperscript{30}

\textsuperscript{30} Destutt de Tracy, although, or perhaps because, he was a Membre de l’Institut, held the opposite view. The industrial capitalists, he says, make profits because ‘they all sell for more than it has cost to produce. And to whom do they sell? In the first instance to one another’ (op. cit., p. 239).

266:1 However much we twist and turn, the final conclusion remains the same. If equivalents are exchanged, no surplus-

Verteilung vermehrt werden, sowenig wie ein Jude die Masse der edlen Metalle in einem Lande dadurch vermehrt, daß er einen Farthing aus der Zeit der Königin Anna für eine Guinee verkauft. Die Gesamtheit der Kapitalistenklasse eines Landes kann sich nicht selbst übervorteilen.\textsuperscript{30}

\textsuperscript{30} Destutt de Tracy, obgleich—vielleicht weil—Membre de l’Institut, war umgekehrter Ansicht. Die industriellen Kapitalisten, sagt er, machen dadurch ihre Profite, daß „sie alles teurer verkaufen, als es gekostet hat zu produzieren. Und an wen verkaufen sie? Erstens aneinander.“ (l.c. p. 239.)

177:3/o Man mag sich also drehen und wenden, wie man will, das Fazit bleibt dasselbe. Werden Äquivalente ausgetauscht, so
value results, and if non-equivalents are exchanged, we still have no surplus-value.\textsuperscript{31} Circulation, or the exchange of commodities, creates no value.\textsuperscript{32}

\textsuperscript{31} ‘The exchange of two equal values neither increases nor diminishes the amount of the values present in society. Equally, the exchange of two unequal values...effects no change in the sum of social values, although it adds to the wealth of one person what it removes from the wealth of another’ (J. B. Say, op. cit., Vol. 2, pp. 443–4). Say, who is of course untroubled by the consequences of this statement, borrows it almost word for word from the Physiocrats. The following example will show how Monsieur Say exploited the writings of the Physiocrats, in his day quite forgotten, for the purpose of increasing the ‘value’ of his own. His ‘most celebrated’ saying, ‘Prod-

\textsuperscript{31} „Der Austausch von zwei gleichen Werten vermehrt weder die Masse der in der Gesellschaft vorhandenen Werte, noch vermindert er sie. Der Austausch zweier ungleicher Werte ... ändert ebenfalls nichts an der Summe der gesellschaftlichen Werte, da er dem Vermögen des einen zufügt, was er dem Vermögen des anderen wegnimmt.” (J. B. Say, l.c., t. II, p. 443, 444.) Say, natürlich unbekümmert um die Konsequenzen dieses Satzes, entlehnt ihn ziemlich wörtlich den Physiokraten. Die Art, wie er ihre zu seiner Zeit verschollenen Schriften zur Vermehrung seines eigenen „Wertes“ ausgebeutet hat, zeige folgendes Beispiel. Der „berühmteste“ Satz des Monsieur Say: „Man kann
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Products can only be bought with products’ (op. cit., Vol. 2, p. 441), runs as follows in the original Physiocratic work: ‘Products can only be paid for with products’ (Le Trosne, op. cit., p. 899).

32 ‘Exchange confers no value at all upon products’ (F. Wayland, The Elements of Political Economy, Boston, 1843, p. 169).

Produkte nur mit Produkten kaufen“ (l.c., t. II, p. 438), lautet im physiokratischen Original: „Erzeugnisse lassen sich nur mit Erzeugnissen bezahlen.“ (Le Trosne, l.c. p. 899.)

32 „Der Austausch überträgt keinerlei Wert auf die Produkte.“ (F. Wayland, „The Elements of Pol. Econ.“, Boston 1843, p. 168.)

5.1.c. [Methodological Remark]

This concludes Marx’s extended argument that value cannot be created in circulation. Next comes a methodological interlude: this is why we cannot begin our investigation of capitalism with the historically earliest forms of capital, merchant capital or usury capital:

266:2 It can be understood, therefore, why, in our analysis of the primary form of capital, the form in which it determines the economic organization of modern society, we have entirely left out of consideration, 178:1 Man versteht daher, warum in unserer Analyse der Grundform des Kapitals, der Form, worin es die ökonomische Organisation der modernen Gesellschaft bestimmt, seine populären und sozusagen antediluviani-

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its well-known and so to speak antediluvian forms, merchants’ capital and usurers’ capital.

266:3/o The form $M – C – M$, buying in order to sell dearer, is at its purest in genuine merchants’ capital. But the whole of this movement takes place within the sphere of circulation. Since, however, it is impossible, by circulation alone, to explain the transformation of money into capital, and the formation of surplus-value, merchants’ capital appears to be an impossibility, as long as equivalents are exchanged;\(^{33}\) it appears, therefore, that it can only be derived from the twofold advantage gained, over both the selling and the buying producers, by the merchant who parasitically inserts

178:2/o Im eigentlichen Handelskapital erscheint die Form $G – W – G'$, kaufen, um teurer zu verkaufen, am reinsten. Andrerseits geht seine ganze Bewegung innerhalb der Zirkulationssphäre vor. Da es aber unmöglich ist, aus der Zirkulation selbst die Verwandlung von Geld in Kapital, die Bildung von Mehrwert zu erklären, erscheint das Handelskapital unmöglich, sobald Äquivalente ausgetauscht werden,\(^{33}\) daher nur ableitbar aus der doppelseitigen Übervorteilung der kaufenden und verkaufenden Warenproduzenten durch den sich parasitisch zwischen sie schiebenden Kaufmann. In diesem Sinn sagt Franklin:
himself between them. It is in this sense that Franklin says ‘war is robbery, commerce is cheating’. 34

33 ‘Under the rule of invariable equivalents commerce would be impossible’ (G. Opdyke, A Treatise on Political Economy, New York, 1851, pp. 66–9). ‘The difference between real value and exchange-value is based on one fact—namely, that the value of a thing differs from the so-called equivalent given for it in trade, i.e. that the equivalent is not an equivalent’ (F. Engels, op. cit., p. 96) [English translation, p. 427].


Modern commercial capital cannot be explained this way: its profits do not derive from buying below and selling above value. Marx will explain in volume 3 of Capital where its

„Krieg ist Raub, Handel ist Prellerei.“ 34

33 „Unter der Herrschaft unveränderlicher Äquivalente würde der Handel unmöglich sein.“ (G. Opdyke, „A Treatise on polit. Economy“, New York 1852, p. 66 bis 69.) „Dem Unterschiede zwischen Realwert und Tauschwert liegt eine Tatsache zum Grunde—nämlich daß der Wert einer Sache verschieden ist von dem im Handel für sie gegebenen sogenannten Äquivalent, d.h., daß dies Äquivalent kein Äquivalent ist.“ (F. Engels, l.c. p. 95, 96.)

34 Benjamin Franklin, „Works“, vol. II, edit. Sparks in „Positions to be examined concerning National Wealth“, [p. 376.]
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profits come from. Right now, the basis for such an explanation has not yet been laid:

If the valorization of merchants’ capital is not to be explained merely by frauds practised on the producers of commodities, a long series of intermediate steps would be necessary, which are as yet entirely absent, since here our only assumption is the circulation of commodities and its simple elements.

Something very similar can be said about usurer’s capital:

…Something very similar can be said about usurer’s capital:

267:1 What we have said with reference to merchants’ capital applies still more to usurers’ capital. In merchants’ capital the two extremes, the money which is thrown upon the market and the augmented money which is withdrawn from the market, are at least mediated through a purchase and a sale.

179:1 Was vom Handelskapital, gilt noch mehr vom Wucherkapital. Im Handelskapital sind die Extreme, das Geld, das auf den Markt geworfen, und das vermehrte Geld, das dem Markt entzogen wird, wenigstens vermittelt durch Kauf und Verkauf, durch die Bewegung der Zirkulation. Im Wucherkapital ist
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sale, through the movement of circulation. In usurers’ capital the form $M - C - M'$ is shortened so that only the unmediated extremes $M - M'$ remain, money which is exchanged for more money—a form which contradicts the nature of money and can therefore not be explained from the standpoint of the exchange of commodities. This is why Aristotle says:

‘Since chrematistics is a double science, one part belonging to commerce, the other to economics, the latter being necessary and praiseworthy, the former based on circulation and with justice disapproved (for it is not based on Nature, but on mutual cheating), the usurer is most rightly hated, because money itself is the source of his gain, and is not used for the purposes for which it was invented. For it

die Form $G - W - G'$ abgekürzt auf die unvermittelten Extreme $G - G'$, Geld, das sich gegen mehr Geld austauscht, eine der Natur des Geldes widersprechende und daher vom Standpunkt des Warenaustausches unerklärliche Form. Daher Aristoteles:

„Da die Chrematistik eine doppelte ist, die eine zum Handel, die andre zur Ökonomik gehörig, die letztere notwendig und lobenswert, die erstere auf die Zirkulation gegründet und mit Recht getadelt (denn sie beruht nicht auf der Natur, sondern auf wechselseitiger Prellerei), so ist der Wucher mit vollstem Recht verhaßt, weil das Geld selbst hier die Quelle des Erwerbs und nicht dazu gebraucht wird, wozu es
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originated for the exchange of commodities, but interest makes out of money, more money. Hence its name.’ ($τὸ χορὸς$, interest and offspring.) ‘For the offspring resembles the parent. But interest is money, so that of all modes of making a living, this is the most contrary to Nature.’

35 Aristotle, op. cit., c. 10 [english translation, para. 1258b].

267:2 In the course of our investigation, we shall find that both merchants’ capital and interest-bearing capital are derivative forms, and at the same time it will become clear why, historically, these two forms appear before the modern primary form of capital.

179:3 Wie das Handelskapital werden wir das zinstragende Kapital im Verlauf unserer Untersuchung als abgeleitete Formen vorfinden und zugleich sehn, warum sie historisch vor der modernen Grundform des Kapitals erscheinen.


35 Arist[oteles], l.c., c. 10, [p. 17].
5.2. [Surplus-Value Outside Circulation]

Can surplus-value be created outside circulation? Marx argues that this too is impossible.

268:1 We have shown that surplus-value cannot arise from circulation. For surplus-value to be formed, something must take place behind the back of circulation which is not visible in the circulation itself. But can surplus-value originate anywhere other than in circulation?

179:4/o Es hat sich gezeigt, daß der Mehrwert nicht aus der Zirkulation entspringen kann, bei seiner Bildung also etwas hinter ihrem Rücken vorgehn muß, das in ihr selbst unsichtbar ist. Kann aber der Mehrwert anderswoher entspringen als aus der Zirkulation?

In the next sentence, Marx reiterates that no relations between people are admitted other than those of commodity-owners. E.g., people are not allowed to take things away directly from others. What remains is the relation of everybody to his own commodity:

Circulation is the sum total of all the mutual relations of commodity-owners. Outside it, the commodity-owner only stands in a relation to his own commodity. As far as
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the value of that commodity is concerned, the relation is limited to this, that the commodity contains a quantity of his own labor which is measured according to definite social laws. This quantity of labor is expressed by the magnitude of the value of his commodity, and since the value is reckoned in money of account, this quantity is also expressed by the price, £10 for instance. But his labor does not receive a double representation: it is not represented both in the value of the commodity and in an excess quantity over and above that value, it is not represented in a price of 10 which is simultaneously a price of 11, i.e. in a value which is greater than itself. The commodity-owner can create value by his labor, but he cannot Wertangeht, beschränkt sich das Verhältnis darauf, daß sie ein nach bestimmten gesellschaftlichen Gesetzen gemessenes Quantum seiner eignen Arbeit enthält. Dies Quantum Arbeit drückt sich aus in der Wertgröße seiner Ware, und, da sich Wertgröße in Rechengeld darstellt, in einem Preise von z.B. 10 Pfd.St. Aber seine Arbeit stellt sich nicht dar im Werte der Ware und einem Überschuß über ihrem eignen Wert, nicht in einem Preise von 10, der zugleich ein Preis von 11, nicht in einem Wert, der größer als er selbst ist. Der Warenbesitzer kann durch seine Arbeit Werte bilden, aber keine sich verwertenden Werte. Er kann den Wert einer Ware erhöhn, indem er vorhandenm Wert neuen Wert durch neue Arbeit zusetzt, z.B. aus Leder Stiefel macht.
5.2. [Surplus-Value Outside Circulation]

not create values which can valorize themselves. He can increase the value of his commodity by adding fresh labor, and therefore more value, to the value in hand, by making leather into boots, for instance. The same material now has more value, because it contains a greater quantity of labor. The boots have therefore more value than the leather, but the value of the leather remains what it was. It has not valorized itself, it has not annexed surplus-value during the making of the boots. It is therefore impossible that, outside the sphere of circulation, a producer of commodities can, without coming into contact with other commodity-owners, valorize value, and consequently transform money or commodities into capital.

Derselbe Stoff hat jetzt mehr Wert, weil er ein größeres Arbeitsquantum enthält. Der Stiefel hat daher mehr Wert als das Leder, aber der Wert des Leders ist geblieben, was er war. Er hat sich nicht verwertet, nicht während der Stiefelfabrikation einen Mehrwert angesetzt. Es ist also unmöglich, daß der Warenproduzent außerhalb der Zirkulationssphäre, ohne mit andern Warenbesitzern in Berührung zu treten, Wert verwerte und daher Geld oder Ware in Kapital verwandle.
5. Contradictions of $M-C-M$

36 ‘Profit, in the usual condition of the market, is not made by exchanging. Had it not existed before, neither could it after that transaction’ (Ramsay, op. cit., p. 184).

‘Unter den üblichen Bedingungen des Marktes wird Profit nicht durch Austausch gemacht. Wäre er nicht vorher vorhanden gewesen, so könnte er es auch nicht nach dieser Transaktion sein.’

If someone adds value to an object through his own labor, then this is not self-expansion of the value that is already there, because the value is not the subject. Self-expansion of value takes place only if the value itself is the one which increases itself.

5.3. [Both in and outside Circulation]

Since both possibilities are ruled out—surplus-value cannot be created inside circulation, and also not outside circulation, one should expect the conclusion to be: surplus-value cannot be created at all on the basis of commodity production. However Marx comes up with a different conclusion:

268:2 Capital cannot therefore arise from circulation, and it is equally impossible for it to arise apart from circulation. It must have

180:1 Kapital kann also nicht aus der Zirkulation entspringen, und es kann ebensowenig aus der Zirkulation nicht entspringen. Es
its origin both in circulation and not in circ-
culation.

Earlier in this chapter, Marx showed that surplus-value cannot have its origin in circu-
lution alone, and it cannot have its origin completely outside of circulation. Any process 
creating surplus-value must therefore be in part inside and in part outside circulation.

268:3 We therefore have a double result.

The condition “in and outside circulation” is only one of the two results of this chapter. 
The other result is that surplus-value is not a violation of the laws of the commodity, i.e., it 
must be explainable even if all prices are equal to values.

268:4/o The transformation of money into capital has to be developed on the basis of 
the laws immanent to the exchange of commodities, in such a way that the exchange of 
equivalents is taken as starting point.\(^3^7\)

This requirement can be justified by Marx’s earlier arguments that the exchange of 
equivalents is the “pure” form of the commodity circulation. For instance, in 260:2/o Marx
5. Contradictions of $M\rightarrow C\rightarrow M$

argues that circulation is in essence a change of form which in its pure state does not entail a change in quantity; in 260:2/o he remarks that even vulgar economy usually assumes, in order to consider the phenomena in their pure form, that demand and supply coincide; and both 260:2/o and 262:1 reiterate that in its pure form commodity exchange is the exchange of equivalents. In his Notes to Wagner, [mecw24]536:3–5, Marx says that this assumption is a scientific necessity. ¶ Besides, footnote 37 brings some good additional arguments:

37 The reader will see from the foregoing dis-

ussion that the meaning of this statement is only as follows: the formation of capital must be possible even though the price and the value of a commodity be the same, for it cannot be explained by referring to any divergence between price and value. If prices actually differ from values, we must first reduce the former to the latter, i.e. disregard this situation as an accidental one in order to observe the phenomenon of the formation of capital on the basis of the exchange of commodities in its purity, and to prevent our ob-

37 Nach der gegebenen Auseinandersetzung versteht der Leser, daß dies nur heißt: Die Kapitalbildung muß möglich sein, auch wenn der Warenpreis gleich dem Warenwert. Sie kann nicht aus der Abweichung der Warenpreise von den Warenwerten erklärt werden. Weichen die Preise von den Werten wirklich ab, so muß man sie erst auf die letzteren reduzieren, d.h. von diesem Umstande als einem zufälligen absehen, um das Phänomen der Kapitalbildung auf Grundlage des Warenaus-
tauschs rein vor sich zu haben und in seiner Be-
obachtung nicht durch störende und dem eigentli-
5.3. [Both in and outside Circulation]

servations from being interfered with by disturbing incidental circumstances which are irrelevant to the actual course of the process. We know moreover that this reduction is not limited to the field of science. The continual oscillations in prices, their rise and fall, compensate each other, cancel each other out, and carry out their own reduction to an average price which is their internal regulator. This average price is the guiding light of the merchant or the manufacturer in every undertaking of a lengthy nature. The manufacturer knows that if a long period of time is considered, commodities are sold neither over nor under, but at, their average price. If, therefore, he were at all interested in disinterested thinking, he would formulate the problem of the formation of capital as follows: How can we account for the origin of capital on the assumption that prices are regulated by the average price i.e. ultimately by chen Verlauf fremde Nebenumstände verwirrt zu werden. Man weiß übrigens, daß diese Reduktion keineswegs eine bloß wissenschaftliche Prozedur ist. Die beständigen Oszillationen der Marktpreise, ihr Steigen und Sinken, kompensieren sich, heben sich wechselseitig auf und reduzieren sich selbst zum Durchschnittspreis als ihrer inneren Regel. Diese bildet den Leitstern z.B. des Kaufmanns oder des Industriellen in jeder Unternehmung, die längeren Zeitraum umfaßt. Er weiß also, daß, eine längere Periode im ganzen betrachtet, die Waren wirklich weder unter noch über, sondern zu ihrem Durchschnittspreis verkauft werden. Wäre interesseloses Denken also überhaupt sein Interesse, so müßte er sich das Problem der Kapitalbildung so stellen: Wie kann Kapital entstehen bei der Regelung der Preise durch den Durchschnittspreis, d.h. in letzter Instanz durch den Wert der Ware? Ich sage „in letzter Instanz“, weil die Durchschnitts-
5. Contradictions of $M-C-M$

the value of the commodities? I say ‘ultimately’ because average prices do not directly coincide with the values of commodities, as Adam Smith, Ricardo, and others believe.

↑ The equality of prices and values is an important assumption which will come up again and again; 430:1/o is perhaps the most prominent place.

⇓ The process under investigation, by which value is turned into more value, must therefore satisfy the following conditions:

The money-owner, who is as yet only a capitalist in larval form, must buy his commodities at their value, sell them at their value, and yet at the end of the process withdraw more value from circulation than he threw into it at the beginning. His emergence as a butterfly must, and yet must not, take place in the sphere of circulation. These are the conditions of the problem. Hic Rhodus, hic preise nicht direkt mit den Wertgrößen der Waren zusammenfallen, wie A. Smith, Ricardo usw. glauben.

Unser nur noch als Kapitalistenraupe vorhandener Geldbesitzer muß die Waren zu ihrem Wert kaufen, zu ihrem Wert verkaufen und dennoch am Ende des Prozesses mehr Wert herausziehn, als er hineinwarf. Seine Schmetterlingsentfaltung muß in der Zirkulationssphäre und muß nicht in der Zirkulationssphäre vorgehn. Dies sind die Bedingungen des Problems. Hic Rhodus, hic salta!
“Hic Rhodus hic salta” (Rhodes is here, jump here now) is the reply made, in one of Aesop’s fables, to a braggart who claimed he had once made an immense jump in Rhodes, and that he can produce witnesses. The reply indicates that there is no need of witnesses, since the athlete can demonstrate the jump here and now. Marx gives his own nuance to this punchline. He does not compare the capitalist to a braggard who *pretends* to be able to do something which he cannot do. On the contrary, it is very obvious that the capitalist knows how to jump. We see the results of his jumps all around us—but he makes his jumps in a secret place, in “Rhodes,” so that we do not know *how* the results are generated which we see. “Hic Rhodus, hic salta” means that we want the capitalist to perform his athletics before our eyes, so that we can see how he does it.

The whole development in chapters Four and Five was based on second-order arguments. Marx started with the general observation that there are people out there who do $M - C - M'$, and from this Marx could derive that the purpose of this activity is to make money, but he has not yet figured out *how* they make this money. Chapter Five has given some indirect and mainly negative clues about it: it cannot be done in circulation alone, and it cannot be based on unequal exchange. This is how far we got with second-order arguments, i.e., by
5. Contradictions of $M\!-\!C\!-\!M$

asking what must be the case for $M - C - M'$ to be possible on a large scale as we see it in capitalism. Now we have to look around and see whether we can find a mechanism that satisfies these criteria. This is the “hic Rhodus hic salta” moment for us. We have to verify whether that which we indirectly concluded must be the case is indeed the case, by finding a mechanism which satisfies the above criteria. The next chapter will show that the availability on the market of the commodity labor-power is necessary to make this result possible, and in chapter Seven, 301:2/o, a detailed answer of the above problem is given.
6. Sale and Purchase of Labor-Power

“The Buying and Selling of Labor-Power” is not a good translation, because Marx’s emphasis is not on the transaction itself but on the fact that labor-power is a commodity.

6.1. [How to Achieve M–C–M’?]

According to the reasoning presented in chapter Five, $M - C - M'$ seems almost impossible to achieve, although we see it happening every day. The result of chapter Five was: the missing link responsible for the self-expansion of capital must be located both inside and outside circulation. Marx begins chapter Six with a systematic search for the part of this
missing link that takes place in circulation. He examines every phase of the circuit \( M - C - M' \) in order to see whether it can be associated with the creation of surplus-value.

Marx begins with the money form, which plays a pivotal role in the movement of capital. Money is the first form of capital \( 247:2 \), and it remains an indispensable point of reference in the self-expansion of capital \( 255:2/o \). Nevertheless it is clear that capital must leave the money form if it wants to self-expand:

270:1 The change of value, by which money transforms itself into capital, cannot take place as long as it remains in the form of money. As means of purchase and payment, money merely realizes the price of the commodity it buys or pays for, and if it retains the form of money, it petrifies into a mass of value of unchanging magnitude.\(^{38}\)

\(^{38}\) ‘In the form of money … capital is productive of no profit’ (Ricardo, Principles of Political Economy, p. 267).

181:1 Die Wertveränderung des Geldes, das sich in Kapital verwandeln soll, kann nicht an diesem Geld selbst vorgehn, denn als Kaufmittel und als Zahlungsmittel realisiert es nur den Preis der Ware, die es kauft oder zahlt, während es, in seiner eignen Form verharrend, zum Petrefakt von gleichbleibender Wertgröße erstarrt.\(^{38}\)

\(^{38}\) „In der Form von Geld … erzeugts das Kapital keinen Profit.“ (Ricardo, „Princ. of Pol. Econ.“, p. 267.)
6.1. [How to Achieve M–C–M’?]

↑ It is obvious that the self-expansion does not take place while capital assumes the form of money, or in the transaction in which this money buys a commodity. ↓ One might think that this self-expansion takes place in the second market transaction, in which the commodity is converted back into money, because at this point more money flows back than was advanced as cost. But this cannot be the case either:

Neither can this change originate in the second act of circulation, the resale of the commodity, for this act merely converts the commodity from its bodily form back into its money form.

↑ The exchange of equivalents is one of the conditions of the search, see 268:4/o.

If the change of value cannot happen when the capital is in money form, and also not in the acts of selling and buying, then the consumption of commodity $C$ is the only possible place where value can change, i.e., where surplus-value can be created:

The change must therefore take place in the commodity which is bought in the first act of circulation, $M - C$. But its value remains un-
6. Sale and Purchase of Labor-Power

changed, because it is equivalents which are being exchanged and the commodity is paid for at its full value. The change can therefore only originate in its use-value as such, i.e. in the consumption of the commodity.

This is again a retroduction by elimination: There is no other place where the self-expansion of value is possible. By ruling out all other alternatives, the following specific scenario remains as the only possibility to sustain the self-expansion $M - C - M'$.

In order to extract value out of the consumption of a commodity, our friend the money-owner must be lucky enough to find within the sphere of circulation, on the market, a commodity whose use-value possesses the peculiar property of being a source of value, whose actual consumption is therefore itself an objectification of labor, hence a creation of value.

Um aus dem Verbrauch einer Ware Wert herauszuziehn, müßte unser Geldbesitzer so glücklich sein, innerhalb der Zirkulationsphäre, auf dem Markt, eine Ware zu entdecken, deren Gebrauchswert selbst die eigentümliche Beschaffenheit besäße, Quelle von Wert zu sein, deren wirklicher Verbrauch also selbst Vergegenständlichung von Arbeit wäre, daher Wertschöpfung.
Our abstract deliberations led us therefore to predict that labor-power is a commodity:

And indeed, the money-owner does find such a special commodity on the market: the capacity for labor, in other words labor-power.

The rest of this chapter will discuss the commodity labor-power, and how its value is determined, and chapter Seven will look at the consumption of this labor-power which creates more value than the value that had to be paid for labor-power.

6.2. [Labor-Power as a Commodity]

270:2 We mean by labor-power, or labor-capacity, the aggregate of those mental and physical capabilities existing in the physical form, the living personality, of a human being, capabilities which he sets in motion whenever he produces a use-value of any
6. Sale and Purchase of Labor-Power

This definition of labor-power is valid in all history. But the human capacity to perform various kinds of labor is socially recognized as the value of the product only under commodity production. And even in today’s commodity society, not all labor creates value. Homemakers use their labor-power to produce for the family and to bring up children, without this labor being socially recognized in the value of a marketable good.

Even if labor-power produces value, this does not automatically make labor-power itself a commodity. Labor-power becomes a commodity only under very specific historical conditions. Before listing these conditions, the following explanation is in order:

Whenever Marx speaks of labor-power as a commodity, he assumes that not only the worker’s ability to work, but also his willingness to work can be bought—so that the consumption of the labor-power by the buyer does not require any other coercion than that given by the market forces. The justification for this stronger requirement is that any other dependencies between the commodity producers than those springing from the commodity relations themselves are incompatible with the nature of commodity relations.

The following two sets of conditions, listed by Marx in the remainder of what is called here section 6.2 are necessary for labor-power to be a commodity in the sense that both
6.2. [Labor-Power as a Commodity]

capability and consent of the laborer can be bought:

(1) Freedom of the laborer to sell his or her labor-power.

(1a) The laborer himself must be the one who sells the labor-power. The laborer can do this only if he has free disposal over his or her person. (Relations in which the labor-power is sold by someone other than the worker are ruled out, because they presuppose that the seller of the labor-power is able to force the worker, whose labor-power he sold, to do the work—perhaps in the form of this worker being a slave.)

(1b) Since the price of labor-power is to be determined by market forces, seller and buyer of labor-power must be legally equal.

(1c) For the freedom and equality of points (1a) and (1b) to endure, the worker must be prevented from selling himself or herself once and for all. He can sell himself only temporarily.

(2) If the laborer were able to sell a finished product instead of her labor-power, she would never sell her labor-power, since it is much more lucrative to sell the finished prod-
6. Sale and Purchase of Labor-Power

uct. She will therefore only sell her labor-power if she is deprived of the following necessary conditions for doing the production herself:

(2a) For any production, the worker needs access to pre-existing products.

(2b) Workers must have things to consume before producing.

(2c) If the product is a commodity, it must be sold before the producer can benefit from his or her labor in that product.

Marx ends with the remark that conditions (1) and (2) represent the two meanings of free: free to and free from.

After this overview, let us look at Marx’s argument in detail. ▼ All conditions for labor-power being a commodity enumerated in the next paragraph fall under point (1):

270:3/o But in order that the owner of money may find labor-power on the market as a commodity, various conditions must first be fulfilled.

181:3/o Damit jedoch der Geldbesitzer die Arbeitskraft als Ware auf dem Markt vorfinden, müssen verschiedene Bedingungen erfüllt sein.
Labor-power must be sold by the laborer himself, because otherwise coercive relations would be necessary that are incompatible with the free exchange of commodities. In and for itself, the exchange of commodities requires that there be no other relations of dependence than those resulting from its own nature. On this presupposition, labor-power can appear on the market as a commodity only if its possessor, the individual whose labor-power it is, is also the one who offers it for sale. In order that its possessor may sell it as a commodity, he must have it at his disposal, he must be the free proprietor of his own labor-capacity, i.e., of his person.39 Der Warenaustausch schließt an und für sich keine anderen Abhängigkeitsverhältnisse ein als die aus seiner eignen Natur entspringenden. Unter dieser Voraussetzung kann die Arbeitskraft als Ware nur auf dem Markt erscheinen, sofern und weil sie von ihrem eignen Besitzer, der Person, deren Arbeitskraft sie ist, als Ware feilgeboten oder verkauft wird. Damit ihr Besitzer sie als Ware verkaufe, muß er über sie verfügen können, also freier Eigentümer seines Arbeitsvermögens, seiner Person sein.39
6. Sale and Purchase of Labor-Power

Fowkes translates “Voraussetzung” (presupposition) with “assumption.” This introduces the epistemic fallacy.

The above implicitly rules out slave labor as the basis for capitalism because both sale and labor of the slave presuppose direct coercion of the slave. “Accumulation of slaves and land necessitates relations of domination and servitude” (Contribution, 366:1). Capital can only then fully develop if all relations that are not based on commodity exchange are removed or, at least, marginalized.

In encyclopedias about classical antiquity, one can read such nonsense as this: In the ancient world capital was fully developed, ‘except for the absence of the free worker and of a system of credit’. Mommsen too, in his History of Rome, commits one blunder after another in this respect.

In Realenzyklopädiendes klassischen Altertums kann man den Unsinn lesen, daß in der antiken Welt das Kapital völlig entwickelt war, „außer daß der freie Arbeiter und das Kreditwesen fehlten“. Auch Herr Mommsen in seiner „Römischen Geschichte“ begeht ein Quidproquo über das andere.

Now (1b), equality of buyer and seller: He and the owner of money meet in the market and enter a relation with each other
as equally empowered commodity owners. The only difference between them is that one is a buyer, the other a seller; both are therefore equal in the eyes of the law.

This necessitates (1c), that the sale of labor-power must always be only temporary:

For this relation to continue, the proprietor of labor-power must always sell it only for a limited period, for if he were to sell it in a lump, once and for all, he would be selling himself, converting himself from a free man into a slave, from an owner of a commodity into a commodity. He must continually treat his labor-power as his own property, his own commodity, and he can do this only by placing it at the disposal of the buyer only temporarily, i.e. by handing it over to the buyer for him to consume only for a spe-

ander als ebenbürtige Warenbesitzer, nur dadurch unterschieden, daß der eine Käufer, der andere Verkäufer, beide also juristisch gleiche Personen sind.

Die Fortdauer dieses Verhältnisses erheischt, daß der Eigentümer der Arbeitskraft sie stets nur für bestimmte Zeit verkaufe, denn verkauft er sie in Bausch und Bogen, ein für allemal, so verkauft er sich selbst, verwandelt sich aus einem Freien in einen Sklaven, aus einem Warenbesitzer in eine Ware. Er als Person muß sich beständig zu seiner Arbeitskraft als seinem Eigentum und daher seiner eignen Ware verhalten, und das kann er nur, soweit er sie dem Käufer stets nur vorübergehend, für einen bestimmten Zeittermin, zur Verfügung
6. Sale and Purchase of Labor-Power

cific period of time. The alienation of his labor-power must not be the renunciation of his rights of ownership over it.\(^{40}\)

The state must intervene here and regulate the sale and purchase of labor-power by law, so that the worker’s dependence on the sale of his or her labor-power does not lead to the sale of labor-power once and for all:

\(^{40}\) Hence legislation in various countries fixes a maximum length for labor contracts. Wherever free labor is the rule, the law regulates the conditions for terminating this contract.

The next part of the footnote discusses “hidden forms of slavery.”

\(^{40\text{ctd}}\) In some countries, particularly in Mexico (and before the American Civil War in the territories taken by the United States from Mexico, as also in practice in the Danubian Principalities until Cuza’s coup d’état), slavery is hidden under the form of peonage. By means of advances repayable in labor, which are handed

\(^{40\text{ctd}}\) Verschiedene Gesetzgebungen setzen daher ein Maximum für den Arbeitskontrakt fest. Alle Gesetzbücher bei Völkern freier Arbeit regeln Kündigungsbedingungen des Kontrakts.

\(^{40}\) In verschiedenen Ländern, namentlich in Mexiko (vor dem Amerikanischen Bürgerkrieg auch in den von Mexiko losgerissenen Territorien, und der Sache nach bis zu Kusas Umwälzung in den Donauprovinzen), ist die Sklaverei unter der Form von Peonage versteckt. Durch Vorschüsse, die in Arbeit abzutragen und sich von Generati-
6.2. [Labor-Power as a Commodity]

down from generation to generation, not only the individual worker, but also his family, become in fact the property of other persons and their families. Juárez abolished peonage, but the so-called Emperor Maximilian re-established it by a decree which was aptly denounced in the House of Representatives in Washington as a decree for the re-introduction of slavery into Mexico.

The rest of the footnote is taken up by a Hegel quote in which Hegel tries to argue why slavery is bad but wage labor good:

40 ct. ‘Single products of my particular physical and mental skill and of my power to act I can alienate to someone else and I can give him the use of my abilities for a restricted period, because, on the strength of this restriction, my abilities acquire an external relation to the totality and universality of my being. By alienating the whole

40 ct. „Von meinen besondren körperlichen und geistigen Geschicklichkeiten und Möglichkeiten der Tätigkeit kann ich … einen in der Zeit beschränkten Gebrauch an einen andren veräußern, weil sie nach dieser Beschränkung ein äußerliches Verhältnis zu meiner Totalität und Allgemeinheit erhalten. Durch die Veräußerung meiner gan-
6. Sale and Purchase of Labor-Power

of my time, as crystallized in my work, and everything I produced, I would be making into another’s property the substance of my being, my universal activity and actuality, my personality’ (Hegel, Philosophie des Rechts, Berlin, 1840, p. 104, para. 67) [English translation, p. 54].

Now Argument (2), the laborer must be forced to sell his or her labor-power instead of selling his or her product. Marx tacitly uses here an argument which will explicitly be made only later in this chapter: selling a commodity produced by the labor-power would be much more lucrative than selling the labor-power itself, since the seller would get reimbursed for all the labor in the product instead of just the value of his or her labor-power.

272:1 The second essential condition which allows the money owner to find labor-power in the market as a commodity is this, that the owner of labor-power, instead of being able to sell commodities in which his labor has been objectified, must rather be compelled to offer for sale as a commodity that the owner of labor-power, instead of being able to sell commodities in which his labor has been objectified, must rather be compelled to offer for sale as a commodity...
that very labor-power which exists only in his living body.

“Possessor” is a more precise translation of “Besitzer” than “owner.” However Marx is apparently not distinguishing here between possession and ownership; in colloquial German, “Besitzer” is often used to mean “owner.” Fowkes is therefore right to translate, in the above sentence, Marx’s “Geldbesitzer” as “owner of money.”

Marx gives now a counterfactual argument, enumerating all the things which would be necessary for the worker to sell a product instead of labor: (2a) For production, pre-existing products are necessary:

183:2 Damit jemand von seiner Arbeitskraft unterschiedne Waren verkaufe, muß er natürlich Produktionsmittel besitzen, z.B. Rohstoffe, Arbeitsinstrumente usw. Er kann keine Stiefel machen ohne Leder.

272:2 In order that a man may be able to sell commodities other than his labor-power, he must of course possess means of production, such as raw materials, instruments of labor, etc. No boots can be made without leather.

(2b) The laborer also needs consumer goods for himself:
6. Sale and Purchase of Labor-Power

He requires also the means of subsistence. Nobody, not even a builder of castles in the air, can live on the products of the future, or on use-values whose production has not yet been completed; just as on the first day of his appearance on the world’s stage, man must still consume every day, before and while he produces.

(2c) If the product is a commodity, then not only its production time but also its circulation time must be bridged by the consumption of pre-existing products.

If products are produced as commodities, they must be sold after they have been produced and they can only satisfy the producer’s needs after they have been sold. The time necessary for sale must be added to the time of production.

If the worker lacks the above, then he or she cannot sell products but must sell labor-
power. Marx remarks that this is again freedom—not “freedom to,” as in condition (1a), but “freedom from.”

272:3/o For the transformation of money into capital, therefore, the owner of money must find the free worker available on the commodity-market; and this worker must be free in the double sense that as a free individual he can dispose of his labor-power as his own commodity, and that, on the other hand, he has no other commodity for sale, i.e. he is rid of them, he is free of all the objects needed for the realization of his labor-power.

183:3 Zur Verwandlung von Geld in Kapital muß der Geldbesitzer also den freien Arbeiter auf dem Warenmarkt vorfinden, frei in dem Doppelsinn, daß er als freie Person über seine Arbeitskraft als seine Ware verfügt, daß er andererseits andre Waren nicht zu verkaufen hat, los und ledig, frei ist von allen zur Verwirklichung seiner Arbeitskraft nötigen Sachen.

6.3. [Historical Preconditions of Economic Forms]

273:1 Why this free worker confronts him 183:4 Die Frage, warum dieser freie Arbei-
6. Sale and Purchase of Labor-Power

in the sphere of circulation is a question which does not interest the owner of money, for he finds the labor market in existence as a particular branch of the commodity market. And for the present it interests us just as little. We take this fact for granted theoretically, as he does practically.

Due to its qualities, labor-power stands out against all the other commodities like a single black sheep against a herd of white sheep. This throws up two questions, one historical, the other logical. The historical question is: under which conditions did this black sheep arise? The logical question is: are there some deeper reasons why money bags, whose appetite has been whetted by the abstract and one-dimensional nature of monetary wealth, is so lucky to find on the market exactly that commodity labor-power which allows him to fulfill his dreams of enrichment?

It is not clear whether Marx’s question “why the free worker confronts the money owner in the sphere of circulation” refers to the historical or the logical dimension. If it is the historical question, the answer can be found in the chapters on “primitive accumulation” at
the end of *Capital I*, which describe the forcible expropriation of the direct producers. If it is the logical question, an answer would require an investigation of the anatomy of the black sheep, i.e., of the relationship between labor-power, the ordinary commodities, money, and capital.

The black sheep has intricate connections with the white sheep: “Only when and where wage labor is its basis does commodity production impose itself upon the whole society” (*Capital I*, 733:4/o; similar remarks e.g. in *Resultate*). It is therefore not an extraneous accident or even an adulteration of commodity circulation that the black sheep labor-power runs around among the ordinary commodities. Nevertheless, Marx does not give a derivation of the commodity labor-power in *Capital* comparable to his derivation of capital progressing from value to money and on to capital. However in *Grundrisse*, elements of a parallel progression, from use-value to the commodity to wage labor, can be found. Marx compares the relation between use-value and exchange-value in the pair commodity–money and in the pair wage labor–capital (266:1–273).

Why not in *Capital*? Perhaps Marx changed his mind about the merits of reducing everything to the basic contradiction between use-value and value. Another possibility would be that Marx did not think that such a derivation belonged into *Capital*. Perhaps he wanted to
6. Sale and Purchase of Labor-Power

include it into the book about wage labor, which Marx had planned to write. (He refers to it in chapter Twenty, p. 683:1. However there is a hot debate whether Marx really wanted to write a book about wage labor.)

The phrase “we take this fact for granted theoretically” might therefore mean that Marx postpones this part of the derivation, since it belongs into the book on wage labor and would lead us too far afield. Just as the capitalist can make his profits without knowing why he finds labor-power on the market, so can we gain an understanding of the capital relation even if some foundational issues regarding the wage labor remain unresolved. A similar argument is also made in 710:2.

The discussion which follows now does not tell us why labor-power has become a commodity, but remarks in general that such things do not happen naturally but have their specific historical conditions:

One thing, however, is clear: nature does not produce owners of money or commodities on the one side, and men possessing nothing but their own labor-power on the other. This

Eins jedoch ist klar. Die Natur produziert nicht auf der einen Seite Geld- oder Warenbesitzer und auf der anderen bloße Besitzer der eignen Arbeitskräfte. Dies Verhältnis...
6.3. [History and Economy]

relation has no basis in natural history, nor is it a social relation common to all periods of human history. It is obviously the result of a past historical development, the product of many economic revolutions, of the demise of a whole series of older formations of social production.

Labor-power is not unique in this respect. Also the other economic categories bear the stamp of history.

273:2 The economic categories which we discussed earlier bear a historical imprint as well.

Marx gives now the historical conditions for the emergence of commodity and money, and then contrasts this with the historical conditions of capital. Regarding the commodity, Marx asks two questions: what are the conditions for *some* of the products to be produced as commodities, and what are the conditions for the *overwhelming majority* of products to
6. *Sale and Purchase of Labor-Power*

be produced as commodities?

Specific historical conditions must be satisfied for the existence of commodities. In order to become a commodity, the product must not be produced as the immediate means of subsistence of the producer himself. Had we gone further, and inquired under what circumstances all, or even the majority of products take the form of commodities, we should have found that this happens only on the basis of one particular mode of production, the capitalist one. Such an investigation, however, would have been foreign to the analysis of commodities. Production and circulation of commodities can take place even if the great mass of the objects produced are intended for the immediate means of subsistence of the producer. 
mediate needs of their producers, and are not turned into commodities, so that the process of social production is by far not dominated in its length and breadth by exchange-value. The conversion of the product into a commodity requires a level of development of the division of labor within society such that the separation of use-value from exchange-value, a separation which first begins with barter, has already been completed. But such a degree of development is common to many economic formations of society, with the most diverse historical characteristics.

After the conditions for commodity production now the conditions for money.

273:3/o If we go on to consider money, its existence requires that the development of commodity exchange has reached a cer-

darf gerichtet, sich nicht in Ware verwandelt, der gesellschaftliche Produktionsprozeß also noch lange nicht in seiner ganzen Breite und Tiefe vom Tauschwert beherrscht ist. Die Darstellung des Produkts als Ware bedingt eine so weit entwickelte Teilung der Arbeit innerhalb der Gesellschaft, daß die Scheidung zwischen Gebrauchswert und Tauschwert, die im unmittelbaren Tauschhandel erst beginnt, bereits vollzogen ist. Eine solche Entwicklungsstufe ist aber den geschichtlich verschiedensten ökonomischen Gesellschaftsformationen gemein.

184:1 Oder betrachten wir das Geld, so setzt es eine gewisse Höhe des Warenaustausches voraus. Die besonderen Geldfor-
Commodity production must have reached a certain height for money to exist. The question “which height” depends on the form of money whose existence is to be explained. The development of the various forms of money follows the development of commodity production so closely that the forms of money can be used as historical or archeological evidence for these forms of commerce. Overall, the required level of development for all these forms...
is “relatively feeble.”

The conditions for the emergence of capital are different than those discussed so far:

Not so with capital. The historical conditions of its existence are by no means fulfilled with the mere circulation of money and commodities. Capital only arises when the owner of the means of production and subsistence finds the free worker selling his own labor-power on the market. This one historical precondition comprises a world’s history. Capital, therefore, ushers in from the outset a new epoch in the process of social production.41

41 The capitalist epoch is therefore characterized by the fact that labor-power, for the worker himself, takes on the form of a commodity which is his property—and thus his labor takes on the...
form of wage labor. On the other hand, it is only from this moment that the products of labor generally take the form of commodities.

Moore Aveling has: in the eyes of the laborer himself, which is wrong. It is not a matter of how he perceives it, the laborer will often not even be aware that he is selling his labor-power and not his labor. It is a matter of whether it is a commodity for the laborer, i.e., whether the laborer himself is the one who has the authority to buy and sell this commodity (his own labor-power). French edition has it right: pour le travailleur lui-même.

Money develops wherever there are commodities, but capital, by contrast, does not immediately follow from the existence of commodities and money. It depends on the availability of labor-power as a commodity, which is a very basic relation of production. Marx writes “capital ushers in a new epoch in the process of social production” because the development of capital will lead to epochal changes, and it does so “from the outset” because one can see this from a very basic first logical facts about it, namely, from its dependence on wage labor.
6.4. [Value of Labor-Power]

274:1 This peculiar commodity, labor-power, must now be examined more closely. Like all other commodities it has a value.\(^{42}\) Hobbes takes it so much for granted that labor-power is a commodity that he conflates the value of this labor-power with the value of the worker himself:

\(^{42}\) ‘The value or worth of a man, is as of all other things his price—that is to say, so much as would be given for the use of his power’ (T. Hobbes, Leviathan, in Works, ed. Molesworth, London, 1839–44, Vol. 3, p. 76).

⇓ The question: “how is this value determined?” is short for: “how is the magnitude of this value determined?”

How is that value determined?

⇓ One might think the value of labor-power is the same as the value created by labor-power. This is wrong. In order to determine the value of labor-power, we must forget the


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value-creating capabilities which make labor-power a special commodity. We must simply apply the general laws of the commodity developed earlier.

274:2/o The value of labor-power is determined, as in the case of every other commodity, by the labor-time necessary for the production, and consequently also the reproduction, of this specific article.

184:3/o Der Wert der Arbeitskraft, gleich dem jeder anderen Ware, ist bestimmt durch die zur Produktion, also auch Reproduktion, dieses spezifischen Artikels notwendige Arbeitszeit.

Just as with every other commodity, we must look at the labor materialized in labor-power in abstraction from the use-value of labor-power.

In so far as it is value, labor-power itself represents nothing other than a definite quantity of the average social labor objectified in it.

Soweit sie Wert, repräsentiert die Arbeitskraft selbst nur ein bestimmtes Quantum in ihr vergegenständlicher gesellschaftlicher Durchschnittsarbeita.

⇓ Now Marx discusses the labor objectified in labor-power:

Labor-power exists only as a capacity of the living individual. Its production consequently presupposes his existence. Given

Die Arbeitskraft existiert nur als Anlage des lebendigen Individuums. Ihre Produktion setzt also seine Existenz voraus. Die Exi-
the existence of the individual, the production of labor-power consists in his own reproduction or maintenance. For his maintenance he requires a certain quantity of means of subsistence. Therefore the labor-time necessary for the production of labor-power resolves itself into that necessary for the production of those means of subsistence; in other words, the value of labor-power is the value of the means of subsistence necessary for the maintenance of the owner of the labor-power.

↑ The reproduction of labor-power also requires a lot of living labor: cooking, cleaning, raising children, etc. This labor is not reflected in the value of labor-power. Only the worker’s expenses are counted here. ↓ This definition will now be filled out with more precise specifications of how much consumption is necessary for the preservation of its owner. Marx gives five such additional details. The first specification ties into the sentence “labor-
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power exists only as a capacity of the living individual.” Mere existence is not enough, labor-power must also be actualized:

However, labor-power becomes actuality only by being applied; it is activated only through labor. In the course of this activation, which is labor, a certain quantity of human muscle, nerve, brain, etc. is expended, and these things must be replaced. If more is expended, more must be received.\[43\]

The formulation of the first of these specifications is very terse. But footnote 43 gives the required clarification: harder workers need more food, therefore higher wages.

\[43\] In ancient Rome, therefore, the villicus, as the overseer of the agricultural slaves, received ‘more meagre fare than working slaves, because his work was lighter’ (T. Mommsen, Römische Geschichte, 1856, p. 810).

\[43\] Der altrömische villicus, als Wirtschafter an der Spitze der Ackerbausklaven, empfing daher, „weil er leichtere Arbeit hat als die Knechte, knapperes Maß als diese“. (Th. Mommsen, „Röm. Geschichte“, 1856, p. 810.)
Second specification: maintenance of labor-power is a continuous and cumulative process in which the worker must not fall behind:

After having worked today, the owner of labor-power must be able to repeat the same process tomorrow in the same conditions as regards health and strength. His means of subsistence must therefore be sufficient to maintain him in his normal state as a working individual.

This will be amended by the fourth specification below, see 276:3/o.

Third: the needs may vary according to the climate, and are also determined by culture and past class struggles:

His natural needs, such as food, clothing, fuel and housing, vary according to the climatic and other physical peculiarities of his country. On the other hand, the number and
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extent of his so-called necessary requirements, as also the manner in which they are satisfied, are themselves products of history, and depend therefore to a great extent on the level of civilization attained by a country; in particular they depend on the conditions in which, and consequently on the habits and expectations with which, the class of free workers has been formed.\textsuperscript{44}

\textsuperscript{44} Cf. [Tho46].

In contrast, therefore, with other commodities, the determination of the value of labor-power contains a historical and moral element. Nevertheless, in a given country at a given period, the average amount of the means of subsistence necessary for the worker is a known datum.

eines Landes. Andrerseits ist der Umfang sog. notwendiger Bedürfnisse, wie die Art ihrer Befriedigung, selbst ein historisches Produkt und hängt daher großenteils von der Kulturstufe eines Landes, unter andrem auch wesentlich davon ab, unter welchen Bedingungen, und daher mit welchen Gewohnheiten und Lebensansprüchen die Klasse der freien Arbeiter sich gebildet hat.\textsuperscript{44}

\textsuperscript{44} Vgl. [Tho46].

Im Gegensatz zu den andren Waren enthält also die Wertbestimmung der Arbeitskraft ein historisches und moralisches Element. Für ein bestimmtes Land, zu einer bestimmten Periode jedoch, ist der Durchschnitts-Umkreis der notwendigen Lebensmittel gegeben.
At Marx’s time, the word “moral” was often used for something nonphysical. For instance, Marx calls technical obsolescence of means of production “moral depreciation.” The last sentence says that such variations have no bearing as long as one looks at one country during one period only.

The fourth specific point amends the second: value of labor-power must be sufficient not only to allow the worker to reproduce himself, but also for his offspring.

275:1 The owner of labor-power is mortal. If then his appearance in the market is to be continuous, and the continuous transformation of money into capital assumes this, the seller of labor-power must perpetuate himself ‘in the way that every living individual perpetuates himself, by procreation’. The labor-power removed from the market by wear and tear, and by death, must be continually replaced by, at the very least, an equal amount of fresh labor-power. Hence 185:1/o Der Eigentümer der Arbeitskraft ist sterblich. Soll also seine Erscheinung auf dem Markt eine kontinuierliche sein, wie die kontinuierliche Verwandlung von Geld in Kapital voraussetzt, so muß der Verkäufer der Arbeitskraft sich verewigen, „wie jedes lebendige Individuum sich verewigt, durch Fortpflanzung“. Die durch Abnutzung und Tod dem Markt entzogenen Arbeitskräfte müssen zum allermindesten durch eine gleiche Zahl neuer Arbeitskräfte beständig er-
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the sum of means of subsistence necessary for the production of labor-power must include the means necessary for the worker’s replacements, i.e. his children, in order that this race of peculiar commodity-owners may perpetuate its presence on the market.\textsuperscript{46}

\textsuperscript{45} Petty.

\textsuperscript{46} ‘Its’ (labor’s) ‘natural price … consists in such a quantity of necessaries and comforts of life, as, from the nature of the climate, and the habits of the country, are necessary to support the laborer, and to enable him to rear such a family as may preserve, in the market, an undiminished supply of labor’ (R. Torrens, An Essay on the External Corn Trade, London, 1815, p. 62). The word labor is here wrongly used for labor-power. setzt werden. Die Summe der zur Produktion der Arbeitskraft notwendigen Lebensmittel schließt also die Lebensmittel der Ersatzmänner ein, d.h. der Kinder der Arbeiter, so daß sich diese Race eigentümlicher Warenbesitzer auf dem Warenmarkte verewigt.\textsuperscript{46}

\textsuperscript{45} Petty.

Young workers without family often do not realize how low their wage really is, because they have lower expenses than workers with families.

The fifth point is important as well: the cost of schooling enters the value of labor-power.

In order to modify the general nature of the human organism in such a way that it acquires skill and dexterity in a given branch of industry, and becomes labor-power of a developed and specific kind, a special education or training is needed, and this in turn costs an equivalent in commodities of a greater or lesser amount. The costs of education vary according to the degree of complexity of the labor-power required. These expenses (exceedingly small in the case of ordinary labor-power) form a part of the total value spent in producing it.

186:1 Um die allgemein menschliche Natur so zu modifizieren, daß sie Geschick und Fertigkeit in einem bestimmten Arbeitszweig erlangt, entwickelte und spezifische Arbeitskraft wird, bedarf es einer bestimmten Bildung oder Erziehung, welche ihrerseits eine größere oder geringere Summe von Warenäquivalenten kostet. Je nach dem mehr oder minder vermittelten Charakter der Arbeitskraft sind ihre Bildungskosten verschieden. Diese Erlernungskosten, verschwindend klein für die gewöhnliche Arbeitskraft, gehn also ein in den Umkreis der zu ihrer Produktion verausgabten Werte.
Marx’s sixth point is an important implication of the indirect method of determining the magnitude of value: the value of labor-power is variable.

276:1 The value of labor-power can be resolved into the value of a definite quantity of the means of subsistence. It therefore varies with the value of the means of subsistence, i.e. with the quantity of labor-time required to produce them.

The value of labor-power is therefore determined by many different factors. These factors also have different time dimensions, which requires that the value of a day’s labor-power is determined by an averaging method.

276:2 A part of the means of subsistence, such as food and fuel, are consumed every day, and must therefore be replaced every day. Others, such as clothes and furniture, last for longer periods and need to be replaced only at longer intervals. Some arti-

186:2 Der Wert der Arbeitskraft löst sich auf in den Wert einer bestimmten Summe von Lebensmitteln. Er wechselt daher auch mit dem Wert dieser Lebensmittel, d.h. der Größe der zu ihrer Produktion erheischten Arbeitszeit.

cles must be bought or paid for every day, others every week, others every quarter and so on. But in whatever way the sum total of these outlays may be spread out over the year, they must be covered by the average daily income. If the total of the commodities required every day for the production of labor-power \(= A\), and of those required every week \(= B\), and of those required every quarter \(= C\), and so on, the daily average of these commodities \(= \frac{365A+52B+4C+\cdots}{365}\). Assuming that this mass of commodities required for the average day contains 6 hours of social labor, then during every day, half a day of average social labor is objectified in labor-power. In other words, half a day of labor is required to produce labor-power for in längeren Zeiträumen zu ersetzen. Waren einer Art müssen täglich, andre wöchentlich, vierteljährlich usf. gekauft oder gezahlt werden. Wie sich die Summe dieser Ausgaben aber immer während eines Jahres z.B. verteilen möge, sie muß gedeckt sein durch die Durchschnittseinnahme tagein, tagaus. Wäre die Masse der täglich zur Produktion der Arbeitskraft erheischten Waren \(= A\), die der wöchentlich erheischten \(= B\), die der vierteljährlich erheischten \(= C\) usw., so wäre der tägliche Durchschnitt dieser Waren \(= \frac{365A+52B+4C+\cdots}{365}\). Gesetzt, in dieser für den Durchschnittstag nötigen Warenmasse steckten 6 Stunden gesellschaftlicher Arbeit, so vergegenständlicht sich in der Arbeitskraft täglich ein halber Tag gesellschaft-
one day. This quantity of labor constituted
the value of a day’s labor-power, or the value
of the labor-power reproduced every day. If
half a day of average social labor is also rep-
resented in a mass of gold amounting to 3
shillings, then 3 shillings is the price which
 corresponds to the value of a day’s labor-
power. If its owner therefore offers it for
sale at 3 shillings a day, its selling price is
equal to its value, and according to our orig-
inal assumption, the owner of money, who
is intent on transforming his 3 shillings into
capital, pays this value.

In this calculation, Marx assumes (without saying so explicitly) that a normal working day
6.4. [Value of Labor-Power]

is 12 hours long. 6 hours of social labor are objectified in the means of consumption necessary to maintain labor-power for one day, and these 6 hours are represented by 3 shillings. A wage of 3 shillings represents therefore only half a day’s labor. Although the worker must work a full day to get this wage, he is selling his labor-power at its value and not below its value.

This completes the calculation of the value. We have seen that the value of labor-power is conditional and variable and depends on complex calculations which may not have a unique determinate outcome. But the range of this indeterminacy and variability is constrained by what Marx calls the minimum limit of this value.

The ultimate or minimum limit of the value of labor-power is formed by the value of the commodities which have to be supplied every day to the bearer of labor-power, the man, so that he can renew his life-process. That is to say, the limit is formed by the value of the physically indispensable means of subsistence. If the...
price of labor-power falls to this minimum, it falls below its value, since under such circumstances it can be maintained and developed only in a crippled state, and the value of every commodity is determined by the labor-time required to provide it in its normal quality.

The price of labor-power cannot fall below this limit but it can hover at this limit. In this situation, however, the price is below the value. A wage which meets only the survival needs of the laborer is a wage below the value of labor-power. The capitalists nevertheless have the incentive to depress wages to this minimum limit, since this is the minimum wage which allows the worker to show up for work. Laborers are often forced to accept such a wage, but since this wage is below the value of labor-power, the market is on their side when they fight to restore the wages to the value of labor-power. This is one of the reasons why, as Marx says in *Value, Price and Profit*, p. [mecw20]148:2, “the necessity of debating their price with the capitalist is inherent to their condition of having to sell themselves as commodities.”

Marx’s distinction between the value created by labor and the value of labor-power draws
a sharp dividing line between labor and labor-power. Now one might argue that these two cannot really be separated, that one cannot exist without the other, and that therefore any theoretical categories based on their difference are mere mental constructs without significance in the real world. Marx concludes his discussion of the value of labor-power with a paragraph addressing this objection:

277:1 It is an extraordinarily cheap kind of sentimentality which declares that this method of determining the value of labor-power, a method prescribed by the very nature of the case, is brutal, and which laments with Rossi in this matter:

To conceive capacity for labor in abstraction from the workers’ means of subsistence during the production process is to conceive a phantom. When we speak of labor, or capacity for labor, we speak at the same time of the worker and his means of subsistence, of the...

187:2–4 Es ist eine außerordentlich wohlfeile Sentimentalität, diese aus der Natur der Sache fließende Wertbestimmung der Arbeitskraft grob zu finden und etwa mit Rossi zu jammern:

„Das Arbeitsvermögen (puissance de travail) begreifen, während man von den Subsistenzmitteln der Arbeit während des Produktionsprozesses abstrahiert, heißt ein Hirngespinst (être de raison) begreifen. Wer Arbeit sagt, wer Arbeitsvermögen sagt, sagt zugleich Arbeiter und...

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When we speak of capacity for labor, we do not speak of labor, any more than we speak of digestion when we speak of capacity for digestion. As is well known, the latter process requires something more than a good stomach. When we speak of capacity for labor, we do not abstract from the necessary means of subsistence. On the contrary their value is expressed in its value. If his capacity for labor remains unsold, this is of no advantage to the worker. He will rather feel it to be a cruel nature-imposed necessity that his capacity for labor has required for its production a definite quantity of the means of subsistence, and will continue to

Subsistenzmittel, Arbeiter und Arbeitslohn."\(^{47}\)

\(^{47}\) [Ros43, p. 370, 371]

require this for its reproduction. Then he will make the same discovery as Sismondi, that ‘the capacity for labor … is nothing unless it is sold’. 48

„Das Arbeitsvermögen … ist nichts, wenn es nicht verkauft wird“ 48

Marx agrees with Rossi that the means of subsistence of the workers are implicit in the concept of labor-power. But he disagrees with Rossi’s conflation of labor-power and labor. There is an important practical difference between labor-power and labor, because labor-power cannot produce without means of production. A laborer who is unable to sell his labor-power experiences both of these aspects: the difference between labor-power and labor, and the connection between labor-power and means of subsistence. Although Marx does not say it here explicitly, this scenario makes it clear why labor-power cannot command a price of the market which reimburses the full value produced by the labor.
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6.5. [The Worker as Creditor]

Since the use-value of labor-power consists in the manifestation of this power after it is sold, the capitalist pays the laborer after he has worked, in order to ensure delivery of the commodity labor-power he has bought. In effect, the worker gives a forced credit to the capitalist. Instead of earning interest on this credit, the worker is economically penalized for it: loss of wages in bankruptcy, bread undersellers, higher prices in company shops which sell for credit.

One consequence of the peculiar nature of labor-power as a commodity is this, that it does not in reality pass straight away into the hands of the buyer on the conclusion of the contract between buyer and seller. Its value, like that of every other commodity, was determined before it enters into circulation, because the production of the labor-power required a specific quantity of social labor. But its use-value only

188:1 Die eigentümliche Natur dieser spezifischen Ware, der Arbeitskraft, bringt es mit sich, daß mit der Abschließung des Kontrakts zwischen Käufer und Verkäufer ihr Gebrauchswert noch nicht wirklich in die Hand des Käufers übergegangen ist. Ihr Wert, gleich dem jeder anderen Ware, war bestimmt, bevor sie in die Zirkulation trat, denn ein bestimmtes Quantum gesellschaftlicher Arbeit ward zur Produktion der Arbeitskraft veraus-
consists in the subsequent exercise of that power. The alienation of labor-power and its actual manifestation, when it takes effect as a use-value, do not coincide in time. In those cases, however, in which the formal alienation by sale of the use-value of a commodity does not coincide with its actual transfer to the buyer, the money of the buyer usually serves as means of payment. 49

Money serves as means of payment means: the payment takes place a certain time period after the goods have changed hands.

49 'All labor is paid after it has ceased' (An Inquiry into Those Principles, Respecting the Nature of Demand, etc., p. 104). ‘The system of commercial credit had to start at the mo-

49 „Alle Arbeit wird bezahlt, nachdem sie beendet ist.“ („An Inquiry into those Principles, respecting the Nature of Demand etc.“, p. 104.) „Der kaufmännische Kredit mußte in dem Moment an-
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With an ordinary commodity, it does not matter when the buyer uses it, because he has full control over it and he can use it whenever he likes. Not so with the labor-power.

In every country where the capitalist mode of production prevails, it is the custom not to pay for labor-power until it has been exercised for the period fixed by the contract, for example, at the end of each week. In all cases, therefore, the worker advances the use-value of his labor-power to the capitalist. He lets the buyer consume it before he received his wages until the end of the week, the fortnight, the month, the quarter, etc.’ (C. Ganilh, Des systèmes de l’économie politique, 2nd edn, Paris, 1821, Vol. 2, p. 150).

In allen Ländern kapitalistischer Produktionsweise wird die Arbeitskraft erst gezahlt, nachdem sie bereits während des im Kaufkontrakt festgesetzten Terms funktionierte hat, z.B. am Ende jeder Woche. Überall schießt daher der Arbeiter dem Kapitalisten den Gebrauchswert der Arbeitskraft vor; er läßt sie vom Käufer konsumieren, bevor er
receives payment of the price. Everywhere the worker allows credit to the capitalist.

This credit by the worker to the capitalist is not an empty imagination or fiction, but it is part of the reality in which the worker lives. It has a number of very real consequences:

That this credit is no mere fiction is shown not only by the occasional loss of the wages the worker has already advanced, when a capitalist goes bankrupt, but also by a series of more permanent consequences.

Storch in footnote 50 excuses the defrauding of the worker with the pun that only material things are considered “substantial:”

50 ‘The worker lends his industry,’ says Storch. But he slyly adds to this the statement that the worker ‘risks nothing’, except ‘the loss of his wages . . . The worker does not hand over anything of a material nature’. (Storch, Cours d’économie politique, St Petersburg, 1815, Vol.

50 „Der Arbeiter leiht seinen Fleiß,“ aber, setzt Storch schlau hinzu: er „riskiert nichts“, außer „seinen Lohn zu verlieren . . . der Arbeiter überträgt nichts Materielles“. (Storch, „Cours d’Écon. Polit.“, Petersbourg 1815, t. II, p. 36, 37.)
One implication of this forced lending by the worker is described in footnote 51. Since the workers do not have cash, they are forced to buy in stores which give them credit. (Often these stores are owned by the employer.) Since these stores do not have to fear competition (the worker cannot go elsewhere), they either sell inferior merchandise or charge exorbitant prices:

51 One example. In London there are two sorts of bakers, the ‘full priced’, who sell bread at its full value, and the ‘undersellers’, who sell it at less than its value. The latter class comprises more than three-quarters of the total number of bakers (p. xxxii in the Report of H. S. Tremenheere, the commissioner appointed to examine’ the grievances complained of by the journeymen bakers’, etc., London, 1862). The undersellers, almost without exception, sell bread adulterated with alum, soap, pearl-ash, chalk, Derbyshire stonedust and other similar agreeable, nourishing 1026
and wholesome ingredients. (See the above-cited Blue Book, as also the report of the select committee of 1855 on the adulteration of food, and Dr. Hassall’s Adulterations Detected, 2nd edn, London, 1861.) Sir John Gordon stated before the committee of 1855 that ‘in consequence of these adulterations, the poor man, who lives on two pounds of bread a day, does not now get one-fourth part of nourishing matter, let alone the deleterious effects on his health’. Tremenheere states (op. cit., p. xlviii) as the reason why a ‘very large part of the working class’, although well aware of this adulteration, nevertheless accept the alum, stone-dust, etc. as part of their purchase, that it is for them ‘a matter of necessity to take from their baker or from the chandler’s shop such bread as they choose to supply’. As they are not paid their wages before the end of the week, they in their turn are unable ‘to pay for the bread nehmen, nahrhaften und gesunden Ingredienzien. (Sieh das oben zitierte Blaubuch, ebenso den Bericht des „Committee of 1855 on the Adulteration of Bread“ und Dr. Hassalls, „Adulterations Detected“, 2nd. edit., London 1861.) Sir John Gordon erklärte vor dem Komitee von 1855, daß „infolge dieser Fälschungen der Arme, der von zwei Pfund Brot täglich lebt, jetzt nicht den vierten Teil des Nahrungsstoffes wirklich erhält, abgesehen von den schädlichen Wirkungen auf seine Gesundheit“. Als Grund, warum „ein sehr großer Teil der Arbeiterklasse“, obgleich wohl unterrichtet über die Fälschungen, dennoch Alaun, Steinmehl etc. mit in den Kauf nimmt, führt Tremenheere (l.c. p. XLVIII) an, daß es für sie „ein Ding der Notwendigkeit ist, von ihrem Bäcker oder dem chandler’s shop das Brot zu nehmen, wie man es ihnen zu geben beliebt“. Da sie erst Ende der Arbeitswoche bezahlt werden, können sie auch „das während
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consumed by their families during the week, before the end of the week’, and Tremenheere adds on the evidence of witnesses, ‘it is notorious that bread composed of those mixtures is made expressly for sale in this manner’. ‘In many English agricultural districts’ (and still more in Scottish) ‘wages are paid fortnightly and even monthly; with such long intervals between the payments, the agricultural laborer is obliged to buy on credit … He must pay higher prices, and is in fact tied to the shop which gives him credit. Thus at Horningham in Wilts., for example, where the wages are monthly, the same flour that he could buy elsewhere at 1s. 10d. per stone, costs him 2s. 4d. per stone’ (Public Health, Sixth Report of the Medical Officer of the Privy Council, etc., 1864, p. 264). ‘The block-printers of Paisley and Kilmarnock’ (Western Scotland) ‘enforced in 1833 by a strike the reduction of the period of pay-der Woche von ihren Familien verzehrte Brot erst Ende der Woche zahlen”; und, fügt Tremenheere mit Anführung der Zeugenaussagen hinzu: „Es ist notorisch, daß mit solchen Mixturen bereitetes Brot expreß für diese Art Kunden gemacht wird.“ („It is notorious that bread composed of those mixtures, is made expressly for sale in this manner.“) „In vielen englischen Agrikulturdistrikten“ (aber noch mehr in schottischen) „wird der Arbeitslohn vierzehntägig und selbst monatlich gezahlt. Mit diesen langen Zahlungsfristen muß der Agrikulturarbeiter seine Waren auf Kredit kaufen … Er hat höhere Preise zu zahlen und ist tatsächlich an die Boutique gebunden, die ihm pumpt. So kostet ihm z.B. zu Horningsham in Wilts, wo die Löhning monatlich, dasselbe Mehl 2 sh. 4 d. per stone, das er sonstwo mit 1 sh. 10 d. zahlt.“ („Sixth Report“ on „Public Health“ by „The Medical Officer of the Privy Council etc.“, 1864, p.
ments from monthly to fortnightly’ (Reports of the Inspectors of Factories ... 31 October 1853, p. 34). As a further nice development from the credit given by the workers to the capitalist, we may refer to the method adopted by many English coal-owners whereby the worker is not paid till the end of the month, and in the meantime receives sums on account from the capitalist, often in goods for which the miner is obliged to pay more than the market price (truck system). ‘It is a common practice with the coal masters to pay once a month, and advance cash to their workmen at the end of each intermediate week. The cash is given in the shop’ (i.e. the tommy-shop which belongs to the master); ‘the men take it on one side and lay it out on the other’ (Children’s Employment Commission, Third Report, London, 1864, p. 38, n. 192).

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Marx concludes this section about the worker’s forced lending by saying that he will ignore these effects henceforth:

Whether money serves as a means of purchase or a means of payment, this does not alter the nature of the exchange of commodities. The price of the labor-power is fixed by the contract, although it is not realized till later, like the rent of a house. The labor-power is sold, although it is paid for only at a later period. It will therefore be useful, if we want to conceive the relation in its pure form, to presuppose for the moment that the owner of labor-power, on the occasion of des Ladens in Empfang und geben ihn auf der anderen wieder aus.“ („Children’s Employment Commission, III. Report“, Lond. 1864, p. 38, n. 192.)

Indes ändert es an der Natur des Warenaustausches selbst nichts, ob das Geld als Kaufmittel oder als Zahlungsmittel funktioniert. Der Preis der Arbeitskraft ist kontraktlich festgesetzt, obgleich er erst hinterher realisiert wird, wie der Mietpreis eines Hauses. Die Arbeitskraft ist verkauft, obgleich sie erst hinterher bezahlt wird. Für die reine Auffassung des Verhältnisses ist es jedoch nützlich, einstweilen vorauszusetzen, daß der Besitzer der Arbeitskraft mit ihrem Verkauf jedesmal
sion of each sale, immediately receives the price stipulated in the contract.

6.6. [From the Sphere of Circulation to Production]

279:2 We now know the modalities of the determination of the value paid by the owner of money to the owner of this peculiar commodity, labor-power.

↓ However the money owner buys labor-power only because its consumption creates more value than the value incorporated in the labor-power itself. We are therefore also interested in the use-value of the commodity labor-power. The use-value which the former gets in exchange will only become apparent in the actual utilization, in the process of the consumption of the labor-power.

Generally, use-values are not part of the subject-matter of political economy. We are
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looking here at the use-value of labor-power only because labor-power is an exception. Its use-value is economically relevant because the use of labor-power creates value. In order to understand *how* the commodity labor-power obtains its miraculous ability to create surplus-value, we must look at the process in which the commodity labor-power is consumed.

The money-owner buys everything necessary for this process, such as raw material, in the market, and pays the full price for it. The process of consumption of labor-power is at the same time the process of production of commodities and of surplus-value.

What happens next will be described in the next chapter, 291:1. This is the part of the creation of surplus-value which does *not* take place in the sphere of circulation. The rest of the current chapter gives some concluding remarks before we leave circulation behind in order to enter the sphere of production.

The consumption of labor-power, as that of every other commodity, takes place outside the market or the sphere of circulation.
us therefore, in company with the owner of money and the owner of labor-power, leave this noisy sphere, which occupies the surface, and is in full view of everyone, and follow them into the hidden abode of production, on whose threshold there hangs the notice ‘No admittance except on business’. Here it will turn out, not only how capital produces, but how capital itself is produced. The secret of profit-making must at last be laid bare.

In this chapter, we have made good progress towards the explanation how profits can be made if all commodities are sold at their values. By an elimination argument we have arrived at the commodity labor-power as our only candidate through which this is possible. We know now under which conditions labor-power is a commodity, and how the value of this commodity is determined. The only remaining step is to verify that the consumption of labor-power creates more value that labor-power itself costs. For this, a detailed look at the
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consumption of the commodity labor-power has become necessary. This will not be done here but in chapter Seven. Here, at the end of chapter Six, Marx throws a last look back at the sphere of circulation:

280:1 The sphere of circulation or commodity exchange, within whose boundaries the sale and purchase of labor-power goes on, is in fact a very Eden of the innate rights of man. It is the exclusive realm of Freedom, Equality, Property and Bentham. Freedom, because both buyer and seller of a commodity, let us say of labor-power, are determined only by their own free will. They contract as free persons, who are equal before the law. Their contract is the final result in which their joint will finds a common legal expression. Equality, because each enters into relation with
the other, as with a simple owner of commodities, and they exchange equivalent for equivalent. Property, because each disposes only of what is his own. And Bentham, because each looks only to his own advantage. The only force bringing them together, and putting them into relation with each other, is the selfishness, the gain and the private interest of each. Each pays heed to himself only, and no one worries about the others. And precisely for that reason, either in accordance with the pre-established harmony of things, or under the auspices of an all-cunning providence, they all work together to their mutual advantage, for the common weal, and in the common interest.

Illusions of the sphere of circulation: Freedom, Equality, Property, Bentham (Theoretic...
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cian of utilitarianism, the doctrine that the private interests of the individuals automatically combine to the general interest). More about Bentham on p. 758:1/oo.

⇓ A look at the faces of capitalist and worker shows us that Bentham cannot be right.

280:2 When we leave this sphere of simple circulation or the exchange of commodities, which provides the ‘free-trader vulgaris’ with his views, his concepts, and the standard, by which he judges the society of capital and wage-labor, a certain change seems to take place in the physiognomy of our dramatis personae. He who was previously the money-owner now strides out in front as a capitalist; the possessor of labor-power follows as his worker. The one smirks self-importantly and is intent on business; the other is timid and holds back, like a sheep bringing his own wool to market.
which now has nothing else to expect but—a good fleecing.

I substituted the sheep metaphor for Marx’s tanning metaphor: “like someone who has brought his own hide to market and now has nothing else to expect but—a tanning.” “Tanning” nowadays means: getting a sun-tanned skin.

One has to be intimately familiar with capitalist society—a familiarity which usually only comes with living in this society—in order to know, or to be able to imagine, the facial expressions of capitalist and newly-hired worker as they walk together to the workshop. Marx appeals here to the tacit knowledge of the members of capitalist society in order to call the surface appearance into question that the sale of labor-power is an equitable exchange. The distraught look of the worker betrays the premonition that selling one’s own skin may not be a favorable bargain.
Part III.
The Production of Absolute Surplus-Value
Humans have the ability to change the world around them in such a way that it serves their purposes. The exercise of this miraculous power is called “labor,” a word which connotes that this is often a strenuous effort. For humans, the exercise of this ability is not only possible but also necessary, because they need the fruits of their labor in order to survive. Chapter Seven analyzes this process and its social form under capitalism.
7. Labor Process and Valorization Process

7.1. Labor Process

As announced at the end of chapter Six, we are leaving circulation behind in order to witness the consumption of the commodity labor-power. Throughout this chapter, the money owner from the end of chapter Six, 279:2, is with us. He has bought the commodity labor-power and is about to consume it. We are observing him closely, because we have to solve the final chapter of the riddle how surplus-value is made. As Marx said at the end of chapter Five, 268:4/o, the solution of the riddle must lie both in circulation and not in circulation. The present chapter is looking at the part not in circulation.

The Moore-Aveling translation reminds the reader of the presence of the capitalist in the first sentence of the chapter, which reads: “The capitalist buys labor-power in order to use it; and the utilization of labor-power is labor itself.” We are following here the German 4th edition, which does not mention the capitalist in the first sentence:

283:1 The utilization of labor-power is labor itself. The buyer of labor-power consumes it by setting the seller of labor-power to work. Thereby the latter becomes in ac-

192:1 Der Gebrauch der Arbeitskraft ist die Arbeit selbst. Der Käufer der Arbeitskraft konsumiert sie, indem er ihren Verkäufer arbeiten läßt. Letzterer wird hierdurch actu
The purpose of the consumption of labor-power by the capitalist is not labor itself, but the representation of this labor in a commodity:

In order to represent his labor in commodities, the worker must, above all, represent it in use-values, in things which aid the satisfaction of needs of one kind or another. Hence what the capitalist sets the worker to produce is a particular use-value, a specific article.

The capitalist is not interested in use-value of this commodity, but in its value. He hires the worker in order to produce commodities which contain value. A use-value must be produced only because the commodity’s value needs a use-value as its carrier. Nevertheless, this production of use-values must follow certain general characteristics which are independent of the social relations.
The fact that the production of use-values, or goods, is carried out under the control of a capitalist and on his behalf, does not alter the general character of that production. The labor process must therefore at first be considered independently of any specific social form.

↑ Obviously, the labor process is very much influenced by society. Why does Marx then say that its *general* nature is independent of social relations? Because besides all its social determinations, the labor process also has to contend with natural forces and natural constraints which are independent of society. Marx says more about this in 290:4/o.

7.1.a. [The General Nature of Labor, Independently of its Social Form]

[Labor as a Process Between Man and Nature]

283:2/o Labor is at first a process be-
7.1. Labor Process

tween man and nature, a process by which man mediates, regulates and controls his metabolism with nature through his own actions.

Marx says “at first” because much more could be said about the labor process, even at this level of generality; for instance one could say that production is necessarily a co-operative process and that almost all inputs to labor are the products of past labor. Marx begins here with a bare-bones definition, in order to work out some important defining characteristics of the labor process.

He confronts the natural materials as a force of nature. He sets in motion the natural forces that belong to his own body, his arms and legs, head and hands, in order to appropriate the natural materials in a form useful for his own life.

↑ In the labor process, humans act as a natural force on the nature around them, but from this interaction of natural forces emerges a result which does not depend on nature but on
7. Labor Process and Valorization Process

the intentions of the humans. ↓ This is why Marx says that the labor process *changes the nature* external to the worker.

While acting upon external nature and changing it, he also changes his own nature. He develops the potentialities slumbering within his nature, and subordinates the play of its powers to his command.

↑ An additional effect of the labor process, often overlooked, is that in this process, humans also change their *own* nature.

↓ Some of the characteristics of the human labor process are shared by certain activities of animals. Bees, for instance, effect a change of form in the materials of nature when they construct their honeycomb. But the human labor process has one important aspect which is not shared by animals.

We are not dealing here with those first instinctive forms of labor which remain on the animal level. An immense interval of time

Wir haben es hier nicht mit den ersten tier-artig instinktmäßigen Formen der Arbeit zu tun. Dem Zustand, worin der Arbeiter als
7.1. Labor Process

separates the state of things in which a man brings his labor-power to market for sale as a commodity from the situation when human labor had not yet cast off its first instinctive form. We presuppose labor in a form in which it is an exclusively human characteristic. A spider conducts operations which resemble those of the weaver, and a bee would put many a human architect to shame by the construction of its honeycomb cells.

After the similarities between human labor and the activities of animals, Marx brings, in a famous passage, the difference between human labor and the activities of bees and spiders. But what distinguishes the worst architect from the best of bees is that the architect builds the cell in his mind before he constructs it in wax. At the end of every labor

Verkäufer seiner eignen Arbeitskraft auf dem Warenmarkt auftritt, ist in urzeitlichen Hintergrund der Zustand entrückt, worin die menschliche Arbeit ihre erste instinktartige Form noch nicht abgestreift hatte. Wir unterstellen die Arbeit in einer Form, worin sie dem Menschen ausschließlich angehört. Eine Spinne verrichtet Operationen, die denen des Webers ähneln, und eine Biene beschämt durch den Bau ihrer Wachszellen manchen menschlichen Baumeister.

Was aber von vornherein den schlechtesten Baumeister vor der besten Biene auszeichnet, ist, daß er die Zelle in seinem Kopf gebaut hat, bevor er sie in Wachs baut. Am
7. Labor Process and Valorization Process

process, a result emerges which had already been conceived by the worker at the beginning, hence already existed notionally. Man not only effects a change of form in the materials of nature; while doing this he realizes his own purpose in the natural realm. It is a purpose he is conscious of, it determines the mode of his activity as a law, and he must subordinate his will to this purpose.

In production, humans know and intend the effects of their actions. This intended effect is called here the purpose. Production is governed by purpose. In the Philosophy of Right, § 117, Hegel discusses unintentional consequences of volitional activity. In the Hegelian paradigm, humans are free to pursue their wills. If their actions have consequences which the humans could not know, i.e., which are not included in their purpose, then they are not liable for them. I.e., in Hegel’s moral and legal framework, the will matters, while the actual consequences of the willful acts are secondary. In production the relationship is reversed: what matters is the actual effect, and the worker has to subordinate his or her will to the
achievement of this effect. The worker has to subordinate his will to his purpose—but on the other hand he also has to want his purpose. The contradictory unity between will and purpose is called, in the next passage, the purposeful will.

This subordination is no mere momentary act. Apart from the exertion of his organs, a purposeful will is required for the entire duration of the labor process, which manifests itself as the worker’s attention. The less the worker is swept along by the work’s own content and the mode how it is carried out, the less, therefore, he enjoys it as the spontaneous play of his physical and mental powers, the closer his attention is forced to be.

Und diese Unterordnung ist kein vereinzelter Akt. Außer der Anstrengung der Organe, die arbeiten, ist der zweckmäßige Wille, der sich als Aufmerksamkeit äußert, für die ganze Dauer der Arbeit erheischt, und um so mehr, je weniger sie durch den eignen Inhalt und die Art und Weise ihrer Ausführung den Arbeiter mit sich fortreißt, je weniger er sie daher als Spiel seiner eignen körperlichen und geistigen Kräfte genießt.
I am inserting “spontaneous” in front of “play,” where the translations had written “free,” but Marx’s German edition had not used an attribute at all.

This concludes Marx’s characterization of the essence of the human labor-process. Marx does not even begin to explain how humans manage to subordinate nature to their wills. Although we are doing it every day, we don’t know how we are doing it. All that Marx can do it enumerate general characteristics which most labor processes have in common.

284:1 The simple moments of the labor process are (1) purposeful activity, that is work itself, (2) the object on which that work is performed, and (3) the instruments of that work.

193:1 Die einfachen Momente des Arbeitsprozesses sind die zweckmäßige Tätigkeit oder die Arbeit selbst, ihr Gegenstand und ihr Mittel.

Earlier, in 133:2/o, Marx had said that labor needs nature to produce its product. Now, he gives a rough classification of the natural ingredients of most labor processes.
7.1. Labor Process

[Object of Labor]

Marx first discusses the object of labor, then the instruments of labor, and then the conditions of the labor process (premises etc.). Among the objects of labor, Marx distinguishes between two kinds, those filtered through earlier labor, and those directly furnished by nature:

284:2 The land (and this, economically speaking, includes water) in its original state in which it supplies man with necessaries or means of subsistence ready to hand is available without any effort on his part as the universal object of human labor. All those things which labor merely separates from immediate connection with their environment are objects of labor spontaneously provided by nature, such as fish caught and separated from water, their natural element, timber felled in virgin forests, and ores extracted from their veins. If, on the other hand, the land provides man with necessaries or means of subsistence ready to hand, this is because the labor of mankind has filtered them from the original state of nature.

hand, the object of labor has, so to speak, been filtered through previous labor, we call it raw material. For example, ore already extracted and ready for washing. All raw material is an object of labor, but not every object of labor is raw material; the object of labor counts as raw material only when it has already undergone some alteration mediated by labor.

Objects of labor “spontaneously provided by nature” (fish, timber from virgin forests) are here distinguished from “raw materials” (which are already improved, iron ore which already passed through an enrichment process). Cohen in [Coh80, p. 39] criticizes this definition of raw materials. Cohen says: “Something is raw material in a labor process if and only if it is the purpose of the process to transform it . . . Its previous history, and in particular whether labor has already been spent on it, are irrelevant.” Whether or not something is relevant depends on the context. As a process between humankind and nature, the distinction
between objects directly furnished by nature and objects already filtered through prior labor is relevant. For the mechanics of the individual production processes, this distinction is irrelevant.

It is remarkable that almost all means and objects of labor are already filtered by labor. This will become important in the further development of the argument, but right now Marx mentions it only through the Steuart quote in footnote 1:

1 ‘The earth’s spontaneous productions being in small quantity, quite independent of man, appear, as it were, to be furnished by Nature, in the same way as a small sum is given to a young man, in order to put him in a way of industry and of making his fortune’ (James Steuart, *Principles of Political Economy*, Dublin, 1770, Vol. I, p. 116).

7. Labor Process and Valorization Process

[Means or Instruments of Labor]

The words “means of labor” and “instruments of labor” will be used here interchangeably. The first paragraph brings their definition:

285:1/° An instrument of labor is a thing, or a complex of things, which the laborer interposes between himself and the object of labor, and which serves as the conductor of his activity. He makes use of the mechanical, physical, and chemical properties of some things in order to force, according to his purpose, an effect on other things.²

194:1/° Das Arbeitsmittel ist ein Ding oder ein Komplex von Dingen, die der Arbeiter zwischen sich und den Arbeitsgegenstand schiebt und die ihm als Leiter seiner Tätigkeit auf diesen Gegenstand dienen. Er nutzt die mechanischen, physikalischen, chemischen Eigenschaften der Dinge, um sie als Machtmittel auf andre Dinge, seinem Zweck gemäß, wirken zu lassen.²

⇑ The interjection of these physical things between the laborer and the object of labor makes the paradox more clearly visible which was already addressed in the earlier formulation that humans change nature through the labor process: although the instruments of labor act on the objects of labor according to natural laws, the end effect is not determined by nature but follows human intentions. ⇐ The footnote compares this with Hegel’s “cunning
of reason.”

2 “Reason is just as cunning as she is powerful. Her cunning consists principally in her mediating activity, which, by causing objects to act and re-act on each other in accordance with their own nature, in this way, without any direct interference in the process, carries out reason’s intentions.” (Hegel: “Enzyklopädie, Erster Theil, Die Logik,” Berlin, 1840, p. 382.)

⇓ The laborer handles the instruments of labor directly, but most of the object of labor only indirectly, through the instruments of labor.

Leaving out of consideration such ready-made means of subsistence as fruits, in gathering which a man’s own limbs serve as the instruments of his labor, the thing of which the laborer possesses himself directly is not the object of labor but its instrument. Der Gegenstand, dessen sich der Arbeiter unmittelbar bemächtigt—abgesehen von der Ergreifung fertiger Lebensmittel, der Früchte z.B., wobei seine eigenen Leibesorgane allein als Arbeitsmittel dienen—ist nicht der Arbeitsgegenstand, sondern das Arbeitsmittel.

2 „Die Vernunft ist ebenso listig als mächtig. Die List besteht überhaupt in der vermittelnden Tätigkeit, welche, indem sie die Objekte ihrer eigenen Natur gemäß auseinander einwirken und sich aneinander abarbeiten läßt, ohne sich unmittelbar in diesem Prozeß einzumischen, gleichwohl nur ihren Zweck zur Ausführung bringt.“ (Hegel, „Enzyklopädie“, Erster Teil, „Die Logik“, Berlin 1840, p. 382.)
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This observation will relevant for the development of machinery, in which human holding tools are replaced by mechanical frames holding very similar tools, see 494:2/o. Marx continues to say that the instruments of labor can be considered an extension of the laborer’s body:

Thus Nature itself becomes one of the organs of his activity, one that he annexes to his own bodily organs, adding stature to himself in spite of the Bible.

Now a listing of the instruments of labor, again distinguishing those directly given by nature from those produced by earlier labor.

As the earth is his original larder, so too it is his original tool shed. It supplies him, for instance, with stones for throwing, grinding, pressing, cutting, etc. The earth itself is an instrument of labor, but its use as such in agriculture implies a whole series of other instruments and a comparatively high develop-

So wird das Natürliche selbst zum Organ seiner Tätigkeit, ein Organ, das er seinen eigenen Leibesorganen hinzufügt, seine natürliche Gestalt verlängernd, trotz der Bibel.

Wie die Erde seine ursprüngliche Proviantkammer, ist sie sein ursprüngliche Arsenal von Arbeitsmitteln. Sie liefert ihm z.B. den Stein, womit er wirft, reibt, drückt, schneidet usw. Die Erde selbst ist ein Arbeitsmittel, setzt jedoch zu ihrem Dienst als Arbeitsmittel in der Agrikultur wieder eine ganze Rei-

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Even the most primitive labor processes need specially produced means of labor. This gives the transition to a discussion of the role of instruments of labor in the evolution of human history:

Thus in the oldest caves we find stone implements and weapons. In the earliest period of human history domesticated animals, *i.e.*, animals which have been bred for the purpose, and have undergone modifications by means of labor, play the chief part as instruments of labor along with specially prepared stones, wood, bones, and shells. The use and fabrication of instruments of labor, he anderer Arbeitsmittel und eine schon relativ hohe Entwicklung der Arbeitskraft voraus. Sobald überhaupt der Arbeitsprozeß nur einigermaßen entwickelt ist, bedarf er bereits bearbeiter Arbeitsmittel.

In den ältesten Menschenhöhlen finden wir Steinwerkzeuge und Steinwaffen. Neben bearbeitetem Stein, Holz, Knochen und Muscheln spielt im Anfang der Menschengeschichte das gezähmte, also selbst schon durch Arbeit veränderte, gezüchtete Tier die Hauptsrolle als Arbeitsmittel. Der Gebrauch und die Schöpfung von Arbeitsmitteln, obgleich im Keim schon gewissen Tierarten e-
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although existing in the germ among certain species of animals, is specifically characteristic of the human labor-process, and Franklin therefore defines man as a tool-making animal.

3 In his otherwise miserable work ("Théorie de l’Écon. Polit." Paris, 1815), Ganilh enumerates in a striking manner in opposition to the "Physiocrats" the long series of previous processes necessary before agriculture properly so called can commence.

4 Turgot in his "Réflexions sur la Formation et la Distribution des Richesses" (1766) brings well into prominence the importance of domesticated animals to early civilisation.

The means of labor are central for the historical epoch. Not what is produced but how it is produced is distinctive.

Relics of bygone instruments of labor possess, characterisieren den spezifisch menschlichen Arbeitsprozeß, und Franklin definiert daher den Menschen als „a toolmaking animal“, ein Werkzeuge fabrizierendes Tier.

3 In der sonst elenden Schrift: „Théorie de l’Écon. Polit.“, Paris 1815, zählt Ganilh den Physiokraten gegenüber treffend die große Reihe von Arbeitsprozessen auf, welche die Voraussetzung der eigentlichen Agrikultur bilden.

4 In den „Réflexions sur la Formation et la Distribution des Richesses“ (1766) entwickelt Turgot gut die Wichtigkeit des gezähmten Tiers für die Anfänge der Kultur.

Dieselbe Wichtigkeit, welche der Bau von
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The least important commodities of all for the technological comparison of different epochs of production are articles of luxury, in the strict meaning of the term.

Instruments of labor not only supply a standard of the degree of development to which human labor has attained, but they are also indicators of the social conditions under which that labor is carried on. Among the instruments made, but how they are made, and by what instruments, that enables us to distinguish different economic epochs.\(^5\)

\(^5\) Von allen Waren sind eigentliche Luxuswaren die unbedeutendsten für die technologische Vergleichung verschiedener Produktionsepochen.

Knochenerliquien für die Erkenntnis der Organisation untergegangner Tiergeschlechter, haben Reliquien von Arbeitsmitteln für die Beurteilung untergegangner ökonomischer Gesellschaftsformationen. Nicht was gemacht wird, sondern wie, mit welchen Arbeitsmitteln gemacht wird, unterscheidet die ökonomischen Epochen.\(^5\)

5 Die Arbeitsmittel sind nicht nur Gradmesser der Entwicklung der menschlichen Arbeitskraft, sondern auch Anzeiger der gesellschaftlichen Verhältnisse, worin gearbeitet wird. Unter den Arbeitsmitteln selbst bie-
instruments of labor, those of a mechanical nature, which, taken as a whole, we may call the bone and muscles of production, offer much more decided characteristics of a given epoch of production, than those which, like pipes, tubs, baskets, jars, etc., serve only to hold the materials for labor, which latter class, we may in a general way, call the vascular system of production. The latter first begins to play an important part in the chemical industries. 5a

5a However little our written histories up to this time notice the development of material production, which is the basis of all social life, and therefore of all real history, yet prehistoric times have been classified in accordance with the real classification of the social world. 5a

5a Note zur 2. Ausg. So wenig die bisherige Geschichtsschreibung die Entwicklung der materiellen Produktion, also die Grundlage alles gesellschaftlichen Lebens und daher aller wirklichen Geschichte kennt, hat man wenigstens die vorhi-
sults, not of so-called historical, but of materialistic investigations. These periods have been divided, to correspond with the materials from which their implements and weapons were made, viz., into the stone, the bronze, and the iron ages.

[Means of Labor Defined More Broadly]

In *Results*, Marx calls them “conditions of labor.”

In a wider sense we may include among the instruments of labor, in addition to those things that are used for directly transferring labor to its object, and which therefore, in one way or another, serve as conductors of activity, all such objects as are necessary for carrying on the labor-process. These do not enter directly into the process, but without them it is either impossible for it
to take place at all, or possible only to a partial extent. Once more we find the earth to be a universal instrument of this sort, for it furnishes a locus standi to the laborer and a field of employment for his activity. Among instruments that are the result of previous labor and also belong to this class, we find workshops, canals, roads, and so forth.

† These are the “premises” which Cohen [Coh80] lists separately.

This concludes the discussion of the material ingredients entering the labor process. Why does Marx go into all this detail? He does not claim to be able to explain how the miraculous effects of the labor process come about. It is general knowledge that people can change nature through their work, that people need the fruits of their labor in order to survive, and historical experience shows that each labor-process roughly has the above ingredients: labor itself, the object of labor, the instruments of labor, and the broader conditions of labor. In capitalism, control over these different ingredients of the labor process falls to different classes: labor itself is controlled by the working class, the produced instruments and object...
of labor by the capitalist class, and those instruments and objects furnished by nature by the land-owning class.

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7.1.b. [The Product]

After this review of the ingredients of the labor process, Marx looks now at the product emerging from it:

[The Product as Objectification of the Labor Process]

287:1 In the labor-process, therefore, human activity, through the instruments of labor, effects an alteration in the material worked upon which was intended from the outset. The process extinguishes itself in the product.

↑ “The process extinguishes itself in the product” is a Hegelian formulation, see [Heg69c, p. 435] and elsewhere. It means first of all that the process stops after the product is made.
The product is not the excrement of a process which keeps going for reasons other than the product, but the process only continues if more product is needed. Furthermore it means that the desired effect of the product, for consumption or for further stages of production, only depends on the physical makeup of the product itself, not on the labor process.

The product is a use-value, a natural material adapted to human needs by a change of form. Labor has become bound up in its object: labor has been objectified, the object processed by labor.

The end product is the combination of materials and labor in which both are still recognizable. Typically, the materials are easily recognizable; they only changed their shape. But the labor is still recognizable as well: a thread reveals spinning labor, etc.

That which in the laborer appeared as movement, now appears in the product as a fixed quality without motion. The blacksmith forges and the product is a forging.
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Since the product is the objectification of the labor process, it makes sense to look at everything that was said so far about the labor process also from the point of view of the product.

After his earlier classification of the material ingredients needed by labor to produce its product, Marx takes now the product as given and looks back at the labor process which produced it:

If one views the whole process from the point of view of its result, the product, then both the instruments and the object of labor appear as means of production, and the labor itself as productive labor.

The difference between instruments and object of labor is only relevant in their relation to labor; in relation to the end product they are both means of production. The example in footnote 6 illustrates that this look backward at the labor process from its product is an unintuitive point of view, since we are used to looking at the labor process from the point of view of the laborer, not from that of the product:
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6 It seems paradoxical to assert that uncaught fish, for instance, are a means of production in the fishing industry. But hitherto no one has discovered the art of catching fish in waters that contain none.

6 Es scheint paradox, z.B. den Fisch, der noch nicht gefangen ist, ein Produktionsmittel für den Fischfang zu nennen. Bisher ist aber noch nicht die Kunst erfunden, Fische in Gewässern zu fangen, in denen sie sich nicht vorfinden.

↑ Cohen [Coh80, p. 40] criticizes footnote 6: “Marx’s quip is misjudged. Not every necessary condition of a productive activity qualifies as a means of producing what that activity produces.” Cohen considers fishing not as a process of transforming living fish in the waters into edible fish in freezer pouches, but as the new creation of edible fish, one condition for which happens to be the prior existence of living fish in the water.

↓ Footnote 7 announces that the concept of “productive labor” will have a different meaning when capitalist production is considered.

7 This method of determining, from the standpoint of the labor-process alone, what is productive labor, is by no means directly applicable to the case of the capitalist process of production.

7 Diese Bestimmung produktiver Arbeit, wie sie sich vom Standpunkt des einfachen Arbeitsprozesses ergibt, reicht keineswegs hin für den kapitalistischen Produktionsprozeß.
[Products as Inputs into Production Processes]

Products not only come out of labor process but also enter them.

Though a use-value, in the form of a product, issues from the labor-process, yet other use-values, products of previous labor, enter into it as means of production. The same-use-value is both the product of a previous process, and a means of production in a later process. Products are therefore not only results, but also conditions of labor.

It is not only possible but, with very few exceptions, the rule that the means of production of a production process are already the products of a previous production process. Marx first shows this with respect to the object of labor:

With the exception of the extractive industries, in which the material for labor is provided immediately by Nature, such
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as mining, hunting, fishing, and agriculture (so far as the latter is confined to breaking up virgin soil), all branches of industry manipulate raw material, objects already filtered through labor, already products of labor. Such is seed in agriculture. Animals and plants, which we are accustomed to consider as products of nature, are in their present form, not only products of, say last year’s labor, but the result of a gradual transformation, continued through many generations, under man’s superintendence, and by means of his labor.

This passage re-introduces the term “raw material,” first defined in 284:2/o, for an object of labor which is itself the product of an earlier labor process. With some objects of labor (farm animals) it is not obvious that they are already the product of earlier production
processes. But regarding the instruments of labor, it is usually very obvious that they are the products of earlier production processes:

But in the great majority of cases, instruments of labor show, even to the most superficial observer, traces of the labor of past ages.

This recursivity of the production process is an important aspect of the production process: it turns it into an inherently social process. Even labor itself needs skills which are developed and transmitted over many generations.

[For the Labor Process, it is Irrelevant Whether a Material Input is a Products]

The next four paragraphs say more about raw materials, i.e., about products entering the labor process.

(1) According to the double role of nature in the labor process, which acts on the one hand as the object of labor and on the other as the instrument of labor, there are two kinds of raw material—principal substance and accessory.
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288:1 Raw material may either form the principal substance of a product, or it may only enter into its formation as an accessory. An accessory may be consumed by the instruments of labor, as coal under a boiler, oil by a wheel, hay by draft-horses, or it may be mixed with the raw material in order to produce some modification thereof, as chlorine into unbleached linen, coal with iron, dye-stuff with wool, or again, it may help to carry on the work itself, as in the case of the materials used for heating and lighting workshops. The distinction between principal substance and accessory vanishes in the true chemical industries, where none of the raw material re-appears, in its original composition, as the substance of the product.  

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8 Storch calls the raw materials properly speaking “matières,” and accessory material “matériaux.” Cherbuliez describes accessories as “matières instrumentales.”

⇓ (2) Since the same use-value can be used in many different ways, the same product can be means of production in different production processes. It often even enters its own production.

288:2 Every object possesses various properties, and is thus capable of being applied to different uses. One and the same product may therefore serve as raw material in very different labor processes. Corn, for example, is a raw material for millers, starch-manufacturers, distillers, and cattle-breeders. It also enters as raw material into its own production in the shape of seed. Coal, too, is at the same time the product of,

197:1 Da jedes Ding vielerlei Eigenschaften besitzt und daher verschiedener Nutzungsfähig ist, kann dasselbe Produkt das Rohmaterial sehr verschiedener Arbeitsprozesse bilden. Korn z.B. ist Rohmaterial für Müller, Stärkefabrikant, Destillateur, Viehzüchter usw. Es wird Rohmaterial seiner eignen Produktion als Samen. So geht die Kohle als Produkt aus der Minenindustrie hervor und als Produktionsmittel in sie ein.
and a means of production in, coal-mining.

(3) It is also possible that the same product enters one process as raw material and a
different process, or even the same process, as instrument of labor:

288:3 Again, a particular product may be
used in one and the same process, both as
an instrument of labor and as raw material. Take, for instance, the fattening of cattle,
where the animal is the raw material, and at
the same time an instrument for the produc-
tion of manure.

(4) In a few cases, products ready for consumption can also be raw materials in the pro-
duction of other products. But most raw materials cannot be used for final consumption or
as means of labor.

288:4/o A product, though ready for im-
mediate consumption, may yet serve as raw
material for a further product, as grapes
when they become the raw material for
wine. On the other hand, labor may give us its product in such a form, that we can use it only as raw material, as is the case with cotton, thread, and yarn. Such a raw material, though itself a product, may have to go through a whole series of different processes: in each of these in turn, it serves, with constantly varying form, as raw material, until the last process of the series leaves it a perfect product, ready for individual consumption, or for use as an instrument of labor.

289:1 Hence we see, that whether a use-value is to be regarded as raw material, as instrument of labor, or as product, this is determined entirely by its function in the labor-process of the Weins. Oder die Arbeit entläßt ihr Produkt in Formen, worin es nur wieder als Rohmaterial brauchbar ist. Rohmaterial in diesem Zustand heißt Halbfabrikat und hieße besser Stufenfabrikat, wie z.B. Baumwolle, Faden, Garn usw. Obgleich selbst schon Produkt, mag das ursprüngliche Rohmaterial eine ganze Staffel verschiedner Prozesse zu durchlaufen haben, worin es in stets veränderter Gestalt stets von neuem als Rohmaterial funktioniert bis zum letzten Arbeitsprozeß, der es als fertiges Lebensmittel oder fertiges Arbeitsmittel von sich abstößt.

197:4 Man sieht: Ob ein Gebrauchswert als Rohmaterial, Arbeitsmittel oder Produkt erscheint, hängt ganz und gar ab von seiner bestimmten Funktion im Arbeitsprozesse,
process, by the position it there occupies: as this position varies, so do these determinations.

Conclusion: A product entering a labor process acts in this process as object or instrument of labor, not as a product. (If it reminds us of its character as a product, then only through its imperfections). This legitimizes Marx’s order of presentation, which discussed the labor process first without paying much attention to the fact that instruments and object of labor are already products.

289:2 Whenever therefore a product enters as a means of production into a new labor-process, it thereby loses its character of product, and becomes a mere factor in the process. A spinner treats spindles only as implements for spinning, and flax only as the material that he spins. Of course it is impossible to spin without material and spindles; and therefore the existence of these

197:5 Durch ihren Eintritt als Produktionsmittel in neue Arbeitsprozesse verlieren Produkte daher den Charakter des Produkts. Sie funktionieren nur noch als gegenständliche Faktoren der lebendigen Arbeit. Der Spinner behandelt die Spindel nur als Mittel, womit, den Flachs nur als Gegenstand, den er spinnt. Allerdings kann man nicht spinnen ohne Spinnmaterial und Spindel. Das Vor-
things as products, at the commencement of the spinning operation, must be presumed: but in the process itself, the fact that they are products of previous labor, is a matter of utter indifference; just as in the digestive process, it is of no importance whatever, that bread is the produce of the previous labor of the farmer, the Miller, and the baker.

↑ It is the product itself, not the past labor process producing the product, which matters for the consumption of the product, whether it be final consumption or productive consumption. ↓ Only the flaws in the product remind of the producer.

On the contrary, it is generally by their imperfections as products, that the means of production in any process assert themselves in their character of products. A blunt knife or weak thread forcibly remind us of Mr. A, the cutler, or Mr. B, the spinner. In the fin-

Umgekehrt. Machen Produktionsmittel im Arbeitsprozeß ihren Charakter als Produkte vergangener Arbeit geltend, so durch ihre Mängel. Ein Messer, das nicht schneidet, Garn, das beständig zerreißt usw., erinnern lebhaft an Messerschmied A und Garnwich-
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ished product, the labor by means of which it has acquired its useful qualities is extinguished. Im gelungenen Produkt ist die Vermittlung seiner Gebrauchseigenschaften durch vergangene Arbeit ausgelöscht.

[Productive Consumption]

It is common understanding that the labor process produces its products and consumes its inputs. However this consumption is also a preservation. Many use-values are such that they would spoil if they did not enter a production process. Productive consumption vs. individual consumption.

289:3/o A machine which does not serve the purposes of labor, is useless. In addition, it falls prey to the destructive influence of natural forces. Iron rusts and wood rots. Yarn with which we neither weave nor knit, is cotton wasted. Living labor must seize upon these things and rouse them from their death-sleep, change them from mere possi-

198:1 Eine Maschine, die nicht im Arbeitsprozeß dient, ist nutzlos. Außerdem verfällt sie der zerstörenden Gewalt des natürlichen Stoffwechsels. Das Eisen verrostet, das Holz verfault. Garn, das nicht verwebt oder verstrickt wird, ist verdorbne Baumwolle. Die lebendige Arbeit muß diese Dinge ergreifen, sie von den Toten er-
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We can use-values into actual and effective ones. Bathed in the fire of labor, appropriated as part and parcel of labor’s organism, and, as it were, made alive for the performance of their functions in the process, they are consumed but consumed with a purpose, as constitutive elements of new use-values, of new products, ever ready as means of subsistence for individual consumption, or as means of production for some new labor-process.

If then, on the one hand, finished products are not only results, but also necessary conditions, of the labor-process, on the other hand, their assumption into that process, their contact with living labor, is the sole means by which they can be made to wecken, sie aus nur möglichen in wirkliche und wirkende Gebrauchswerte verwandeln. Vom Feuer der Arbeit beleckt, als Leiber derselben angeeignet, zu ihren begriffs- und berufsmäßigen Funktionen im Prozeß begeistet, werden sie zwar auch verzehrt, aber zweckvoll, als Bildungselemente neuer Gebrauchswerte, neuer Produkte, die fähig sind, als Lebensmittel in die individuelle Konsumtion oder als Produktionsmittel in neuen Arbeitsprozeß einzugehnn.

Wenn also vorhandene Produkte nicht nur Resultate, sondern auch Existenzbedingungen des Arbeitsprozesses sind, ist andererseits ihr Hineinwerfen in ihn, also ihr Kontakt mit lebendiger Arbeit, das einzige Mittel, um diese Produkte vergangener Arbeit als
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retain their character of use-values, and be utilised.

Here it becomes apparent how right Marx was when he wrote, in 126:1, that objects realize their use-values in consumption. Without this consumption these use-values would vanish.

290:2 Labor uses up its material factors, its object and its instruments, consumes them, and is therefore a process of consumption. Such productive consumption is distinguished from individual consumption by this, that the latter uses up products, as means of subsistence for the living individual; the former, as means whereby alone, labor, the labor-power of the living individual, is enabled to act. The product, therefore, of individual consumption, is the consumer himself; the result of productive consumption, is a product distinct from the consumer.

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consumer.

[Summary]

Bringing everything together one arrives at a characterization of the labor process as a process which uses products to produce products.

In so far then, as its instruments and objects are themselves products, labor consumes products in order to create products, or in other words, consumes one set of products by turning them into means of production for another set.

This characterization of the labor process is quite different from, one might even say the opposite of, its initial characterization given in 283:2/o, that it is a process between humans and nature in which humans mediate their metabolism with nature through their own conscious actions.

Echoes of this initial characterization can be found (1) in history, since originally, the objective factors of the labor process were given by nature, and (2) even today in the extractive industries, in which the object of labor is still given by nature.
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But, just as in the beginning, the only participants in the labor-process were man and the earth, which latter exists independently of man, so even now we still employ in the process many means of production, provided directly by Nature, that do not represent any combination of natural substances with human labor.

7.1.c. [The Capitalist’s Role in the Production of Use-Values]

290:4/o The labor-process, resolved as above into its simple elementary factors, is human action with a view to the production of use-values, appropriation of natural substances to human requirements; it is the necessary condition for effecting exchange

198:5/o Der Arbeitsprozeß, wie wir ihn in seinen einfachen und abstrakten Momenten dargestellt haben, ist zweckmäßige Tätigkeit zur Herstellung von Gebrauchswerten, An- eignung des Natürlichen für menschliche Be- dürfnisse, allgemeine Bedingung des Stoff-
of matter between man and Nature; it is the everlasting Nature-imposed condition of human existence, and therefore is independent of every social phase of that existence, or rather, is common to every such phase.

Labor is always necessary, regardless of the social relations. The general structure of the labor process, as just described, does not depend on society.

It was, therefore, not necessary to represent our laborer in connexion with other laborers; man and his labor on one side, Nature and its materials on the other, sufficed. As the taste of the porridge does not tell you who grew the oats, no more does this simple process tell you of itself what are the social conditions under which it is taking place, whether under the slave-owner’s brutal lash, or the anxious eye of the capitalist, whether wechsels zwischen Mensch und Natur, ewige Naturbedingung des menschlichen Lebens und daher unabhängig von jeder Form dieses Lebens, vielmehr allen seinen Gesellschaftsformen gleich gemeinsam.

Wir hatten daher nicht nötig, den Arbeiter im Verhältnis zu andren Arbeitern darzustellen. Der Mensch und seine Arbeit auf der einen, die Natur und ihre Stoffe auf der andren Seite genügten. So wenig man dem Weizen anschmeckt, wer ihn gebaut hat, so wenig sieht man diesem Prozeß an, unter welchen Bedingungen er vorgeht, ob unter der brutalen Peitsche des Sklavenaufsehers oder unter dem ängstlichen Auge des Kapitalisten, ob Cin-
Cincinnatus carries it on in tilling his modest farm or a savage in killing wild animals with stones. By a wonderful feat of logical acumen, Colonel Torrens has discovered, in this stone of the savage the origin of capital. “In the first stone which he [the savage] flings at the wild animal he pursues, in the first stick that he seizes to strike down the fruit which hangs above his reach, we see the appropriation of one article for the purpose of aiding in the acquisition of another, and thus discover the origin of capital.” (R. Torrens: “An Essay on the Production of Wealth,” etc., pp. 70–71.)

Marx comments on Torrens by adding another explanation which is just as absurd. This joke uses the fact that the German word for “stick” is “stock,” therefore it has to be formulated differently in English than in German:

Since the German word for “stick” is gereifter in der Bestellung seiner paar jugera oder der Wilde, der mit einem Stein eine Bestie erlegt. Aus diesem höchst logischen Grund entdeckt wohl Oberst Torrens in dem Stein des Wilden—den Ursprung des Kapitals. „In dem ersten Stein, den der Wilde auf die Bestie wirft, die er verfolgt, in dem ersten Stock, den er ergreift, um die Frucht niederzuziehn, die er nicht mit den Händen fassen kann, sehn wir die Aneignung eines Artikels zum Zweck der Erwerbung eines andren und entdecken so—den Ursprung des Kapitals.“ (R. Torrens, „An Essay on the Production of Wealth etc.“, p. 70, 71.)

Aus jenem ersten Stock ist wahrscheinlich.
“stock,” this “first stick” would undoubtedly also explain why “stock” is synonymous with “capital.”

This whole paragraph concludes the discussion that started with 283:1, but it is also sets the stage for a new turn. Right after emphasizing that the social order is irrelevant for the basic determinations of the production process, Marx discusses the role of the capitalist in it. We are not yet in the section about the creation of value, therefore Marx is not yet discussing the capitalist’s function as the representative of the creation of surplus-value, but right now he is looking at the capitalist’s function as the director of the production of use-values.

The first task of the capitalist concerning the use-value of the labor process is to buy the right kind of labor-power and means of production.

291:1 Let us now return to our would-be capitalist. We left him just after he had purchased, in the open market, all the necessary factors of the labor-process—its objective factors, the means of production, as well as its subjective factor, labor-power. With the
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cunning eye of an expert, he has selected the means of production and the kind of labor-power best adapted to his particular trade, be it spinning, bootmaking, or any other kind. oder die Arbeitskraft. Er hat mit schlauem Kennerblick die für sein besondres Geschäft, Spinnerei, Stiefelfabrikation usw., passenden Produktionsmittel und Arbeitskräfte ausgewählt.

⇑ This was described in 279:2. The word “cunning” is a reference to Hegel’s “cunning of reason,” see footnote 2 to paragraph 285:1/o. ⇩ The capitalist is “cunning” because he uses the general nature of the labor-process for his own goals:

He then proceeds to consume the commodity, the labor-power that he has just bought, by causing the laborer, the impersonation of that labor-power, to consume the means of production by his labor. The general character of the labor-process is evidently not changed by the fact, that the laborer works for the capitalist instead of for himself.

Unser Kapitalist setzt sich also daran, die von ihm gekaufte Ware, die Arbeitskraft, zu konsumieren, d.h., er läßt den Träger der Arbeitskraft, den Arbeiter, die Produktionsmittel durch seine Arbeit konsumieren. Die allgemeine Natur des Arbeitsprozesses ändert sich natürlich nicht dadurch, daß der Arbeiter ihn für den Kapitalisten, statt für sich selbst verrichtet.
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The fact that this production process is a capitalistic production process does not alter the general nature of the labor process. At first, the entry of the capitalist into the production process also does not yet change its specific mode, since the early capitalists simply took the labor as it had evolved from the previous modes of production.

But also the particular methods and operations employed in bootmaking or spinning are not immediately changed by the intervention of the capitalist. He must begin by taking the labor-power as he finds it in the market, and consequently be satisfied with labor of such a kind as would be found in the period immediately preceding the rise of capitalists.

Aber auch die bestimmte Art und Weise, wie man Stiefel macht oder Garn spinnt, kann sich zunächst nicht ändern durch die Dazwischenkunft des Kapitalisten. Er muß die Arbeitskraft zunächst nehmen, wie er sie auf dem Markt vorfindet, also auch ihre Arbeit, wie sie in einer Periode entsprang, wo es noch keine Kapitalisten gab.

We are discussion at this point how the capitalist is taking advantage of the general nature of the labor-process. The question how this capitalist framework acts back on the labor-process and changes its specific nature can only be discussed after we know what this framework is.
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Changes in the methods of production by the subordination of labor to capital, can take place only at a later period, and therefore will have to be treated of in a later chapter.

➔ Even without a change in the labor process itself, the capitalist framework has the following two implications:

291:2 The labor-process, turned into the process by which the capitalist consumes labor-power, exhibits two characteristic phenomena.

➔ Not the laborer, but the capitalist has command and control over the labor process. (We are so familiar with this that it is no longer easy for us to appreciate how absurd and contradictory this situation is.)

291:3 First, the laborer works under the control of the capitalist to whom his labor belongs; the capitalist taking good care that
the work is done in a proper manner, and that the means of production are used with intelligence, so that there is no unnecessary waste of raw material, and no wear and tear of the implements beyond what is necessarily caused by the work.

\[\downarrow\] From the point of view of the capitalist, the labor process is the consumption of the commodity labor-power which he bought.

292 Secondly, the product is the property of the capitalist and not that of the laborer, its immediate producer. Suppose that a capitalist pays for a day’s labor-power at its value; then the right to use that power for a day belongs to him, just as much as the right to use any other commodity, such as a horse that he has hired for the day. To the purchaser of a commodity belongs its

200:1 Zweitens aber: Das Produkt ist Eigentum des Kapitalisten, nicht des unmittelbaren Produzenten, des Arbeiters. Der Kapitalist zahlt z.B. den Tageswert der Arbeitskraft. Ihr Gebrauch, wie der jeder andern Ware, z.B. eines Pferdes, das er für einen Tag gemietet, gehört ihm also für den Tag. Dem Käufer der Ware gehört der Gebrauch der Ware, und der Besitzer der Arbeitskraft gibt
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use, and the seller of labor-power, by giving his labor, does no more, in reality, than part with the use-value that he has sold. From the instant he steps into the workshop, the use-value of his labor-power, and therefore also its use, which is labor, belongs to the capitalist.

\[\text{The capitalist also owns the means of production:}\]

By the purchase of labor-power, the capitalist incorporates labor, as a living ferment, with the lifeless constituents of the product, which belong to him as well. From his point of view, the labor-process is nothing more than the consumption of the commodity purchased, \textit{i.e.}, of labor-power; but this consumption cannot be effected except by supplying the labor-power with the means of production purchased, \textit{i.e.}, of labor-power; but this consumption cannot be effected except by supplying the labor-power with the means of production purchased.
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production. The labor-process is a process between things that the capitalist has purchased, things that have become his property. The product of this process belongs, therefore, to him, just as much as does the wine which is the product of a process of fermentation completed in his cellar.¹⁰

Therefore the product belongs to the capitalist as well.

¹⁰ “Products are appropriated before they are converted into capital; this conversion does not secure them from such appropriation.” (Cherbuliez: “Richesse ou Pauvreté,” edit. Paris, 1841, p. 54.) “The Proletarian, by selling his labor for a definite quantity of the necessaries of life, renounces all claim to a share in the product. The mode of appropriation of the products remains the same as before; it is in no way altered by the bargain we have mentioned. The product belongs to the capitalist as well. The product of this process belongs, therefore, to him, just as much as does the wine which is the product of a process of fermentation completed in his cellar.¹⁰

Therefore the product belongs to the capitalist as well.

¹⁰ „Die Produkte sind appropriiert, bevor sie in Kapital verwandelt werden; diese Verwandlung entzieht sie nicht jener Appropriation.“ (Cherbuliez, „Richesse ou Pauvreté“, édit. Paris 1841, p. 54.) „Indem der Proletarier seine Arbeit gegen ein bestimmtes Quantum Lebensmittel (approvisionnement) verkauft, verzichtet er vollständig auf jeden Anteil am Produkt. Die Appropriation der Produkte bleibt dieselbe wie vorher; sie ist in keiner Weise durch die erwähnte Konven-
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longs exclusively to the capitalist, who supplied the raw material and the necessaries of life; and this is a rigorous consequence of the law of appropriation, a law whose fundamental principle was the very opposite, namely, that every laborer has an exclusive right to the ownership of what he produces.” (l. c., p. 58.) “When the laborers receive wages for their labor ... the capitalist is then the owner not of the capital only” (he means the means of production) “but of the labor also. If what is paid as wages is included, as it commonly is, in the term capital, it is absurd to talk of labor separately from capital. The word capital as thus employed includes labor and capital both.” (James Mill: “Elements of Pol. Econ.,” etc., Ed. 1821, pp. 70, 71.)

To recapitulate these two points:

(1) The laborer works under the control of the capitalist (as opposed to working only under...
7.2. Valorization Process

Marx begins his discussion of the valorization process not with the laborer engaged in the labor process, but with the capitalist—and not with the actions of the capitalist, but with his intentions what to do with the product he owns. He intends to earn a profit from the sale of the product. This intention puts the value aspect of the production process into the foreground.

293:1 The product appropriated by the capitalist is a use-value, such as yarn, for example, or boots. But, although boots are, in one sense, the basis of all social progress, and our capitalist is a decided “progressist,”

200:2/o Das Produkt—das Eigentum des Kapitalisten—ist ein Gebrauchswert, Garn, Stiefel usw. Aber obgleich Stiefel z.B. gewissermaßen die Basis des gesellschaftlichen Fortschritts bilden und unser Kapitalist ein
yet he does not manufacture boots for their own sake. Use-value is, by no means, the thing “which one loves for its own sake” in the production of commodities.

Although the product of the labor-process is a use-value, the purpose of the capitalist is not the use-value but the social relations attached to this use-value. (This is like going to the store and buying something not for the sake of the thing itself but for the packaging in which this thing comes.)

Use-values are only produced by capitalists, because, and in so far as, they are the material substratum, the carriers of exchange-value. Our capitalist has two objects in view: in the first place, he wants to produce a use-value that has a value in exchange, that is to say, an article destined to be sold, a commodity; and secondly, he desires to produce a commodity whose value

entschiedner Fortschrittsmann ist, fabriziert er die Stiefel nicht ihrer selbst wegen.

Der Gebrauchswert ist überhaupt nicht das Ding qu’on aime pour lui-même in der Warenproduktion. Gebrauchswerte werden hier überhaupt nur produziert, weil und sofern sie materielles Substrat, Träger des Tauschwerts sind. Und unsrem Kapitalisten handelt es sich um zweierlei. Erstens will er einen Gebrauchswert produzieren, der einen Tauschwert hat, einen zum Verkauf bestimm-
shall be greater than the sum of the values of the commodities used in its production, that is, of the means of production and the labor-power, that he purchased with his good money in the open market. His aim is to produce not only a use-value, but a commodity also; not only use-value, but value; not only value, but at the same time surplus-value.

It is the goal of the capitalist to make surplus-value. This is not only his goal but also his expectation, and we will see later on in this chapter that the capitalist becomes very angry if this expectation is not met. What is the basis for this so strongly held expectation?

Two different kinds of mechanisms are at work. In order to create surplus-value, the capitalist must first of all create value—and this is achieved by the simple fact that he produces commodities. Marx first says a word about this. Then Marx asks: what, in addition to selling commodities, must the capitalist do in order to gain surplus-value?
7. Labor Process and Valorization Process

7.2.a. [Creation of Value]

As to the creation of value, this goal of the capitalist is satisfied simply because capitalist production is commodity production:

293:2 And indeed, since we are dealing with the production of commodities here, we obviously have only considered one aspect of the process so far. Just as commodities are at the same time use-values and values, so the process of producing them must be a labor-process, and at the same time, a process of creating value.\(^{10a}\)

\(^{10a}\) As has been stated in a previous note, the English language has two different expressions for these two different aspects of labor: in the Simple Labor-process, the process of producing Use-Values, it is Work; in the process of creation of Value, it is Labor, taking the term in its strictly

201:1 In der Tat, da es sich hier um Warenproduktion handelt, haben wir bisher offenbar nur eine Seite des Prozesses betrachtet. Wie die Ware selbst Einheit von Gebrauchswert und Wert, muß ihr Produktionsprozeß Einheit von Arbeitsprozeß und Wertbildungsprozeß sein.

[No footnote in the German edition]
7.2. Valorization Process

Let us now examine production as a creation of value.

Since this two-edged character of the labor-process has already been discussed in chapter One, section 1.2, Marx emphasizes only those aspects which are especially relevant for the question at hand. The things he says here about the value transfer of the means of production will be elaborated on more systematically in the next chapter.

We know that the value of each commodity is determined by the amount of labor materialised in it, by the working time necessary, under given social conditions, for its production. This rule also holds good for the product that accrued to our capitalist, as the result of the labor-process carried on for him. Our first step is to calculate the quantity of labor objectified in it.

He looks at the process quantitatively only, and he looks in detail at the role of the means
7. Labor Process and Valorization Process

of production.

293:4b Let us assume this product is 10 lbs. of yarn.

The labor-time in the product consists of two parts: the labor materialized in the means of production, and the new labor. First Marx looks at the labor materialized in the means of production.

293:5/o For spinning the yarn, raw material is required; suppose in this case 10 lbs. of cotton. There is no need to investigate the value of this cotton, for our capitalist has, we will assume, bought it at its full value, say of $2.40. In this price the labor required for the production of the cotton is already expressed in terms of the average labor of society. We will further assume that the wear and tear of the spindle, which, for our present purpose, may represent all other

201:4 Es sei z.B. Garn.

201:5 Zur Herstellung des Garns war zuerst sein Rohmaterial nötig, z.B. 10 Pfund Baumwolle. Was der Wert der Baumwolle, ist nicht erst zu untersuchen, denn der Kapitalist hat sie auf dem Markt zu ihrem Wert, z.B. zu 10 sh. gekauft. In dem Preise der Baumwolle ist die zu ihrer Produktion erheischte Arbeit schon als allgemein gesellschaftliche Arbeit dargestellt. Wir wollen ferner annehmen, daß die in der Verarbeitung der Baumwolle verzehrte Spindelmasse, die uns alle
7.2. Valorization Process

Instruments of labor employed, amounts to the value of 48 cents. If, then, twenty-four hours’ labor, or two working-days, are required to produce the quantity of gold represented by $2.88, we have here, to begin with, two days’ labor already incorporated in the yarn.

↑ These two labor-days only represent the value transferred by the spinning labor from the instruments and materials, not yet the value newly created by the spinning labor. ↓ Next Marx gives two arguments to justify why the value of the materials is indeed transferred in the production process. Compare also the discussion of this issue in the next chapter, from p. 314 onward.

(1) In his first argument he makes a comparison between production and exchange. In an exchange, value migrates from one use-value to another. It does the same thing in production.

294:1 We must not let ourselves be misled by the circumstance that the cotton has

202:1 Der Umstand, daß die Baumwolle ihre Form verändert hat und die aufgezehr-
7. Labor Process and Valorization Process

taken a new shape while the substance of the spindle has to a certain extent been used up. 

↑ on might wonder, how can the value of the spindle be preserved if the spindle itself is used up? ↓ Marx argues that spinning is not an activity which destroys the value of the things it uses:

By the general law of value, if the value of 40 lbs. of yarn = the value of 40 lbs. of cotton + the value of a whole spindle, i.e., if the same working time is required to produce the commodities on either side of this equation, then 10 lbs. of yarn are an equivalent for 10 lbs. of cotton, together with one-fourth of a spindle. In the case we are considering the same working time is materialised in the 10 lbs. of yarn on the one hand, and in the 10 lbs. of cotton and the fraction of a spindle on the other. Therefore it makes

no difference to the value whether it appears in cotton, in a spindle, or in yarn. If spindle and cotton, instead of resting quietly side by side, join together in the spinning process, which alters their forms and turns them into yarn, their value is no more affected by this than it would be if they had been simply exchanged for their equivalent in yarn.

A different justification of this value transfer is its comparison with an individual production process in which some kinds of labor are spent first and different kinds of labor afterwards:

294:2 The labor required for the production of the cotton, the raw material of the yarn, is part of the labor necessary to produce the yarn, and is therefore contained in the yarn. The same applies to the labor embodied in the spindle, without whose wear in Garn, Spindel oder Baumwolle erscheint. Daß Spindel und Baumwolle, statt ruhig nebeneinander zu liegen, im Spinnprozesse eine Verbindung eingehn, welche ihre Gebrauchsformen verändert, sie in Garn verwandelt, berührt ihren Wert ebensowenig, als wenn sie durch einfachen Austausch gegen ein Äquivalent von Garn umgesetzt worden wären.

202:2 Die zur Produktion der Baumwolle erheischte Arbeitszeit ist Teil der zur Produktion des Garns, dessen Rohmaterial sie bildet, erheischten Arbeitszeit und deshalb im Garn enthalten. Ebenso verhält es sich mit der Arbeitszeit, die zur Produktion der Spin-
and tear the cotton could not be spun.\textsuperscript{11}

\textsuperscript{11} Not only the labor applied immediately to commodities affects their value, but the labor also which is bestowed on the implements, tools, and buildings, with which such labor is assisted.

\textsuperscript{11} „Nicht nur die auf Waren unmittelbar angewandte Arbeit beeinflußt ihren Wert, sondern auch die Arbeit, die auf Geräte, Werkzeuge und Gebäude verwendet worden ist, welche die unmittelbar verausgabte Arbeit unterstützen.“ (Ricardo, l.c. p. 16.)

\textsuperscript{⇓} Here is a different way to argue why the value of the means of production is transferred in the production process: production of means of production can just be considered an earlier phase of the same production process.

294:3/o Hence, in determining the value of the yarn, or the labor-time required for its production, all the special processes carried on at various times and in different places, which were necessary, first to produce the
cotton and the wasted portion of the spindle, and then with the cotton and spindle to spin the yarn, may together be looked on as different and successive phases of one and the same process. The whole of the labor in the yarn is past labor; and it is a matter of no importance that the operations necessary for the production of its constituent elements were carried on at times which, referred to the present, are more remote than the final operation of spinning. If a definite quantity of labor, say thirty days, is requisite to build a house, the total amount of labor incorporated in it is not altered by the fact that the work of the last day is done twenty-nine days later than that of the first. Therefore the labor contained in the raw material laufen werden müssen, um die Baumwolle selbst und die vernutzte Spindelmasse zu produzieren, endlich aus Baumwolle und Spindel Garn zu machen, als verschiedene aufeinander folgende Phasen eines und desselben Arbeitsprozesses betrachtet werden. Alle im Garn enthaltne Arbeit ist vergangne Arbeit. Daß die zur Produktion seiner Bildungselemente erheischte Arbeitszeit früher vergangen ist, im Plusquamperfektum steht, dagegen die zum Schlußprozeß, dem Spinnen, unmittelbar verwandte Arbeit dem Präsens näher, im Perfektum steht, ist ein durchaus gleichgültiger Umstand. Ist eine bestimmte Masse Arbeit, z.B. von 30 Arbeitstagen, zum Bau eines Hauses nötig, so ändert es nichts am Gesamtquantum der dem Hause einver-
and the instruments of labor can be treated just as if it were labor expended in an earlier stage of the spinning process, before the labor of actual spinning commenced.

The value transfer is therefore justified.

295:1 The values of the means of production, \textit{i.e.}, the cotton and the spindle, which values are expressed in the price of $4.88, are therefore constituent parts of the value of the yarn, or, in other words, of the value of the product.

So far it sounds as if the production of value was automatic. Since the yarn is a commodity
bought on the market, it has already passed the test of the market, therefore its value is socially recognized. Does this mean the capitalist cannot do anything wrong? Marx gives now two conditions for this value transfer, which the capitalist must watch over: (1) product must be a use-value, and (2) production must be such that it uses no more than the socially necessary labor-time, i.e., no waste of materials etc.

Two conditions must nevertheless be fulfilled. First, the cotton and spindle must concur in the production of a use-value; they must in the present case become yarn. Value is independent of the particular use-value by which it is borne, but it must be embodied in a use-value of some kind. Secondly, the time occupied in the labor of production must not exceed the time really necessary under the given social conditions of the case. Therefore, if no more than 1 lb. of cotton be requisite to spin 11 lbs. of yarn,
7. Labor Process and Valorization Process

care must be taken that no more than this weight of cotton is consumed in the production of 11 lbs. of yarn; and similarly with regard to the spindle. Though the capitalist have a hobby, and use a gold instead of a steel spindle, yet the only labor that counts for anything in the value of the yarn is that which would be required to produce a steel spindle, because no more is necessary under the given social conditions.

We know now how much value was transferred to the yarn from spindles and cotton. Now Marx discusses the value newly added by spinning labor.

295:3 We now know what portion of the value of the yarn is owing to the cotton and the spindle. It amounts to $4.88 or the materialization of two days of labor. The next point for our consideration is, what portion zu spinnen, so darf nur 1 Pfund Baumwolle verzehrt sein in der Bildung von 1 Pfund Garn. Ebenso verhälts es sich mit der Spin- del. Hat der Kapitalist die Phantasie, goldne statt eiserner Spindeln anzuwenden, so zählt im Garnwert dennoch nur die gesellschaftlich notwendige Arbeit, d.h. die zur Produktion eiserner Spindeln notwendige Arbeitszeit.

203:3 Wir wissen jetzt, welchen Teil des Garnwerts die Produktionsmittel, Baumwolle und Spindel, bilden. Er ist gleich 12 sh. oder die Materiatur von zwei Arbeitstagen. Es handelt sich also nun um den Wertteil,
of the value of the yarn is added to the cotton by the labor of the spinner.

The Moore-Aveling translation has “value of two days’ work,” which is an unfortunate formulation since labor has no value. The above translation adopted Fowkes’s “materialization of two days of labor.”

Labor must now be considered under a different angle than in the labor process.

We have now to consider this labor under a very different aspect from that which it had during the labor-process.

First Marx briefly recaps the labor process, in a passage very similar to 132:2.

There, we viewed it solely as that particular kind of human activity which changes cotton into yarn; there, the more the labor was suited to the work, the better the yarn, other circumstances remaining the same. The labor of the spinner was then viewed as specif-
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ically different from other kinds of productive labor, different on the one hand in its special aim, viz., spinning, different, on the other hand, in the special character of its operations, in the special nature of its means of production and in the special use-value of its product. For the operation of spinning, cotton and spindles are a necessity, but for making rifled cannon they would be of no use whatever.

Although this last sentence seems a blatant truism, it is no longer true now that we are concerned with value-creating labor:

Here, on the contrary, where we consider the labor of the spinner only so far as it is value-creating, i.e., a source of value, his labor differs in no respect from the labor of the man who bores cannon, or (what here
more nearly concerns us), from the labor of the cotton-planter and spindle-maker incorporated in the means of production.

Due to this homogeneity of labor, the different labors performed during the various stages of production of the finished product can be added together in order to form the value of this product.

It is solely by reason of this identity, that cotton planting, spindle making and spinning, are capable of forming the component parts differing only quantitatively from each other, of one whole, namely, the value of the yarn. Here, we have nothing more to do with the quality, the nature and the specific character of the labor, but merely with its quantity.

In real life, this quantity would be a weighted sum. But for simplicity, Marx assumes here that all labor is simple labor, therefore a simple addition is sufficient.
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This quantity is to be counted as that of simple labor. We assume that spinning is simple, unskilled labor, the average labor of the given society. Hereafter we shall see that the contrary assumption would not change the matter at hand.

To recapitulate: Labor process: quality counts, qualitatively different from other labors. Process of valorization: qualitatively identical with other labors, only quantity counts. The properties of the process of the creation of value are therefore exactly the opposite of those of the labor process.

Differences between labor process and valorization process regarding their quantitative measure.

Only labor-time counts:

296:1 While the laborer is at work, his labor constantly undergoes a transformation: from being motion, it becomes an object without motion; from being the laborer

204:1 Während des Arbeitsprozesses setzt sich die Arbeit beständig aus der Form der Unruhe in die des Seins, aus der Form der Bewegung in die der Gegenständlichkeit um.
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working, it becomes the thing produced. At the end of one hour’s spinning, that act is represented by a definite quantity of yarn; in other words, a definite quantity of labor, namely that of one hour, has become embodied in the cotton.

Two things always happen: (1) Yarn is produced, and (2) labor-power is used up. If the yarn is a commodity, then also a third thing happens: (3) the labor-power used up in the production of the yarn is congealed in the yarn and forms its value.

We say labor, *i.e.*, the expenditure of his vital force by the spinner, and not spinning labor, because the special work of spinning counts here only so far as it is the expenditure of labor-power in general, and not in so far as it is the specific work of spinning.

This “congelation” is not a physical but a social process. Its elusive social character is brought home by the fact that not the actual labor-time but the socially necessary labor-time...
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counts in this congelation.

296:2 In the process we are now considering it is of extreme importance, that no more time be consumed in the work of transforming the cotton into yarn than is necessary under the given social conditions. If under normal, i.e., average social conditions of production, $a$ pounds of cotton ought to be made into $b$ pounds of yarn by one hour's labor, then a day's labor does not count as 12 hours' labor unless 12 $a$ pounds of cotton have been made into 12 $b$ pounds of yarn; for in the creation of value, the time that is socially necessary alone counts.

\[ \Rightarrow \text{Also means of labor and product appear now in a different light, in which their properties are turned into their opposites. Means of labor are absorbers of labor, and the product is only a measure for the absorbed labor.} \]
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Not only the labor, but also the raw material and the product now appear in quite a new light, very different from that in which we viewed them in the labor-process pure and simple. The raw material serves now merely as an absorbent of a definite quantity of labor. By this absorption it is in fact changed into yarn, because it is spun, because labor-power in the form of spinning is added to it; but the product, the yarn, is now nothing more than a measure of the labor absorbed by the cotton. If in one hour 1 2/3 lbs. of cotton can be spun into 1 2/3 lbs. of yarn, then 10 lbs. of yarn indicate the absorption of 6 hours’ labor. Definite quantities of product, these quantities being determined by experience, now represent noth-
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ing but definite quantities of labor, definite masses of crystallised labor-time. They are nothing more than the materialisation of so many hours or so many days of social labor.

The specific character of the product is irrelevant, and it is also irrelevant that the means of labor may already be products.

297:1 We are here no more concerned about the facts, that the labor is the specific work of spinning, that its object is cotton and its product yarn, than we are about the fact that the object itself is already a product and therefore raw material. If the spinner, instead of spinning, were working in a coal mine, the object of his labor, the coal, would be supplied by Nature; nevertheless, a definite quantity of extracted coal, a hundredweight for example, would represent a definite quantity of labor.

204:4 Daß die Arbeit grade Spinnarbeit, ihr Material Baumwolle und ihr Produkt Garn, wird hier ebenso gleichgültig, als daß der Arbeitsgegenstand selbst schon Produkt, also Rohmaterial ist. Wäre der Arbeiter, statt in der Spinnerei, in der Kohlengrube beschäftigt, so wäre der Arbeitsgegenstand, die Kohle, von Natur vorhanden. Dennoch stellte ein bestimmtes Quantum aus dem Bett losgebrochener Kohle, z.B. ein Zentner, ein bestimmtes Quantum aufgesaugter Arbeit
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definite quantity of absorbed labor. dar.

While concrete labors are very different from each other, and they need special attention because of all the unforeseen circumstances, the abstract value-creating labor is homogeneous. Whether the product is linen or coal, both represent abstract human labor.

7.2.b. [Creation of Surplus-Value]

After having discussed how value is created and how its quantity is measured, Marx looks now at the creation of surplus-value. For this he must compare the value created with the capitalist’s costs. In his initial attempt, Marx considers the value product of 6 hours of labor, because the wages given to the laborer represent 6 labor hours. This assumption is fair to the worker—why should he or she work more than 6 hours if the pay is only an equivalent of 6 hours? However it turns out that the capitalist is not satisfied with this assumption, because no surplus-value is created. Let us follow this argument step by step:

297:2 We assumed, on the occasion of its sale, that the value of a day’s labor-power is 72 cents, and that six hours’ labor is incor-

205:1 Beim Verkauf der Arbeitskraft ward unterstellt, daß ihr Tageswert = 3 sh., und in den letztren 6 Arbeitsstunden verkörpert
7. Labor Process and Valorization Process

Porated in that sum; and consequently that this amount of labor is requisite to produce the necessaries of life daily required on an average by the laborer. If now our spinner by working for one hour, can convert 1 2/3 lbs. of cotton into 1 2/3 lbs. of yarn, it follows that in six hours he will convert 10 lbs. of cotton into 10 lbs. of yarn. Hence, during the spinning process, the cotton absorbs six hours’ labor. The same quantity of labor is also embodied in a piece of gold of the value of 72 cents. Consequently by the mere labor of spinning, a value of 72 cents is added to the cotton.

12 These figures are quite arbitrary.

Die Zahlen hier sind ganz willkürlich.

Although the figures are arbitrary, the assumption which Marx makes here is very natural, as natural as the other assumptions made: namely, that the worker’s wage represents an
7.2. Valorization Process

equivalent of the value he or she produces. In this situation, the transition from the labor process to the valorization process consists again, as before, in a simple re-interpretation of the same actual process; the value of the product equals the sum of the capitalists’s outlays.

297:3 Let us now consider the total value of the product, the 10 lbs. of yarn. Two and a half days’ labor has been embodied in it, of which two days were contained in the cotton and in the substance of the spindle worn away, and half a day was absorbed during the process of spinning. This two and a half days’ labor is also represented by a piece of gold of the value of $3.60. Hence, $3.60 is an adequate price for the 10 lbs. of yarn, or the price of one pound is 36 cents.

But this result does not meet the capitalist’s expectations.

297:4/o Our capitalist stares in astonishment. The value of the product is exactly...
equal to the value of the capital advanced. The value so advanced has not expanded, no surplus-value has been created, and consequently money has not been converted into capital. The price of the yarn is fifteen shillings, and fifteen shillings were spent in the open market upon the constituent elements of the product, or, what amounts to the same thing, upon the factors of the labor-process; ten shillings were paid for the cotton, two shillings for the substance of the spindle worn away, and three shillings for the labor-power. The swollen value of the yarn is of no avail, for it is merely the sum of the values formerly existing in the cotton, the spindle, and the labor-power: out of such a simple addition of existing values, geschossenen Kapitals. Der vorgeschossene Wert hat sich nicht verwertet, keinen Mehrwert erzeugt, Geld sich also nicht in Kapital verwandelt. Der Preis der 10 Pfund Garn ist 15 sh., und 15 sh. wurden verausgabt auf dem Warenmarkt für die Bildungselemente des Produkts oder, was dasselbe, die Faktoren des Arbeitsprozesses: 10 sh. für Baumwolle, 2 sh. für die verzehrte Spindelmasse und 3 sh. für Arbeitskraft. Der aufgeschwollene Wert des Garns hilft nichts, denn sein Wert ist nur die Summe der früher auf Baumwolle, Spindel und Arbeitskraft verteilten Werte, und aus einer solchen bloßen Addition vorhandner Werte kann nie und nimmermehr ein Mehrwert entspringen.\textsuperscript{13} Diese Werte sind jetzt alle auf ein Ding konzentriert, aber so
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no surplus-value can possibly arise.\textsuperscript{13} These separate values are now all concentrated in one thing; but so they were also in the sum of fifteen shillings, before it was split up into three parts, by the purchase of the commodities.

\begin{quote}
The capitalist’s business is just as sterile as the physiocrats had argued manufacturing to be:
\end{quote}

\textsuperscript{13} This is the fundamental proposition on which is based the doctrine of the Physiocrats as to the unproductiveness of all labor that is not agriculture: it is irrefutable for the orthodox economist. “Cette façon d’imputer à une seule chose la valeur de plusieurs autres” (par exemple au lin la consommation du tisserand), “d’appliquer, pour ainsi dire, couche sur couche, plusieurs valcurs sur une seule, fait que celle-ci grossit d’autant . . . Le terme d’addition peint

\textsuperscript{13} Dies ist der Fundamentalsatz, worauf die Lehre der Physiokraten von der Unproduktivität aller nicht agrikolen Arbeit beruht, und er ist unumstößlich für den Ökonomen—von Fach. „Diese Art, einem einzigen Gegenstand den Wert mehrerer anderer zuzurechnen“ (z.B. dem Flachs den Lebensunterhalt des Leinewebers), „also sozusagen verschiedene Werte schichtweise auf einen einzigen aufzuhäufen, bewirkt, daß dieser in gleichem Umfang anwächst . . . Der Ausdruck Addition be-
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trés-bien la maniere dont se forme le prix des ouvrages de maind’oeuvre; ce prix n’est qu’un total de plusieurs valeurs consommées et additionnées ensemble; or, additionner n’est pas multiplier.” (“Mercier de la Rivièr e,” l.c., p. 599.)

Why is the capitalist surprised at what seems to be a perfectly logical result?

There is nothing strange in this result taken by itself. The value of one pound of yarn being 36 cents, if our capitalist buys 10 lbs. of yarn in the market, he must pay $3.60 for them. It is clear that, whether a man buys his house ready built, or gets it built for him, in neither case will the mode of acquisition increase the amount of money laid out on the house.

The capitalist, who knows from experience that he makes profits, gropes for arguments that would explain why he should be making these profits:

Our capitalist, who is at home in his vulgar economy, exclaims: “Oh! but I advanced my money for the express purpose of making more money.”

If the capitalist says that it was his intention to make surplus-value, he will get a double answer: first of all, intent alone does not make things happen, and secondly, many capitalists also have the intention of making money without producing (two examples are given in footnote 14).

The way to Hell is paved with good intentions, and he might just as easily have intended to make money, without producing at all.¹⁴

Thus from 1844–47 he withdrew part of his capital from productive employment, in order to throw it away in railway speculations; and so also, during the American Civil War, he closed his factory, and turned his work-people into the...
streets, in order to gamble on the Liverpool cotton exchange.

He threatens all sorts of things. He won’t be caught napping again. In future he will buy the commodities in the market, instead of manufacturing them himself.

His threat that he will quit producing and buy the finished product cannot be generalized:

But if all his brother capitalists were to do the same, where would he find his commodities in the market? And his money he cannot eat.

He advertises his virtue. "Consider my abstinence; I might have played ducks and drakes with the $3.60; but instead of that I consumed it productively, and made yarn with it."
If he claims reward for his abstinence, since he used his capital outlays not for his own consumption, the answer is fourfold: (1) he does have the yarn now as reward for his capital outlays, (2) we have seen earlier the problems with miserly behavior, (3) where should the reward come from? There is not enough value in the end product to pay him such a reward. (4) He should therefore consider virtue its own reward.

Very well, and by way of reward he is now in possession of good yarn instead of a bad conscience; and as for playing the part of a miser, it would never do for him to relapse into such bad ways as that; we have seen before to what results such asceticism leads. Besides, where nothing is, the king has lost his rights; whatever may be the merit of his abstinence, there is nothing wherewith specially to remunerate it, because the value of the product is merely the sum of the values of the commodities that were thrown into

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the process of production. Let him therefore console himself with the reflection that virtue is its own reward.

But no, he becomes importunate. He says: “The yarn is of no use to me: I produced it for sale.”

If he points to his altruism, having produced the yarn for others, the answer is that he therefore should sell it to those others, or maybe in the future only produce for himself (with a hint that his mode of production suffers from overproduction anyway).

In that case let him sell it, or, still better, let him for the future produce only things for satisfying his personal wants, a remedy that his physician MacCulloch has already prescribed as infallible against an epidemic of over-production.

He now gets obstinate. “Can the laborer,” he asks, “merely with his arms and legs, pro-

So verkaufe er es, oder, noch einfacher, produziere in Zukunft nur Dinge für seinen eigenen Bedarf, ein Rezept, das ihm bereits sein Hausarzt MacCulloch als probates Mittel gegen die Epidemie der Überproduktion verschrieben hat.

Er stellt sich trutzig auf die Hinterbeine. Sollte der Arbeiter mit seinen eigenen Gliedma-

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chants, he asks, “merely with his arms and legs, pro-
duce commodities out of nothing? Did I not supply him with the materials, by means of which, and in which alone, his labor could be embodied? And as the greater part of society consists of such ne’er-do-wells, have I not rendered society incalculable service by my instruments of production, my cotton and my spindle, and not only society, but the laborer also, whom in addition I have provided with the necessaries of life? And am I to be allowed nothing in return for all this service?”

↑ If he enumerates how much he benefited the laborer, ↓ the answer is that the laborer benefited him just as much.

Well, but has not the laborer rendered him the equivalent service of changing his cotton and spindle into yarn? Moreover, there


Hat der Arbeiter ihm aber nicht den Gendienst erwiesen, Baumwolle und Spindel in Garn zu verwandeln? Außerdem handelt es
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is here no question of service. A service is nothing more than the useful effect of a use-value, be it of a commodity, or be it of labor. But here we are dealing with exchange-value. The capitalist paid to the laborer a value of 72 cents, and the laborer gave him back an exact equivalent in the value of 72 cents, added by him to the cotton: he gave him value for value.

“Extol thyself, put on finery and adorn thyself … but whoever takes more or better than he gives, that is usury, and is not service, but wrong done to his neighbour, as when one steals and robs. All is not service and benefit to a neighbour that is called service and benefit. For an adulteress and adulterer do one another great service and pleasure. A horseman does an incendiary a great service, by helping him to rob on the


„Las du rhümen, schmücken und putzen … Wer aber mehr oder besseres nimpt‘ (als er gibt), „das ist Wucher, und heisst, nicht Dienst, sondern Schaden gethan seinem Nehesten, als mit stelen und rauben geschieht. Es ist nicht alles Dienst und wolgethan dem Nehesten, was man heisst, Dienst und wolgethan. Denn eine Ehebrecherin und Ehebrecher thun einander grossen Dienst und wolgef

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highway, and pillage land and houses. The pa-pists do ours a great service, in that they don’t drown, burn, murder all of them, or let them all rot in prison; but let some live, and only drive them out, or take from them what they have. The devil himself does his servants inestimable service … To sum up, the world is full of great, excellent, and daily service and benefit.” (Martin Luther: “An die Pfarrherrn wider den Wucher zu predigen,” Wittenberg, 1540.)

Our friend, up to this time so purse-proud,  

16 In “Zur Kritik der Pol. Oek.,” p. 14, I make the following remark on this point—“It is not dif-ficult to understand what ‘service’ the category ‘service’ must render to a class of economists like J. B. Say and F. Bastiat.”

Unser Freund, eben noch so kapitalübermütig,  

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Suddenly assumes the modest demeanour of his own workman, and exclaims: “Have I myself not worked? Have I not performed the labor of superintendence and of overlooking the spinner? And does not this labor, too, create value?”

↑ If he says that he is a laborer himself, ↓ Marx subtly hints at it that he has hired managers and overlookers to do this work for him.

His overlooker and his manager try to hide their smiles.

↓ Suddenly the capitalist changes his script:

Meanwhile, after a hearty laugh, he re-assumes his usual mien. Though he chanted to us the whole creed of the economists, in reality, he says, he would not give a brass farthing for it. He leaves this and all such like subterfuges and juggling tricks to the
professors of Political Economy, who are paid for it. He himself is a practical man; and though he does not always consider what he says outside his business, yet in his business he knows what he is about.

↑ This is Marx’s colorful way of saying that one should not listen to the excuses of the capitalists or their apologists, but one should examine more closely what the capitalists do.

300:1/o Let us examine the matter more closely.

⇓ Since the value of the daily labor-power can be produced in six hours, we assumed that the workers work only six hours long. This assumption was not justified. The capitalist does not have to send the workers home after six hours. If he pays their means of subsistence for the day he has the right to make them work a normal working-day.

The value of a day’s labor-power amounts to 72 cents, because on our assumption half a day’s labor is embodied in that quantity of labor-power, i.e., because the means of subsistence of the worker are among the means of production of labor-power.

Der Tageswert der Arbeitskraft betrug 3 sh., weil in ihr selbst ein halber Arbeitstag vergegenständlicht ist, d.h. weil die täglich zur Produktion der Arbeitskraft nötigen Le-
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Sistence that are daily required for the production of labor-power, cost half a day’s labor. But the past labor that is embodied in the labor-power, and the living labor that it can call into action; the daily cost of maintaining it, and its daily expenditure in work, are two totally different things. The former determines the exchange-value of the labor-power, the latter is its use-value. The fact that half a day’s labor is necessary to keep the laborer alive during 24 hours, does not in any way prevent him from working a whole day. Therefore, the value of labor-power, and the value which that labor-power creates in the labor-process, are two entirely different magnitudes.

Not only is the value produced by labor-power during a normal working-day different...
from labor-power’s own value, but the capitalist purchased labor-power exactly because of this difference.

This difference of the two values was what the capitalist had in view, when he was purchasing the labor-power. The useful qualities that labor-power possesses, and by virtue of which it makes yarn or boots, were to him nothing more than a conditio sine qua non; for in order to create value, labor must be expended in a useful manner. What really influenced him was the specific use-value which this commodity possesses of being a source not only of value, but of more value than it has itself. This is the special service that the capitalist expects from labor-power.

ehler Therefore, although the capitalist gets something for nothing, he is not violating the laws of com-
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In this transaction he acts in accordance with the “eternal laws” of the exchange of commodities. The seller of labor-power, like the seller of any other commodity, realises its exchange-value, and parts with its use-value. He cannot take the one without giving the other. The use-value of labor-power, or in other words, labor, belongs just as little to its seller, as the use-value of oil after it has been sold belongs to the dealer who has sold it. The owner of the money has paid the value of a day’s labor-power; his, therefore, is the use of it for a day; a day’s labor belongs to him. The circumstance, that on the one hand the daily sustenance of labor-power costs only half a day’s labor, while on the other it has been sold belongs to the dealer who has sold it. The owner of the money has paid the value of a day’s labor-power; his, therefore, is the use of it for a day; a day’s labor belongs to him. The circumstance, that on the one hand the daily sustenance of labor-power costs only half a day’s labor, while on

Und er verfährt dabei den ewigen Gesetzen des Warenaustausches gemäß. In der Tat, der Verkäufer der Arbeitskraft, wie der Verkäufer jeder andern Ware, realisiert ihren Tauschwert und veräußert ihren Gebrauchswert. Er kann den einen nicht erhalten, ohne den anderen wegzugeben. Der Gebrauchswert der Arbeitskraft, die Arbeit selbst, gehört ebenso wenig ihrem Verkäufer, wie der Gebrauchswert des verkauften Öls dem Ölhändler. Der Geldbesitzer hat den Tageswert der Arbeitskraft gezahlt; ihm gehört daher ihr Gebrauch während des Tages, die tagelange Arbeit. Der Umstand, daß die tägliche Erhaltung der Arbeitskraft nur einen halben Arbeitstag kostet, obgleich die Arbeitskraft einen ganzen Tag
the other hand the very same labor-power can work during a whole day, that consequently the value which its use during one day creates, is double what he pays for that use, this circumstance is, without doubt, a piece of good luck for the buyer, but by no means an injustice to the seller.

One of the conditions for valorization is that enough constant capital must be present.

Our capitalist foresaw this state of things, and that was the cause of his laughter.

The capitalist never thought that he can only employ the laborer for 6 hours because the price of labor-power corresponds to 6 hours of labor. If the normal working-day is 12 hours, the laborer will have to work for 12 hours, since he was paid the means of subsistence for one day.

The laborer therefore finds, in the workshop, the means of production necessary for work-
7. Labor Process and Valorization Process

Ing, not only during six, but during twelve hours.

If we do the math in this situation, it turns out that surplus-value has been created:

Just as during the six hours’ process our 10 lbs. of cotton absorbed six hours’ labor, and became 10 lbs. of yarn, so now, 20 lbs. of cotton will absorb 12 hours’ labor and be changed into 20 lbs. of yarn. Let us now examine the product of this prolonged process. There is now materialised in this 20 lbs. of yarn the labor of five days, of which four days are due to the cotton and the lost steel of the spindle, the remaining day having been absorbed by the cotton during the spinning process. Expressed in gold, the labor of five days is $7.20. This is therefore the price of the 20 lbs. of yarn, giving, as

before, 36 cents as the price of each pound. But the sum of the values of the commodities that entered into the process amounts to $6.48. The value of the yarn is $7.20. Therefore the value of the product is 1/9 greater than the value advanced for its production; $6.48 have been transformed into $7.20; a surplus-value of 72 cents has been created. The trick has at last succeeded; money has been converted into capital.

In the next summary paragraph, Marx looks at the process of valorization in production together with the purchase of labor-power and means of production. He shows that this is the resolution of the task set in 268:4/o. Surplus-value has been created without violating the laws of commodity exchange.

301:2/o Every condition of the problem is satisfied, while the laws that regulate the exchange of commodities, have been...
in no way violated. Equivalent has been exchanged for equivalent. For the capitalist as buyer paid for each commodity, for the cotton, the spindle and the labor-power, its full value. He then did what is done by every purchaser of commodities; he consumed their use-value. The consumption of the labor-power, which was also the process of producing commodities, resulted in 20 lbs. of yarn, having a value of $7.20. The capitalist, formerly a buyer, now returns to market as a seller, of commodities. He sells his yarn at 36 cents a pound, which is its exact value. Yet for all that he withdraws 72 cents more from circulation than he originally threw into it.

The whole process takes place in circulation and not in circulation (the first act in circula-
This metamorphosis, this conversion of money into capital, takes place both within the sphere of circulation and also outside it; within the circulation, because conditioned by the purchase of the labor-power in the market; outside the circulation, because what is done within it is only a stepping-stone to the production of surplus-value, a process which is entirely confined to the sphere of production. Thus “tout est pour le mieux dans le meilleur des mondes possibles.”

↑ This not only solves the contradictory conditions of 268:4/o, ↓ but this combination of production and circulation at the same time generates a new powerful causal agent.

302:1 By turning his money into commodities that serve as the material elements

209:2 Indem der Kapitalist Geld in Waren verwandelt, die als Stoffbildner eines
7. Labor Process and Valorization Process

of a new product, and as factors in the labor-process, by incorporating living labor with their dead substance, the capitalist at the same time converts value, *i.e.*, past, materialised, and dead labor into capital, into value big with value, a live monster that is fruitful and multiplies.

7.2.c. [Differences Between Production of Value, Production of Surplus-Value, and the Labor Process]

The difference between the production of value and the production of surplus-value is only quantitative.

302:2 If we now compare the process of producing value with that of producing surplus-value, we see that the latter is nothing but a living monster that is fruitful and multiplies.

209:3 Vergleichen wir nun Wertbildungsprozeß und Verwertungsprozeß, so ist der Verwertungsprozeß nichts als ein über einen
ing but the continuation of the former beyond a definite point. If on the one hand the process be not carried beyond the point, where the value paid by the capitalist for the labor-power is replaced by an exact equivalent, it is simply a process of producing value; if, on the other hand, it be continued beyond that point, it becomes a process of producing surplus-value.

↑ In other words, the production of surplus-value is not an integral part of the production of value itself (surplus-value is not produced by machinery or growing out of the ground). Instead, surplus-value arises from the prolongation of the production of value beyond a point which is not discernible in the production of value itself, but which is determined from the outside.

⇓ Next, Marx gives an explicit rundown of the differences between the process of producing value and the labor process, which were implicitly already contained in his presentation of the process of producing value. Marx shows here that the production of value is the same
7. Labor Process and Valorization Process

process as the labor process, but considered under a different point of view.

302:3/o If we proceed further, and compare the process of producing value with the labor-process, pure and simple, we find that the latter consists of the useful labor, the work, that produces use-values. Here we contemplate the labor as producing a particular article; we view it under its qualitative aspect alone, with regard to its end and aim. But viewed as a value-creating process, the same labor-process represents itself under its quantitative aspect alone. The only thing that still matters here is the time occupied by the laborer in doing the work; the period during which the labor-power is usefully expended.

The overall process of producing values is no longer considered qualitatively but only

quantitatively. The means of production are no longer factors involved in the production process but merely additional values.

Here, the commodities that take part in the process, do not count any longer as necessary adjuncts of labor-power in the production of a definite, useful object. They count merely as depositories of so much absorbed or materialised labor.

Labor itself, whether living or materialized, counts only according to its duration.

That labor, whether previously embodied in the means of production, or incorporated in them for the first time during the process by the action of labor-power, counts in either case only according to its duration; it amounts to so many hours or days as the case may be.

An important caveat is that the quantity counts only to the extent that the labor is socially
7. Labor Process and Valorization Process

necessary labor.

303:1 However, only so much of the time spent in the production of any article is counted, as, under the given social conditions, is necessary. This implies various things.

⇓ Conditions of labor must be normal:

In the first place, it becomes necessary that the labor should be carried on under normal conditions. If a self-acting mule is the implement in general use for spinning, it would be absurd to supply the spinner with a distaff and spinning wheel. The cotton too must not be such rubbish as to cause extra waste in being worked, but must be of suitable quality. Otherwise the spinner would be found to spend more time in producing a pound

210:1 Sie zählt jedoch nur, soweit die zur Produktion des Gebrauchswerts verbrauchte Zeit gesellschaftlich notwendig ist. Es umfaßt dies Verschiedenes.

Die Arbeitskraft muß unter normalen Bedingungen funktionieren. Ist die Spinnmaschine das gesellschaftlich herrschende Arbeitsmittel für die Spinnerei, so darf dem Arbeiter nicht ein Spinnrad in die Hand gegeben werden. Statt Baumwolle von normaler Güte muß er nicht Schund erhalten, der jeden Augenblick reißt. In beiden Fällen würde er mehr als die gesellschaftlich notwendige Arbeitszeit zur Produktion eines Pfundes Garn
of yarn than is socially necessary, in which case the excess of time would create neither value nor money. But whether the material factors of the process are of normal quality or not, depends not upon the laborer, but entirely upon the capitalist.

Therefore, the labor-power itself must be normal too:

Then again, the labor-power itself must be of average efficacy. In the trade in which it is being employed, it must possess the average skill, handiness and quickness prevalent in that trade, and our capitalist took good care to buy labor-power of such normal goodness.

Labor-power must be applied continuously and with normal intensity:

This power must be applied with the common measure of exertion, with the usual degree of intensity.
Means of labor must be used in a normal and purposeful way. Lastly, and for this purpose our friend has a penal code of his own, all wasteful consumption of raw material or instruments of labor is strictly forbidden, because what is so wasted, represents labor superfluously expended, labor that does not count in the sumption of raw material or instruments of labor. The capitalist is as careful to see that this is done, as that his workmen are not idle for a single moment. He has bought the use of the labor-power for a definite period, and he insists upon his rights. He has no intention of being robbed.

Endlich—und hierfür hat derselbe Herr einen eigenen code pénal—darf kein zweckwidriger Konsum von Rohmaterial und Arbeitsmitteln stattfinden, weil vergeudetes Material oder Arbeitsmittel überflüssig verausgabte Quante vergegenständlichter Arbeit darstellen, also nicht zählen und nicht in das Produkt der Wertbildung eingehen. 17

Interesting and detailed footnote about slavery:

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This is one of the circumstances that makes production by slave labor such a costly process. The laborer here is, to use a striking expression of the ancients, distinguishable only as instrumentum vocale, from an animal as instrumentum semi-vocale, and from an implement as instrumentum mutum. But he himself takes care to let both beast and implement feel that he is none of them, but is a man. He convinces himself with immense satisfaction, that he is a different being, by treating the one unmercifully and damaging the other con amore.

This is an amazing foray into psychology!

Hence the principle, universally applied in this method of production, only to employ the rudest and heaviest implements and such as are difficult to damage owing to their sheer clumsiness. In the slave-states bordering on the Gulf of Mexico, down to the date of the civil...
war, ploughs constructed on old Chinese models, which turned up the soil like a hog or a mole, instead of making furrows, were alone to be found. Conf. J. E. Cairnes. “The Slave Power,” London, 1862, p. 46 sqq. In his “Sea Board Slave States,” Olmsted tells us: “I am here shown tools that no man in his senses, with us, would allow a laborcr, for whom he was paying wages, to be encumbered with; and the excessive weight and clumsiness of which, I would judge, would make work at least ten per cent greater than with those ordinarily used with us. And I am assured that, in the careless and clumsy way they must be used by the slaves, anything lighter or less rude could not be furnished them with good economy, and that such tools as we constantly give our laborers and find our profit in giving them, would not last out a day in a Virginia cornfield—much lighter and more free from stones though it be than ours. Meerbusen von Mexiko liegenden Sklavenstaaten Pflüge altchinesischer Konstruktion, die den Boden aufwühlen wie ein Schwein oder Maulwurf, aber ihn nicht spalten und wenden. Vgl. J. E. Cairnes, „The Slave Power““, London 1862, p. 46 sqq. In seinem „Seaboard Slave States“ [p. 46, 47] erzählt Olmsted u.a.: „Man hat mir hier Werkzeuge gezeigt, mit denen bei uns kein vernünftiger Mensch seinen Arbeiter belasten würde, dem er Lohn zahlt. Ihr außerordentliches Gewicht und ihre Plumpheit müssen nach meiner Ansicht die Arbeit mit ihnen um mindestens 10 Prozent schwerer machen als mit den gewöhnlich bei uns verwendeten. Wie man mir jedoch versichert, ist es bei der fahrlässigen und klobigen Art, in der sie von den Sklaven anscheinend benutzt werden, nicht möglich, ihnen mit gutem Erfolg leichtere oder weniger derbe Werkzeuge anzuvertrauen; solche Werkzeuge, wie wir sie ständig, und zwar mit gutem
7.2. Valorization Process

So, too, when I ask why mules are so universally substituted for horses on the farm, the first reason given, and confessedly the most conclusive one, is that horses cannot bear the treatment that they always must get from negroes; horses are always soon foundered or crippled by them, while mules will bear cudgelling, or lose a meal or two now and then, and not be materially injured, and they do not take cold or get sick, if neglected or overworked. But I do not need to go further than to the window of the room in which I am writing, to see at almost any time, treatment of cattle that would ensure the immediate discharge of the driver by almost any farmer owning them in the North.”

The double character of labor, which was previously derived as a theoretical result, as something that must be the case for commodity production to be possible, is directly visible if one simply looks at the different sides of the production process itself:

One sees: the difference between labor, considered on the one hand as producing use-values, and on the other hand as producing value, a difference which we arrived at by our analysis of the commodity, represents itself now as a distinction between the different aspects of the process of production.

All this applies both to simple commodity production and to capitalist production:

The process of production, considered on the one hand as the unity of the labor-process and the process of producing
value, is production of commodities; considered on the other hand as the unity of the labor-process and the process of producing surplus-value, it is the capitalist process of production, or capitalist production of commodities.

7.2.d. [Simple and Complicated Labor]

The chapter ends with a passage about the reduction of complicated to simple labor:

304:3/o We stated, on a previous page, that in the creation of surplus-value it does not in the least matter, whether the labor appropriated by the capitalist be simple unskilled labor of average quality or more complicated skilled labor. All labor of a higher or more complicated character than

211:3/o Es wurde früher bemerkt, daß es für den Verwertungsprozeß durchaus gleichgültig ist, ob die vom Kapitalisten anggeeignete Arbeit einfache, gesellschaftliche Durchschnittsarbeit oder kompliziertere Arbeit, Arbeit von höherem spezifischen Gewicht ist. Die Arbeit, die als höhere, kompliziertere Ar-
average labor is expenditure of labor-power of a more costly kind, labor-power whose production has cost more time and labor, and which therefore has a higher value, than unskilled or simple labor-power.

This labor-power not only has a higher value than simple labor-power, but it also creates more value per hour:

While the value of this power is higher, also its consumption is labor of a higher class, labor that creates in equal times proportionally higher values than unskilled labor does. Whatever difference in skill there may be between the labor of a spinner and that of a jeweller, the portion of his labor by which the jeweller merely replaces the value of his own labor-power, does not in any way dif-

Ist der Wert dieser Kraft höher, so äußert sie sich daher auch in höherer Arbeit und verhältnismäßig höheren Werten. Welches jedoch immer der Gradunterschied zwischen Spinnarbeit und Juwelierarbeit, die Portion Arbeit, wodurch der Juwelenarbeiter nur den Wert seiner eignen Arbeitskraft ersetzt, unterscheidet sich qualita-
fer in quality from the additional portion by which he creates surplus-value. In the making of jewellery, just as in spinning, the surplus-value results only from a quantitative excess of labor, from a lengthening-out of one and the same labor-process, in the one case, of the process of making jewels, in the other of the process of making yarn.\textsuperscript{18}

On the one hand, the labor of the skilled worker has a higher reproduction cost than the labor or the unskilled worker. But on the other, skilled labor counts as “multiplied” simple labor, i.e., it creates more value per hour. Although Marx writes “therefore,” I do not think that it creates more value \textit{because} it has higher reproduction cost. I think Marx had the following causality in mind: Skilled labor is labor of higher order. This has two implications: (1) it has a higher value because of its higher reproduction cost, and (2) it creates more value per hour because the labor-time required to gain these skills is pro-rated over the time when the skilled labor is performed. Since both cost and yield are higher, the mechanism by which surplus-value is created is the same for skilled and unskilled labor: in
both cases, surplus-value arises from the extension of the length of the labor-process beyond the point where it reproduces its own value. Although the mechanism with the proration of the time required to acquire skills explains most of the qualitative differences in labor-powers, it does not explain all of them. Footnote 18 makes important remarks about skilled and unskilled labor:

18 The distinction between skilled and unskilled labor rests in part on pure illusion or, to say the least, on distinctions that have long since ceased to be real, and that survive only by virtue of a traditional convention; in part on the helpless condition of some groups of the working-class, a condition that prevents them from exacting equally with the rest the value of their labor-power. Accidental circumstances here play so great a part, that these two forms of labor sometimes change places. Where, for instance, the physique of the working-class has deteriorated, and is, relatively speaking, exhausted, which in...
the case in all countries with a well developed capitalist production, the lower forms of labor, which demand great expenditure of muscle, are in general considered as skilled, compared with much more delicate forms of labor; the latter sink down to the level of unskilled labor. Take as an example the labor of a bricklayer, which in England occupies a much higher level than that of a damask-weaver. Again, although the labor of a fustian cutter demands great bodily exertion, and is at the same time unhealthy, yet it counts only as unskilled labor. And then, we must not forget, that the so-called skilled labor does not occupy a large space in the field of national labor. Laing estimates that in England (and Wales) the livelihood of 11,300,000 people depends on unskilled labor. If from the total population of 18,000,000 living at the time when he wrote, we deduct 1,000,000 for the “genteel population,” Ländern entwickelter kapitastischer Produktion, verkehren sich im allgemeinen brutale Arbeiten, die viel Muskelkraft erfordern, in höher gegenüber viel feineren Arbeiten, die auf die Stufe einfacher Arbeit herabsinken, wie z.B. die Arbeit eines bricklayer (Maurer) in England eine viel höhere Stufe einnimmt als die eines Damastwirkers. Auf der andren Seite figuriert die Arbeit eines fustian cutter (Baumwollsamtscherers), obgleich sie viel körperliche Anstrengung kostet und obendrein sehr ungesund ist, als „einfache“ Arbeit. Übrigens muß man sich nicht einbilden, daß die sogenannte „skilled labour“ einen quantitativ bedeutenden Umfang in der Nationalarbeit einnimmt. Laing rechnet, daß in England (und Wales) die Existenz von über 11 Millionen auf einfacher Arbeit beruht. Nach Abzug einer Million von Aristokraten und anderthalb Millionen Paupers, Vagabunden, Verbrecher, Prostituierte usw. von den 18 Millionen
7. Labor Process and Valorization Process

...and 1,500,000 for paupers, vagrants, criminals, prostitutes, etc., and 4,650,000 who compose the middle-class, there remain the above mentioned 11,000,000. But in his middle-class he includes people that live on the interest of small investments, officials, men of letters, artists, schoolmasters and the like, and in order to swell the number he also includes in these 4,650,000 the better paid portion of the factory operatives! The bricklayers, too, figure amongst them. (S. Laing: “National Distress,” etc., London, 1844). “The great class who have nothing to give for food but ordinary labor, are the great bulk of the people.” (James Mill, in art.: “Colony,” Supplement to the Encyclop. Brit., 1831.)

306 But on the other hand, in every process of producing value, the reduction of skilled labor to average social labor, e.g.,

...der Bevölkerungszahl, zur Zeit seiner Schrift, bleiben 4,650,000 Mittelklasse mit Einschluß kleinerer Rentner, Beamten, Schriftsteller, Künstler, Schulmeister usw. Um diese 4 2/3 Millionen herauszubekommen, zählt er zum arbeitenden Teil der Mittelklasse, außer Bankiers usw., alle besser bezahlten „Fabrikarbeiter“! Auch die bricklayers fehlen nicht unter den „potenzierten Arbeitern“. Bleiben ihm dann die besagten 11 Millionen. (S. Laing, „National Distress etc.“, London 1844, [p. 49–52 passim].) „Die große Klasse, die für Nahrung nichts zu geben vermag als gewöhnliche Arbeit, ist die große Masse des Volkes.“ (James Mill in Art. „Colony“. „Supplement to the Encyclop. Brit.“, 1831.)

213 Andrerseits muß in jedem Wertbil-
dungsprozeß die höhere Arbeit stets auf ge-
sellschaftliche Durchschnittsarbeit reduziert
one day of skilled to $x$ days of unskilled labor, is unavoidable.\textsuperscript{19} We therefore save ourselves a superfluous operation, and simplify our analysis, by the assumption, that the labor of the workman employed by the capitalist is unskilled average labor.

\textsuperscript{19}“Where reference is made to labor as a measure of value, it necessarily implies labor of one particular kind … the proportion which the other kinds bear to it being easily ascertained.” ("Outlines of Pol. Econ.," Lond., 1832, pp. 22 and 23.)

werden, z.B. ein Tag höherer Arbeit auf $x$ Tage einfacher Arbeit.\textsuperscript{19} Man erspart also eine überflüssige Operation und vereinfacht die Analyse durch die Annahme, daß der vom Kapital verwandte Arbeiter einfache gesellschaftliche Durchschnittsarbeit verrichtet.

\textsuperscript{19} „Wo von Arbeit als Maßstab des Wertes gesprochen wird, versteht man darunter notwendigerweise Arbeit einer bestimmten Art … das Verhältnis, in dem die andern Arten von Arbeit zu ihr stehen, ist leicht zu ermitteln.“ ([J. Cazeneve,] „Outlines of Polit. Economy“, London 1832, p. 22, 23.)
Chapter Eight is one of the tedious chapters where Marx dwells endlessly on seemingly pedantic, trivial, and obvious things. It is so verbose that it is easy to lose sight of the points Marx is trying to make here.

Yet this is a significant chapter, since it discusses one of the basic contradictions of capitalism. Capital engages in the production process because it must expand its value. But only a part of the capital is in fact able to expand its value during the production process; the rest of the value must take a shape in which its value remains constant. This contradiction can lead to crises.
The first half of this chapter until 313:2/o discusses the different roles which the objective factors (means of labor and object of labor) and the subjective factor (labor) of the labor process play in the creation of the value of the product.

307:1 The various factors of the labor-process play different parts in forming the value of the product.

214:1 Die verschiedenen Faktoren des Arbeitsprozesses nehmen verschiedenen Anteil an der Bildung des Produkten-Werts.

Marx makes three main points: (1) Constant capital does not create value; (2) wages do not reappear as part of the value of the product, i.e., an increase in wages does not raise values, and (3) what I will call “trouble” with constant capital.

In order to develop the first of these three points, Marx argues that the action of the subjective factor of the labor process has two quite different results: transfer of value and creation of new value. Since the laborer does not work twice for these two different results, the two-fold nature of the result must come from a two-fold nature of labor:

- Preservation of value comes from the concrete useful labor
- Creation of new value comes abstract general labor

Now let us look at this argument in detail:
8. Constant Capital and Variable Capital

307:2 The laborer adds fresh value to the object of his labor by expending upon it a given amount of additional labor, regardless of the specific content, purpose, and technical character of that labor.

214:2 Der Arbeiter setzt dem Arbeitsgegenstand neuen Wert zu durch Zusatz eines bestimmten Quantums von Arbeit, abgesehen vom bestimmten Inhalt, Zweck und technischen Charakter seiner Arbeit.

↑ The production of value is one of the results of the labor process. In chapter Seven, 295:4/0, Marx emphasized that the concrete particularity of labor is irrelevant here, only its quantity counts. ↓ But this same labor process also has a second result:

On the other hand, the values of the means of production used up in the process are preserved, and reappear as constituent parts of the value of the product; the values of the cotton and the spindle, for instance, the value of the yarn. The value of the means of production is therefore preserved, by being transferred to the product.

Andrerseits finden wir die Werte der verzehrten Produktionsmittel wieder als Bestandteile des Produkten-Werts, z.B. die Werte von Baumwolle und Spindel im Garnwert. Der Wert der Produktionsmittel wird also erhalten durch seine Übertragung auf das Produkt.

From the standpoint of modern social sciences, this transfer of value would be considered
a plausible assumption that is necessary to make the labor theory of value consistent. The question how this transfer happens does not pose itself. But Marx is a depth realist: he is looking for the real mechanisms by which this transfer of value occurs.

This transfer takes place during the conversion of those means into a product, or in other words, during the labor-process. It is mediated by labor; but how?

First step to answer this question: this two-fold result is not achieved by two different operations on the part of the laborer, but both results come from the same process:

307:3 The laborer does not perform two different operations, one in order to add value to the cotton, the other in order to preserve the value of the means of production, or, what amounts to the same thing, to transfer to the yarn, to the product, the value of the cotton on which he works, and part of the value of the spindle with which he
8. Constant Capital and Variable Capital

works. But, by the very act of adding new value, he preserves their former values.

Since the same process (the labor process) has two results, these two results must come from two different aspects of the labor process. This kind of argument (if something has two different effects then two different aspects of it must be responsible for these two effects) was already used in 131:2/0.

Since, however, the addition of new value to the object of his labor, and the preservation of its former value, are two entirely different results, produced simultaneously by the laborer, during one and the same operation, it is plain that this two-fold nature of the result can be explained only by the two-fold nature of his labor; at one and the same time, it must in one character create value, and in another character preserve or transfer value.
We already know that the labor process has a twofold character: it is abstract labor and concrete labor. Marx is indeed going to argue that it creates new value as abstract labor, and transfers value as concrete labor.

Now, in what manner does every laborer add new labor and consequently new value? Evidently, only by laboring productively in a particular way; the spinner by spinning, the weaver by weaving, the smith by forging. But, while thus incorporating labor generally, that is value, it is by the particular form alone of the labor, by the spinning, the weaving and the forging respectively, that the means of production, the cotton and spindle, the yarn and loom, and the iron and anvil become constituent elements of the product, of a new use-value. Each
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use-value disappears, but only to re-appear under a new form in a new use-value.


⇑ It is the concrete useful character of the labor which is responsible for turning the means of production into a new product. ⇩ Now Marx refers to his detailed argument in chapter Seven, 294:1–295:1, which showed that the value of the means of production is transferred:

Now, we saw, when we were considering the process of creating value, that, if a use-value be effectively consumed in the production of a new use-value, the quantity of labor expended in the production of the consumed article, forms a portion of the quantity of labor necessary to produce the new use-value; this portion is therefore labor trans-

Beispiel:

Bitrachtung des Wertbildungsprozesses ergab sich aber, daß, soweit ein Gebrauchswert zweckgemäß vernutzt wird zur Produktion eines neuen Gebrauchswerts, die zur Herstellung des vernutzten Gebrauchswerts notwendige Arbeitszeit einen Teil der zur Herstellung des neuen Gebrauchswerts notwendigen Arbeitszeit bildet, also Arbeitszeit

alte Form ihres Gebrauchswerts vergeht, aber nur um in einer neuen Form von Gebrauchswert aufzugehn.

ferred from the means of production to the new product.

Therefore the concrete useful aspect of labor is also responsible for the value transfer:

Hence, the laborer preserves the values of the consumed means of production, or transfers them as portions of its value to the product, not by virtue of his additional labor, abstractedly considered, but by virtue of the particular useful character of that labor, by virtue of its special productive form. In so far then as labor is such specific productive activity, in so far as it is spinning, weaving, or forging, it raises, by mere contact, the means of production from the dead, makes them living factors of the labor-process, and combines with them to form the new products.

Der Arbeiter erhält also die Werte der vernutzten Produktionsmittel oder überträgt sie als Wertbestandteile auf das Produkt, nicht durch sein Zusetzen von Arbeit überhaupt, sondern durch den besondren nützlichen Charakter, durch die spezifisch produktive Form dieser zusätzlichen Arbeit. Als solche zweckgemäße produktive Tätigkeit, Spinnen, Weben, Schmieden, erweckt die Arbeit durch ihren bloßen Kontakt die Produktionsmittel von den Toten, begeistet sie zu Faktoren des Arbeitsprozesses und verbindet sich mit ihnen zu Produkten.
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On the other hand, the creation of new value comes from human labor in the abstract:

If the special productive labor of the workman were not spinning, he could not convert the cotton into yarn, and therefore could not transfer the values of the cotton and spindle to the yarn. Suppose the same workman were to change his occupation to that of a joiner, he would still by a day’s labor add value to the material he works upon. Consequently, we see, first, that the addition of new value takes place not by virtue of his labor being spinning in particular, or joinering in particular, but because it is labor in the abstract, a portion of the total labor of society; and we see next, that the value added is of a given definite amount, not because his labor has a special character.
utility, but because it is exerted for a definite time. On the one hand, then, it is by virtue of its general character, as being expenditure of human labor-power in the abstract, that spinning adds new value to the values of the cotton and the spindle; and on the other hand, it is by virtue of its special character, as being a concrete, useful process, that the same labor of spinning both transfers the values of the means of production to the product, and preserves them in the product. Hence at one and the same time there is produced a two-fold result.

† Until now Marx has argued for his thesis that the two outcomes of the labor process come from the double character of labor. ‖ Now Marx assumes that this theory is correct, and shows how this invisible fact manifests itself on the surface.

309:1 By the simple addition of a certain | 215:2/o Durch das bloß quantitative Zuset-
quantity of labor, new value is added, and by the quality of this added labor, the original values of the means of production are preserved in the product. This two-fold effect, resulting from the two-fold character of labor, shows itself tangibly in various phenomena.

(1) The first of the tangible phenomena which show clearly that the preservation of value must come from a substantially different aspect of labor than the creation of new value, are changes in productivity (either of the labor process itself or of the process which had produced the objects and instruments of labor). They affect the preservation of value but not the creation of new value. (In 136:4/o, Marx argued that productivity is a quality of concrete useful labor.)

(1a) First Marx discusses the changes in the productive power of the labor producing the finished product.

309:2 Let us assume, that some invention enables the spinner to spin as much cotton 216:1 Nimm an, irgendeine Erfindung befähige den Spinner, in 6 Stunden so viel
in 6 hours as he was able to spin before in 36 hours. His labor is now six times as effective as it was, for the purposes of useful production. The product of 6 hours’ work has increased six-fold, from 6 lbs. to 36 lbs. But now the 36 lbs. of cotton absorb only the same amount of labor as formerly did the 6 lbs. One-sixth as much new labor is absorbed by each pound of cotton, and consequently, the value added by the labor to each pound is only one-sixth of what it formerly was. On the other hand, in the product, in the 36 lbs. of yarn, the value transferred from the cotton is six times as great as before. By the 6 hours’ spinning, the value of the raw material preserved and transferred to the product is six times as great as before, Baumwolle zu verspinnen wie früher in 36 Stunden. Als zweckmäßig nützliche, productive Tätigkeit hat seine Arbeit ihre Kraft versechsfaçht. Ihr Produkt ist ein sechsfaches, 36 statt 6 Pfund Garn. Aber die 36 Pfund Baumwolle saugen jetzt nur so viel Arbeitszeit ein als früher 6 Pfund. Sechsmal weniger neue Arbeit wird ihnen zugesetzt als mit der alten Methode, daher nur noch ein Sechstel des früheren Werts. Andrerseits existiert jetzt der sechsfache Wert von Baumwolle im Produkt, den 36 Pfund Garn. In den 6 Spinnstunden wird ein sechsmal größerer Wert von Rohmaterial erhalten und auf das Produkt übertragen, obgleich demselben Rohmaterial ein sechsmal kleinerer Neuwert zugesetzt wird. Dies zeigt, wie die Eigen-
8. Constant Capital and Variable Capital

although the new value added by the labor of the spinner to each pound of the very same raw material is one-sixth what it was formerly. This shows that the two properties of labor, by virtue of which it is enabled in one case to preserve value, and in the other to create value, are essentially different. On the one hand, the longer the time necessary to spin a given weight of cotton into yarn, the greater is the new value added to the material; on the other hand, the greater the weight of the cotton spun in a given time, the greater is the value preserved, by being transferred from it to the product.

(1b) Now changes in the productivity of the labor producing the materials and instruments of labor:

309:3/o Let us now assume, that the pro-
ductiveness of the spinner’s labor, instead of varying, remains constant, that he therefore requires the same time as he formerly did, to convert one pound of cotton into yarn, but that the exchange-value of the cotton varies, either by rising to six times its former value or falling to one-sixth of that value. In both these cases, the spinner puts the same quantity of labor into a pound of cotton, and therefore adds as much value, as he did before the change in the value: he also produces a given weight of yarn in the same time as he did before. Nevertheless, the value that he transfers from the cotton to the yarn is either one-sixth of what it was before the variation, or, as the case may be, six times as much as before. The same result vität der Spinnarbeit bleibe unverändert, der Spinner brauche also nach wie vor gleich viel Zeit, um ein Pfund Baumwolle in Garn zu verwandeln. Aber der Tauschwert der Baumwolle selbst wechsle, ein Pfund Baumwolle steige oder falle um das Sechsfache seines Preises. In beiden Fällen fährt der Spinner fort, demselben Quantum Baumwolle dieselbe Arbeitszeit zuzusetzen, also denselben Wert, und in beiden Fällen produziert er in gleicher Zeit gleich viel Garn. Dennoch ist der Wert, den er von der Baumwolle auf das Garn, das Produkt, überträgt, das eine Mal sechsmal kleiner, das andere Mal sechsmal größer als zuvor. Ebenso wenn die Arbeitsmittel sich verteuern oder verwohlfeilern, aber stets denselben Dienst im Ar-
occurs when the value of the instruments of labor rises or falls, while their useful efficacy in the process remains unaltered.

(1c) At the end, Marx describes a situation where the causality is not apparent on the surface:

310:1 Again, if the technical conditions of the spinning process remain unchanged, and no change of value takes place in the means of production, the spinner continues to consume in equal working-times equal quantities of raw material, and equal quantities of machinery of unvarying value. The value that he preserves in the product is directly proportional to the new value that he adds to the product. In two weeks he incorporates twice as much labor, and therefore twice as much value, as in one week, and
during the same time he consumes twice as much material, and wears out twice as much machinery, of double the value in each case: he therefore preserves, in the product of two weeks, twice as much value as in the product of one week.

Since the doubling of time both doubled the value newly created and the value transferred, one might think that they both have the same source, namely, human labor in the abstract (which is measured by time). But this appearance is misleading. The preservation of old value and the creation of new value are proportional to each other not because they depend on each other but because both are proportional to time.

So long as the conditions of production remain the same, the more value the laborer adds by fresh labor, the more value he transfers and preserves; but he does so merely because this addition of new value takes place under conditions that have not varied and are
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independent of his own labor.

This last example can be generalized; but it is nevertheless misleading.

310:2 Of course, it may be said in one sense, that the laborer preserves old value always in proportion to the quantity of new value that he adds. Whether the value of cotton rise from one shilling to two shillings, or fall to sixpence, the workman invariably preserves in the product of one hour only one half as much value as he preserves in two hours. In like manner, if the productivity of his own labor varies by rising or falling, he will in one hour spin either more or less cotton, as the case may be, than he did before, and will consequently preserve in the product of one hour, more or less value of cotton; but, all the same, he will

217:1 Allerdings kann in einem relativen Sinn gesagt werden, daß der Arbeiter stets in derselben Proportion alte Werte erhält, worin er Neuwert zusetzt. Ob die Baumwolle von 1 sh. auf 2 sh. steige oder auf 6 d. falle, er erhält in dem Produkt einer Stunde stets nur halb soviel Baumwollwert, wie der auch wechsle, als in dem Produkt von zwei Stunden. Wechselt ferner die Produktivität seiner eignen Arbeit, sie steige oder falle, so wird er z.B. in einer Arbeitsstunde mehr oder weniger Baumwolle verspinnen als früher, und dementsprechend mehr oder weniger Baumwollwert im Produkt einer Arbeitsstunde erhalten. Mit allledem wird er in zwei Arbeitsstunden zwei-

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preserve by two hours’ labor twice as much value as he will by one.

(2) Secondly, Marx takes a closer look at the connection between the transfer of value to the product and the loss of value by the objective factors of the labor process. Marx gives an argument here which is very similar to 294:1.

310:3/o Value exists only in articles of utility, in objects, if we leave out of consideration its purely symbolical representation by tokens. (Man himself, viewed as the mere impersonation of labor-power, is a natural object, a thing, although a living conscious thing, and labor is the manifestation of this power residing in him.) If therefore an article loses its utility, it also loses its value.

↑ Marx begins with the very basic fact about value that an object can have value only if it has use-value. Therefore, if it loses its use-value, then it also loses its value.
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Obviously, means of production are used up, i.e., lose their use-value in the production process. But in this case the situation is a little different. If the means of production are considered not in isolation but in the production process, then there is no loss of their use-value; rather their use-value is used in order to shape the use-value of the product.

The reason why means of production do not lose their value, at the same time that they lose their use-value, is this: they lose in the labor-process the original form of their use-value, only to assume in the product the form of a new use-value.

Here we can therefore apply the flip side of the basic fact about value which was our point of departure: although it is imperative for value to exist in a use-value, value is entirely indifferent about it which use-value this is. In production, therefore, the value is transferred from the means of production to the end product. However, (and this can be considered the negation of the negation), a condition for this transfer of value to the product is that the means of production lose their values.
But, however important it may be to value, that it should have some object of utility to embody itself in, yet it is a matter of complete indifference what particular object serves this purpose; this we saw when treating of the metamorphosis of commodities. Hence it follows that in the labor-process the means of production transfer their value to the product only so far as along with their use-value they lose also their exchange-value. They give up to the product that value alone which they themselves lose as means of production.

↓ The big issue Marx is going to discuss in detail now is the following: the value loss of the raw materials and auxiliary materials is different than that of the instruments of labor.

But in this respect the material factors of the labor process do not all behave alike.

Die gegenständlichen Faktoren des Arbeitsprozesses verhalten sich aber in dieser Hinsicht
In order to develop these differences Marx first looks at what happens to the use-values in the production process:

- The coal burnt under the boiler vanishes without leaving a trace; so, too, the tallow with which the axles of wheels are greased. Dye stuffs and other auxiliary substances also vanish but manifest themselves as properties of the product. Raw material constitutes the substance of the product, but it has changed its form.

- Already regarding use-values there is an important difference. The object of labor loses its characteristic form in the production process, while the instruments preserve their form.

Hence raw material and auxiliary substances lose the characteristic form with which they are clothed on entering the labor-process. It is otherwise with the instruments of labor.
bor. Tools, machines, workshops, and vessels, are of use in the labor-process, only so long as they retain their original shape, and are ready each morning to renew the process with their shape unchanged. And just as during their lifetime, that is to say, during the continued labor-process in which they serve, they retain their shape independent of the product, so, too, they do after their death. The corpses of machines, tools, workshops, etc., are always separate and distinct from the product they helped to turn out.

The period of time in which the instruments of labor lose their entire use-values is also that in which they transfer their entire exchange-values to the end product.

If we now consider the case of any instrument of labor during the whole period of its service, they retain their shape independent of the product, so, too, they do after their death. The corpses of machines, tools, workshops, etc., are always separate and distinct from the product they helped to turn out.

Betrachten wir nun die ganze Periode, während deren ein solches Arbeitsmittel dient,
service, from the day of its entry into the workshop, till the day of its banishment into the lumber room, we find that during this period its use-value has been completely consumed, and therefore its exchange-value completely transferred to the product. For instance, if a spinning machine lasts for 10 years, it is plain that during that working period its total value is gradually transferred to the product of the 10 years.

The problem is now that this value transfer is spread out over many production periods, and one does not know how much value is transferred in an individual day. For this, an average calculation is necessary.

The lifetime of an instrument of labor, therefore, is spent in the repetition of a greater or less number of similar operations. Its life may be compared with that of a human being, the life of which may be compared with that of a human being, which is limited to a definite period.

Die Lebensperiode eines Arbeitsmittels umfänglich, also eine größere oder kleinere Anzahl stets von neuem mit ihm wiederholter Arbeitsprozesse. Und es geht dem Arbeitsmittel wie
ing. Every day brings a man 24 hours nearer to his grave: but how many days he has still to travel on that road, no man can tell accurately by merely looking at him. This difficulty, however, does not prevent life insurance offices from drawing, by means of the theory of averages, very accurate, and at the same time very profitable conclusions. So it is with the instruments of labor. It is known by experience how long on the average a machine of a particular kind will last.

The paragraph concludes with a numerical example. Suppose its use-value in the labor-process to last only six days. Then, on the average, it loses each day one-sixth of its use-value, and therefore parts with one-sixth of its value to the daily product. The wear and

Gesetzt, sein Gebrauchswert im Arbeitsprozeß daure nur 6 Tage. So verliert es im Durchschnitt jeden Arbeitstag 1/6 seines Gebrauchswerts und gibt daher 1/6 seines Werts an das tägliche Produkt ab. In dieser Art wird
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tear of all instruments, their daily loss of use-value, and the corresponding quantity of value they part with to the product, are accordingly calculated upon this basis.

Since value transfer comes from value loss, it follows that no means of production can transfer more value than it contains. Applied to means of production which do not cost labor this means: they do not transfer any value.

312:1 It is thus strikingly clear, that means of production never transfer more value to the product than they themselves lose during the labor-process by the destruction of their own use-value. If such an instrument has no value to lose, if, in other words, it is not the product of human labor, it transfers no value to the product. It helps to create use-value without contributing to the formation of exchange-value. In this way, it is not worth producing it.
class are included all means of production supplied by Nature without human assistance, such as land, wind, water, metals in situ, and timber in virgin forests.

(3) Certain means of production enter the labor process differently than the process of creating value and surplus-value:

312:2 Yet another interesting phenomenon here presents itself. Suppose a machine to be worth £1,000, and to wear out in 1,000 days. Then one thousandth part of the value of the machine is daily transferred to the day’s product. At the same time, though with diminishing vitality, the machine as a whole continues to take part in the labor-process. Thus it appears, that one factor of the labor-process, a means of production, continually enters as a whole into the labor-process. Thus it appears, that one factor of the labor-process, a means of production, continually enters as a whole into

219:1 Ein andres interessantes Phänomen tritt uns hier entgegen. Eine Maschine sei z.B. 1000 Pfd.St. wert und schließe sich in 1000 Tagen ab. In diesem Fall geht täglich 1/1000 des Werts der Maschine von ihr selbst auf ihr tägliches Produkt über. Zugleich, wenn auch mit abnehmender Lebenskraft, wirkt stets die Gesamtmaschine im Arbeitsprozeß. Es zeigt sich also, daß ein Faktor des Arbeitsprozesses, ein Produktionsmittel, ganz in den Arbeitsprozeß,
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that process, while it enters into the process of the formation of value by fractions only. The difference between the two processes is here reflected in their material factors, by the same instrument of production taking part as a whole in the labor-process, while at the same time as an element in the formation of value, it enters only by fractions.²¹

Footnote 21 makes two unrelated remarks. (a) First it talks about repair labor:

²¹ The subject of repairs of the implements of labor does not concern us here. A machine that is undergoing repair, no longer plays the part of an instrument, but that of a object of labor. Work is no longer done with it, but upon it. It is quite permissible for our purpose to assume, that the labor expended on the repairs of instruments is included in the labor necessary for their original production. But in the text we deal with that wear

aber nur zum Teil in den Verwertungsprozeß eingeht. Der Unterschied von Arbeitsprozeß und Verwertungsprozeß reflektiert sich hier an ihren gegenständlichen Faktoren, indem dasselbe Produktionsmittel als Element des Arbeitsprozesses ganz und als Element der Wertbildung nur stückweis in demselben Produktionsprozeß zählt.²¹

²¹ Es handelt sich hier nicht um Reparaturen der Arbeitsmittel, Maschinen, Baulichkeiten usw. Eine Maschine, die repariert wird, funktioniert nicht als Arbeitsmittel sondern als Arbeitsmaterial. Es wird nicht mit ihr gearbeitet, sondern sie selbst wird bearbeitet, um ihren Gebrauchswert zu flicken. Solche Reparaturarbeiten kann man für unsren Zweck immer eingeschlossen denken in die zur Produktion des Arbeitsmittels erheischte
and tear, which no doctor can cure, and which little by little brings about death, with “that kind of wear which cannot be repaired from time to time, and which, in the case of a knife, would ultimately reduce it to a state in which the cutler would say of it, it is not worth a new blade.”

(b) The second half of the footnote discusses the lack of distinction in the literature between the labor process and the valorization process.

21 ctd We have shewn in the text, that a machine takes part in every labor-process as an integral machine, but that into the simultaneous process of creating value it enters only bit by bit. How great then is the confusion of ideas exhibited in the following extract! “Mr. Ricardo says a portion of the labor of the engineer in making [stocking] machines” is contained for example in the value of a pair of stockings. “Yet the total

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labor, that produced each single pair of stockings . . . includes the whole labor of the engineer, not a portion; for one machine makes many pairs, and none of those pairs could have been done without any part of the machine.” (“Obs. on Certain Verbal Disputes in Pol. Econ., Particularly Relating to Value,” p. 54.) The author, an uncommonly self-satisfied wiseacre, is right in his confusion and therefore in his contention, to this extent only, that neither Ricardo nor any other economist, before or since him, has accurately distinguished the two aspects of labor, and still less, therefore, the part played by it under each of these aspects in the formation of value.

The discrepancy can also go the other way: some means of production enter the labor process only in part but the valorization process in their entirety.

313:1 On the other hand, a means of pro-

219:2/o Andrerseits kann umgekehrt ein
duction may take part as a whole in the formation of value, while into the labor-process it enters only bit by bit. Suppose that in spinning cotton, the waste for every 115 lbs. used amounts to 15 lbs., which is converted, not into yarn, but into “devil’s dust.” Now, although this 15 lbs. of cotton never becomes a constituent element of the yarn, yet assuming this amount of waste to be normal and inevitable under average conditions of spinning, its value is just as surely transferred to the value of the yarn, as is the value of the 100 lbs. that form the substance of the yarn. The use-value of 15 lbs. of cotton must vanish into dust, before 100 lbs. of yarn can be made. The destruction of this cotton is therefore a necessary condition in Produktionsmittel ganz in den Verwertungsprozeß eingehn, obgleich nur stückweis in den Arbeitsprozeß. Nimm an, beim Verspinnen der Baumwolle fielen täglich auf 115 Pfund 15 Pfund ab, die kein Garn, sondern nur devil’s dust bilden. Dennoch, wenn dieser Abfall von 15 Pfund normal, von der Durchschnittsverarbeitung der Baumwolle unzertrennlich ist, geht der Wert der 15 Pfund Baumwolle, die kein Element des Garns, ganz ebensosehr in den Garnwert ein, wie der Wert der 100 Pfund, die seine Substanz bilden. Der Gebrauchswert von 15 Pfund Baumwolle muß verstauben, um 100 Pfund Garn zu machen. Der Untergang dieser Baumwolle ist also eine Produktionsbedingung des Garns. Ebendeswegen gibt sie ih-
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the production of the yarn. And because it is a necessary condition, and for no other reason, the value of that cotton is transferred to the product. The same holds good for every kind of refuse resulting from a labor-process, so far at least as such refuse cannot be further employed as a means in the production of new and independent use-values. Such an employment of refuse may be seen in the large machine works at Manchester, where mountains of iron turnings are carted away to the foundry in the evening, in order the next morning to re-appear in the workshops as solid masses of iron.

\[\downarrow\] A brief mention of joint production, without answering the question how the value of the end products is determined in this case.

313:2/o We have seen that the means of

220:1 Nur soweit Produktionsmittel wäh-
production transfer value to the new product, so far only as during the labor-process they lose value in the shape of their old use-value. The maximum loss of value that they can suffer in the process, is plainly limited by the amount of the original value with which they came into the process, or in other words, by the labor-time necessary for their production. Therefore, the means of production can never add more value to the product than they themselves possess independently of the process in which they assist. However useful a given kind of raw material, or a machine, or other means of production may be, though it may cost £150, or, say, 500 days’ labor, yet it cannot, under any circumstances, add to the value of the product.

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uct more than £150. Its value is determined not by the labor-process into which it enters as a means of production, but by that out of which it has issued as a product. In the labor-process it only serves as a mere use-value, a thing with useful properties, and could not, therefore, transfer any value to the product, unless it possessed such value previously.\textsuperscript{22}

\textsuperscript{22} From this we may judge of the absurdity of J. B. Say, who pretends to account for surplus-value (Interest, Profit, Rent), by the "services productifs" which the means of production, soil, instruments, and raw material, render in the labor-process by means of their use-values. Mr. Wm. Roscher who seldom loses an occasion of registering, in black and white, ingenious apologetic fancies, records the follow-
ing specimen:—“J. B. Say (Traité, t. 1, ch. 4) very truly remarks: the value produced by an oil mill, after deduction of all costs, is something new, something quite different from the labor by which the oil mill itself was erected.” (l.c., p. 82, note.) Very true, Mr. Professor! the oil produced by the oil mill is indeed something very different from the labor expended in constructing the mill! By value, Mr. Roscher understands such stuff as “oil,” because oil has value, notwithstanding that “Nature” produces petroleum, though relatively “in small quantities,” a fact to which he seems to refer in his further observation: “It (Nature) produces scarcely any exchange-value.” Mr. Roscher’s “Nature” and the exchange-value it produces are rather like the foolish virgin who admitted indeed that she had had a child, but “it was such a little one.” This “savant sérieux” in continuation remarks: “Ricardo’s school is der durch eine Ölmühle nach Abzug aller Kosten hervorgebrachte Wert sei doch etwas Neues, von der Arbeit, wodurch die Ölmühle selbst geschaffen worden, wesentlich Verschiedenes.“ (l.c. p. 82, Note.) Sehr richtig! Das von der Ölmühle hervorgebrachte „Öl“ ist etwas sehr Verschiedenes von der Arbeit, welche der Bau der Mühle kostet. Und unter „Wert“ versteht Herr Roscher solches Zeug wie „Öl“, da „Öl“ Wert hat, „in der Natur“ aber sich Steinöl vorfindet, wenn auch relativ nicht „sehr viel“, worauf wohl seine andre Bemerkung abzielt: „Tauschwerte bringt sie“ (die Natur!) „fast gar nicht hervor.“ [l.c. p. 79.] Es geht der Roscherschen Natur mit dem Tauschwert wie der törichen Jungfrau mit dem Kind, das nur „ganz klein war“. Derselbe „Gelehrte“ („savant sérieux“) bemerkt noch bei eben erwähnter Gelegenheit: „Die Schule Ricardos pflegt auch das Kapital unter den Begriff Arbeit zu subsumieren als .aufgesparte Ar-
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in the habit of including capital as accumulated labor under the head of labor. This is unskilful work (!), because (!), indeed (!), the owner of capital (!), after all (!), had done something more (!) than the mere (?!?) creation (?) and (?!) preservation of the same (which same?): namely (?!?), the abstention from the enjoyment of it, for which he demands, e.g. (!!!), interest.” (l.c.) How very “skilful” is this “anatomico-physiological method” of Political Economy, which, “indeed,” converts a mere desire “after all” into a source of value.

↑ This last sentence of the footnote is a critique of the utility theory of value.

In the beginning of the second half of the chapter, from 314:1/o on, (explain better what is said in 314:1/o), the results which were obtained in the first half are reformulated under the aspect of the flow of value through the production process:

The value of the means of production is transferred to the product. It is preserved, not
consumed. The value of the labor-power is consumed but replaced through the creation of value. Very interesting explanation in footnote 25 to paragraph 315:1/o why the value of the labor-power is not transferred to the end product. (In the first half, Marx had not spoken about the value of labor-power.) This basic fact explains why wage increases do not result in price increases.

314:1/o While productive labor is changing the means of production into constituent elements of a new product, their value undergoes a metempsychosis. It deserts the consumed body, to occupy the newly created one. But this transmigration takes place, as it were, behind the back of the laborer. He is unable to add new labor, to create new value, without at the same time preserving old values, and this, because the labor he adds must be of a specific useful kind; and he cannot do work of a useful kind, 221:1 Indem die produktive Arbeit Produktionsmittel in Bildungselemente eines neuen Produkts verwandelt, geht mit deren Wert eine Seelenwandrung vor. Er geht aus dem verzehrten Leib in den neu gestalteten Leib über. Aber diese Seelenwandrung eignet sich gleichsam hinter dem Rücken der wirklichen Arbeit. Der Arbeiter kann neue Arbeit nicht zusetzen, also nicht neuen Wert schaffen, ohne alte Werte zu erhalten, denn er muß die Arbeit immer in bestimmter nützlicher Form zusetzen, und er kann sie nicht in
without employing products as the means of production of a new product, and thereby transferring their value to the new product.

The property therefore which labor-power in action, living labor, possesses of preserving value, at the same time that it adds it, is a gift of Nature which costs the laborer nothing, but which is very advantageous to the capitalist inasmuch as it preserves the existing value of his capital.\textsuperscript{22a}

\[\text{\textsuperscript{22a}}\text{ Interesting argument: the preservation of value takes place “behind the back” of the labor because the laborer can add new value only in a concrete useful form, and being useful, this labor preserves value. It is an effect which does not cost the laborer extra but which greatly benefits the capitalist.}\]

\[\text{\textsuperscript{22a}}\text{ “Of all the instruments of the farmers’ trade, the labor of man … is that on which he is most to rely for the repayment of his capital.}\]

\[\text{\textsuperscript{22a}}\text{ “Von allen Hilfsmitteln in der Landwirtschaft ist die Arbeit des Menschen … dasjenige, auf das der Farmer am meisten zum Ersatz seines Kapitalwerts.}\]
The other two . . . the working stock of the cattle and the . . . carts, ploughs, spades, and so forth, without a given portion of the first, are nothing at all.” (Edmund Burke: “Thoughts and Details on Scarcity, originally presented to the Right Hon. W. Pitt, in the month of November 1795,” Edit. London, 1800, p. 10.)

These benefits are only visible when they are interrupted:

So long as trade is good, the capitalist is too much absorbed in money-grubbing to take notice of this gratuitous gift of labor. A violent interruption of the labor-process by a crisis, makes him sensitively aware of it.23

23 In *The Times* of 26th November, 1862, a manufacturer, whose mill employed 800 hands, and consumed, on the average, 150 bales of East Indian, or 130 bales of American cotton, com-
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explains, in doleful manner, of the standing expenses of his factory when not working. He estimates them at £6,000 a year. Among them are a number of items that do not concern us here, such as rent, rates, and taxes, insurance, salaries of the manager, book-keeper, engineer, and others. Then he reckons £150 for coal used to heat the mill occasionally, and run the engine now and then. Besides this, he includes the wages of the people employed at odd times to keep the machinery in working order. Lastly, he puts down £1,200 for depreciation of machinery, because “the weather and the natural principle of decay do not suspend their operations because the steam-engine ceases to revolve.” He says, emphatically, he does not estimate his depreciation at more than the small sum of £1,200, because his machinery is already nearly worn out. len amerikanischer Baumwolle verzehrt, dem Publikum die jährlichen Stillstandskosten seiner Fabrik vor. Er schlägt sie auf 6000 Pfd.St. an. Unter diesen Unkosten befinden sich viele Posten, die uns hier nichts angehn, wie Grundrente, Steuern, Versicherungsprämien, Salaire für jährlich engagierte Arbeiter, Manager, Buchhalter, Ingenieur usw. Dann aber berechnet er für 150 Pfd.St. Kohlen, um die Fabrik von Zeit zu Zeit zu wärmen und die Dampfmaschine gelengentlich in Gang zu setzen, außerdem Löhne für Arbeiter, die durch geltende Arbeit die Maschinerie „flüssig“ erhalten. Endlich 1200 Pfd.St. für Verschlechterung der Maschinerie, da „das Wetter und die natürlichen Ursachen des Verfalls ihr Wirken nicht deshalb einstellen, weil die Dampfmaschine aufhört, sich zu drehen“. Er bemerkt ausdrücklich, diese Summe von 1200 Pfd.St. sei so gering angeschlagen, weil sich die Maschinerie bereits in sehr ab-
The value of the means of production is not destroyed and then reproduced, but it is preserved.

315:1/o As regards the means of production, what is really consumed is their use-value, and the consumption of this use-value by labor results in the product. There is no consumption of their value, and it would therefore be inaccurate to say that it is reproduced. It is rather preserved; not by reason of any operation it undergoes itself in the process; but because the article in which it originally exists, vanishes, it is true, but vanishes into some other article. Hence, in the value of the product, there is a reappearance of the value of the means of production, but there is, strictly speaking, no reproduction.

222:1 Was überhaupt an den Produktionsmitteln verzehrt wird, ist ihr Gebrauchswert, durch dessen Konsumtion die Arbeit Produkte bildet. Ihr Wert wird in der Tat nicht konsumiert, kann also auch nicht reproduziert werden. Er wird erhalten, aber nicht weil eine Operation mit ihm selbst im Arbeitsprozeß vorgeht, sondern weil der Gebrauchswert, worin er ursprünglich existiert, zwar verschwindet, aber nur in einem anderen Gebrauchswert verschwindet. Der Wert der Produktionsmittel erscheint daher wieder im Wert des Produkts, aber er wird, genau gesprochen, nicht reproduziert. Was produziert
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of that value. That which is produced is a new use-value in which the old exchange-value reappears.25

24 “Productive consumption . . . where the consumption of a commodity is a part of the process of production . . . In these instances there is no consumption of value.” (S. P. Newman, l.c., p. 296.)

Footnote 25 already makes the transition to the next topic, what happens to the value of labor-power:

25 In an American compendium that has gone through, perhaps, 20 editions, this passage occurs: “It matters not in what form capital re-appears;” then after a lengthy enumeration of all the possible ingredients of production whose value re-appears in the product, the passage concludes thus: “The various kinds of food, clothing, and shelter, necessary for the existence and

wird, ist der neue Gebrauchswert, worin der alte Tauschwert wieder erscheint.25

24 „Produktive Konsumtion: wo die Konsumtion einer Ware Teil des Produktionsprozesses ist . . . In diesen Fällen findet keine Konsumtion von Wert statt.“ (S. P. Newman, l.c. p. 296.)

25 In einem nordamerikanischen Kompendium, das vielleicht 20 Auflagen erlebt hat, liest man: „Es ist nicht von Bedeutung, in welcher Form das Kapital wiedererscheint.“ Nach einer redseligen Aufzählung aller möglichen Produktionsingredi- enzien, deren Wert im Produkt wiedererscheint, heißt’s schließlich: „Die verschiedenen Arten von Nahrung, Kleidung und Obdach, die für die Exi-
comfort of the human being, are also changed. They are consumed from time to time, and their value re-appears in that new vigour imparted to his body and mind, forming fresh capital, to be employed again in the work of production.” (F. Wayland, l.c., pp. 31, 32.) Without noticing any other oddities, it suffices to observe, that what re-appears in the fresh vigour, is not the bread’s price, but its bloodforming substances. What, on the other hand, re-appears in the value of that vigour, is not the means of subsistence, but their value. The same necessaries of life, at half the price, would form just as much muscle and bone, just as much vigour, but not vigour of the same value. This confusion of “value” and “vigour” coupled with our author’s pharisaical indefiniteness, mark an attempt, futile for all that, to thrash out an explanation of surplus-value from a mere re-appearance of pre-existing values.

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The opposite is true for labor-power; its value is not transferred to the product, but it creates new value, part of which replaces the capitalist’s advance of the value of labor-power.

316:1 It is otherwise with the subjective factor of the labor-process, with labor-power in action. While the laborer, by virtue of his labor being of a specialised kind that has a special object, preserves and transfers to the product the value of the means of production, he at the same time, by the mere act of working, creates each instant an additional or new value. Suppose the process of production to be stopped just when the workman has produced an equivalent for the value of his own, labor-power, when, for example, by six hours’ labor, he has...
added a value of 72 cents. This value is the surplus of the total value of the product over the portion of its value that is due to the means of production. It is the only original bit of value formed during this process, the only portion of the value of the product created by this process. It is true, this new value only replaces the money advanced by the capitalist in the purchase of the labor-power, and spent by the laborer on the necessaries of life. From the point of view of the 72 cents spent, the new value of 72 cents merely appears as its reproduction. But these 72 cents are really reproduced, unlike the value of the means of production, which only seems reproduced. The replacement of one value by another is here dem Wert der Produktionsmittel geschuldeten Bestandteile. Er ist der einzige Originalwert, der innerhalb dieses Prozesses entstand, der einzige Wertteil des Produkts, der durch den Prozeß selbst produziert ist. Allerdings ersetzt er nur das vom Kapitalisten beim Kauf der Arbeitskraft vorgeschoßne, vom Arbeiter selbst in Lebensmitteln verausgabte Geld. Mit Bezug auf die verausgabten 3 sh. erscheint der Neuwert von 3 sh. nur als Reproduktion. Aber er ist wirklich reproduziert, nicht nur scheinbar, wie der Wert der Produktionsmittel. Der Ersatz eines Werts durch den andren ist hier vermittelt durch neue Wertschöpfung.
mediated by the creation of new value.

Obviously, the surplus-value is new value as well:

We know, however, from what has gone before, that the labor-process may continue beyond the time necessary to reproduce and incorporate in the product a mere equivalent for the value of the labor-power. Instead of the six hours that are sufficient for the latter purpose, the process may continue for twelve hours. The action of labor-power, therefore, not only reproduces its own value, but produces value over and above it. This surplus-value is the difference between the value of the product and the value of the elements consumed in the formation of that product, in other words, of the means of production and the labor-power.
Now from the roles of the factors of the labor-process in the transfer and creation of value to the functions of capital. If one understands the flow of value through the production process, one also understands the self-expansion of value in the production process.

317:1 By our representation of the different parts played by the various factors of the labor-process in the formation of the product’s value, we have, in fact, characterized of the different functions allotted to the different elements of capital in the process of expanding its own value. The surplus of the total value of the product, over the sum of the values of its constituent factors, is the surplus of the expanded capital over the capital originally advanced. The means of production on the one hand, labor-power on the other, are merely the different modes of exp-

223:3 Indem wir die verschiedenen Rollen dargestellt, welche die verschiedenen Faktoren des Arbeitsprozesses in der Bildung des Produktenwerts spielen, haben wir in der Tat die Funktionen der verschiedenen Bestandteile des Kapitals in seinem eignen Verwertungsprozeß charakterisiert. Der Überschüß des Gesamtwerts des Produkts über die Wertsumme seiner Bildungselemente ist der Überschüß des verwerteten Kapitals über den ursprünglich vorgeschoßnen Kapitalwert. Produktionsmittel auf der einen Seite, Arbeitskraft auf der andren sind nur die verschiedenen
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Existence which the value of the original capital assumed when from being money it was transformed into the various factors of the labor-process.

Finally, introduction of the concepts constant and variable capital:

317:2 That part of capital then, which is represented by the means of production, by the raw material, auxiliary material and the instruments of labor does not, in the process of production, undergo any quantitative alteration of value. I therefore call it the constant part of capital, or, more shortly, constant capital.

317:3 On the other hand, that part of capital, represented by labor-power, does, in the process of production, undergo an alteration of value. It both reproduces the equivalent

223:4 Der Teil des Kapitals also, der sich in Produktionsmittel, d.h. in Rohmaterial, Hilfsmstoffe und Arbeitsmittel umsetzt, verändert seine Wertgröße nicht im Produktionsprozeß. Ich nenne ihn daher konstanten Kapitallteil, oder kürzer: konstantes Kapital.

224:1 Der in Arbeitskraft umgesetzte Teil des Kapitals verändert dagegen seinen Wert im Produktionsprozeß. Er reproduziert sein eignes Äquivalent und einen Überschuß da-
of its own value, and also produces an excess, a surplus-value, which may itself vary, may be more or less according to circumstances. This part of capital is continually being transformed from a constant into a variable magnitude. I therefore call it the variable part of capital, or, shortly, \textit{variable capital}.

\begin{itemize}
\item The dividing line between constant and variable capital in the process of creating value and surplus-value is the same as that between objective and subjective factors of the labor process:
\end{itemize}
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of creating surplus-value, as constant and variable capital.

In the last three paragraphs of the chapter, Marx says that this coincidence (that only the subjective factors of the labor process fall under the concept of variable capital) is not disturbed even if the value of the objective factors of the labor process varies. This variation can be taken in two meanings: (1) a variation over time in the value of the objective factors, and (2) a variation in the proportion between objective and subjective factors of the labor process.

\[ \downarrow \]

(1) A change in the values of object of labor and instruments of labor does not alter the fact that they are constant capital. Why not? This change does not originate in the labor process where they function as means of labor but in the labor process where they are produced.

317:4/0 The definition of constant capital given above by no means excludes the possibility of a change of value in its elements. Suppose the price of cotton to be one day sixpence a pound, and the next day, in con-

224:2/0 Der Begriff des konstanten Kapitals schließt eine Wertrevolution seiner Bestandteile in keiner Weise aus. Nimm an, das Pfund Baumwolle koste heute 6 d. und steige morgen, infolge eines Ausfalls der Baum-
sequence of a failure of the cotton crop, a shilling a pound. Each pound of the cotton bought at sixpence, and worked up after the rise in value, transfers to the product a value of one shilling; and the cotton already spun before the rise, and perhaps circulating in the market as yarn, likewise transfers to the product twice its, original value. It is plain, however, that these changes of value are independent of the increment or surplus-value added to the value of the cotton by the spinning itself. If the old cotton had never been spun, it could, after the rise, be resold at a shilling a pound instead of at sixpence. Further, the fewer the processes the cotton has gone through, the more certain is this result. We therefore find that speculators make it a wollernte, auf 1 sh. Die alte Baumwolle, die fortfährt, verarbeitet zu werden, ist zum Wert von 6 d. gekauft, fügt aber jetzt dem Produkt einen Wertteil von 1 sh. zu. Und die bereits verspinnene, vielleicht schon als Garn auf dem Markt zirkulierende Baumwolle fügt dem Produkt ebenfalls das Doppelte ihres ursprünglichen Werts zu. Man sieht jedoch, daß diese Wertwechsel unabhängig sind von der Verwertung der Baumwolle im Spinnprozeß selbst. Wäre die alte Baumwolle noch gar nicht in den Arbeitsprozeß eingegangen, so könnte sie jetzt zu 1 sh. statt zu 6 d. wieder verkauft werden. Umgekehrt: Je weniger Arbeitsprozesse sie noch durchlaufen hat, desto sicherer ist dies Resultat. Es ist daher Gesetz der Spekulation, bei solchen
rule when such sudden changes in value occur, to speculate in that material on which the least possible quantity of labor has been spent: to speculate, therefore, in yarn rather than in cloth, in cotton itself, rather than in yarn. The change of value in the case we have been considering, originates, not in the process in which the cotton plays the part of a means of production, and in which it therefore functions as constant capital, but in the process in which the cotton itself is produced. The value of a commodity, it is true, is determined by the quantity of labor contained in it, but this quantity is itself limited by social conditions. If the time socially necessary for the production of any commodity alters—and a given weight of cotton

Wertrevolutionen auf das Rohmaterial in seiner mindest verarbeiteten Form zu spekulieren, also eher auf Garn als auf Gewebe und eher auf die Baumwolle selbst als auf das Garn. Die Wertänderung entspringt hier in dem Prozeß, der Baumwolle produziert, nicht in dem Prozeß, worin sie als Produktionsmittel und daher als konstantes Kapital funktioniert. Der Wert einer Ware ist zwar bestimmt durch das Quantum der in ihr enthaltenen Arbeit, aber dies Quantum selbst ist gesellschaftlich bestimmt. Hat sich die gesellschaftlich zu ihrer Produktion erheischte Arbeitszeit verändert—und dasselbe Quantum Baumwolle z.B. stellt in ungünstigen Ernten größeres Quantum Arbeit dar, als in günstigen—, so findet eine Rückwirkung auf die
represents, after a bad harvest, more labor than after a good one—all previously existing commodities of the same class are affected, because they are, as it were, only individuals of the species, and their value at any given time is measured by the labor socially necessary, i.e., by the labor necessary for their production under the then existing social conditions.

26 "Toutes les productions d’un même genre ne forment proprement qu’une masse, dont le prix se détermine en général et sans égard aux circonstances particulières." (Le Trosne, l.c., p. 893.)

Now the same argument for the instruments rather than the objects of labor:

318:1 As the value of the raw material may change, so, too, may that of the in-

225:1 Wie der Wert des Rohmaterials, mag der Wert bereits im Produktionsprozeß die-

26 „Alle Erzeugnisse der gleichen Art bilden eigentlich nur eine Masse, deren Preis allgemein und ohne Rücksicht auf die besonderen Umstände bestimmt wird.“ (Le Trosne, l.c. p. 893.)
struments of labor, of the machinery, etc., employed in the process; and consequently that portion of the value of the product transferred to it from them, may also change. If in consequence of a new invention, machinery of a particular kind can be produced by a diminished expenditure of labor, the old machinery becomes depreciated more or less, and consequently transfers so much less value to the product. But here again, the change in value originates outside the process in which the machine is acting as a means of production. Once engaged in this process, the machine cannot transfer more value than it possesses apart from the process.

(2) Changing proportions between the objective and subjective factors of the labor pro-
cess, e.g., an increase of the objective as relatively to the subjective factors, does not alter the fact that the one represents constant capital and the other variable capital.

319 Just as a change in the value of the means of production, even after they have commenced to take a part in the labor-process, does not alter their character as constant capital, so, too, a change in the proportion of constant to variable capital does not affect the respective functions of these two kinds of capital. The technical conditions of the labor-process may be revolutionised to such an extent, that where formerly ten men using ten implements of small value worked up a relatively small quantity of raw material, one man may now, with the aid of one expensive machine, work up one hundred times as much raw material. 225:2 Wie ein Wechsel im Wert der Produktionsmittel, ob auch rückwirkend nach ihrem bereits erfolgten Eintritt in den Prozeß, ihren Charakter als konstantes Kapital nicht verändert, ebensowenig berührt ein Wechsel in der Proportion zwischen konstantem und variablem Kapital ihren funktionellen Unterschied. Die technischen Bedingungen des Arbeitsprozesses mögen z.B. so umgestaltet werden, daß, wo früher 10 Arbeiter mit 10 Werkzeugen von geringem Wert eine verhältnismäßig kleine Masse von Rohmaterial verarbeiteten, jetzt 1 Arbeiter mit einer teuren Maschine das hundertfache Rohmaterial verarbeitet. In diesem Fall wäre das konstante
8. Constant Capital and Variable Capital

In the latter case we have an enormous increase in the constant capital, that is represented by the total value of the means of production used, and at the same time a great reduction in the variable capital, invested in labor-power. Such a revolution, however, alters only the quantitative relation between the constant and the variable capital, or the proportions in which the total capital is split up into its constant and variable constituents; it has not in the least degree affected the essential difference between the two.
9. The Rate of Surplus-Value

9.1. The Degree of Exploitation of Labor-Power

The definition of surplus-value is: the increment in capital, see 250:4\text{\scriptsize{/oo}. Surplus-value is the excess of the value of the capital flowing back over the value of the capital advanced. In section 9.1 of chapter Nine, Marx massages this definition in order to get a description of surplus-value which tells us how this increment came about. The first step is here that in the case of productive capital surplus-value is the excess of the value of the product over the value of the elements of production.
9. The Rate of Surplus-Value

9.1.a. [Rate of Surplus-Value]

320:1 The surplus-value generated in the production process by \( C \), the capital advanced, i.e., the valorization of the value of the capital \( C \), represents itself at first as the amount by which the value of the product exceeds the value of the elements entering its production. This definition clearly points to the production process as the source of surplus-value. Marx calls it the first representation of surplus-value.

\[ \Downarrow \]

Next Marx looks at the elements entering the production of the finished product, and at their values:

320:2 The capital \( C \) splits into two components, one, the sum of money \( c \) laid out upon the means of production, and the other, the sum of money \( v \) expended upon the labor-power; \( c \) represents the portion that

226:1 Der Mehrwert, den das vorgeschoßne Kapital \( C \) im Produktionsprozeß erzeugt hat, oder die Verwertung des vorgeschoßnen Kapitalwerts \( C \) stellt sich zunächst dar als der Überschuß des Werts des Produkts über die Wertsumme seiner Produktionselemente.

226:2 Das Kapital \( C \) zerfällt in zwei Teile, eine Geldsumme \( c \), die für Produktionsmittel, und eine andre Geldsumme \( v \), die für Arbeitskraft verausgabt wird; \( c \) stellt den in konstantes, \( v \) den in variables Kapital ver-
9.1. The Degree of Exploitation of Labor-Power

has become constant capital, and \( v \) the portion that has become variable capital. At first then, \( C = c + v \): for example, if £500 is the capital advanced, its components may be such that the £500 = £410 const. + £90 var. When the process of production is finished, we get a commodity whose value = \( c + v + s \), where \( s \) is the surplus-value; or taking our former figures, the value of this commodity may be (£410 const. + £90 var.) + £90 surpl. The original capital has now changed from \( C \) to \( C' \), from £500 to £590. The difference is \( s \) or a surplus-value of £90.

\[ \downarrow \text{In order to understand the next passage the reader should bear in mind that Marx distinguishes here between depth categories and surface categories. The surface category of interest here is the valorization of the advanced capital: the capitalist advances } C \text{ at the beginning and gets back the bigger } C' \text{ at the end. How did } C \text{ become } C'? \text{ As long as the period} \]

wandelten Wertteil vor. Ursprünglich ist also \( C = c + v \), z.B. das vorgeschoßne Kapital von 500 Pfd.St. = 410 Pfd.St. + 90 Pfd.St. Am Ende des Produktionsprozesses kommt Ware heraus, deren Wert = \( c + v + m \), wo \( m \) der Mehrwert, z.B. 410 Pfd.St. + 90 Pfd.St. + 90 Pfd.St. Das ursprüngliche Kapital \( C \) hat sich in \( C' \) verwandelt, aus 500 Pfd.St. in 590 Pfd. St. Die Differenz zwischen beiden ist = \( m \), einem Mehrwert von 90.
9. *The Rate of Surplus-Value*

is exactly the production period, and as long as the capital advanced is equal to the value of the elements of production, i.e., of the cost of the product, this valorization is equal to the ratio of value of the product over the cost of the product. This points to the production process as the source of surplus-value. I.e., the surplus-value originates in a sphere beneath the circulation process in which the surplus-value first becomes visible. However this seems a very small step, Marx calls it here a tautology:

Since the value of the constituent elements of the product is equal to the value of the advanced capital, it is indeed a tautology to say, that the excess of the value of the product over the value of its constituent elements, is equal to the expansion of the capital advanced or to the surplus-value produced.

↓ However already this first step beneath the surface is not as straightforward as it may seem: if fixed capital is present, then one can only then get an accurate representation of the hidden processes mediating this increase in value, if one compares the value of the finished
product not with the entire capital advanced, but only counts the depreciation of the fixed capital instead of the entire value of the fixed capital.

320:3/o Nevertheless, we must examine this tautology a little more closely. The two things compared are, the value of the product and the value of its constituents consumed in the process of production. Now we have seen how that portion of the constant capital which consists of the instruments of labor, transfers to the production only a fraction of its value, while the remainder of that value continues to reside in those instruments. Since this remainder plays no part in the formation of value, we may at present leave it on one side.

The transition from the entire fixed capital advanced to that portion of the fixed capital which is depreciated is an abstraction, i.e., it amounts to disregarding an irrelevant factor.
9. The Rate of Surplus-Value

Such an abstraction is only then legitimate if the omission of the irrelevant factor does indeed not make a difference. Marx checks therefore what the calculation must look like if one does not make this abstraction: in this case $C'$ would have to be the value of the finished products plus the not yet depreciated part of the value of the fixed capital.

To introduce it into the calculation would make no difference. For instance, taking our former example, $c = £410$: suppose this sum to consist of £312 value of raw material, £44 value of auxiliary material, and £54 value of the machinery worn away in the process; and suppose that the total value of the machinery employed is £1,054. Out of this latter sum, then, we reckon as advanced for the purpose of turning out the product, the sum of £54 alone, which the machinery loses by wear and tear in the process; for this is all it parts with to the product. Now if we also
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reckon the remaining £1,000, which still continues in the machinery, as transferred to the product, we ought also to reckon it as part of the value advanced, and thus make it appear on both sides of our calculation.\textsuperscript{26a} We should, in this way, get £1,500 on one side and £1,590 on the other. The difference of these two sums, or the surplus-value, would still be £90.

\textsuperscript{26a} “If we reckon the value of the fixed capital employed as a part of the advances, we must reckon the remaining value of such capital at the end of the year as a part of the annual returns.” (Malthus, “Princ. of Pol. Econ.” 2nd. ed., Lond., 1836, p. 269.)

so müßten wir sie auf beiden Seiten mitrechnen, auf Seite des vorgeschossenen Werts und auf Seite des Produktenwerts,\textsuperscript{26a} und erhielten so resp. 1500 Pfd.St. und 1590 Pfd.St. Die Differenz oder der Mehrwert wäre nach wie vor 90 Pfd.St.

\textsuperscript{26a} „Wenn wir den Wert des angewandten fixen Kapitals als Teil des vorgeschossenen Kapitals rechnen, müssen wir am Ende des Jahres den verbliebenen Wert dieses Kapitals als einen Teil der Jahreseinnahme rechnen.“ (Malthus, „Princ. of Pol. Econ.“, 2nd ed., London 1836, p. 269.)

\uparrow The magnitude of the surplus-value is the same in both calculations. \downarrow But the first calculation is to be preferred, because the undepreciated value of the fixed capital does not
9. *The Rate of Surplus-Value*

play a role for the value of the finished product:

Throughout this Book therefore, by constant capital advanced for the production of value, we always mean, unless the context is repugnant thereto, the value of the means of production actually consumed in the process, and that value alone.

By the way, the modern mathematical treatment of the nondepreciated fixed capital as a joint product uses exactly the method rejected here by Marx.

Now Marx begins a new thread arguing that, in order to get the mechanisms which are really responsible for the expansion of the value advanced, one must also abstract from the constant capital.

This being so, let us return to the formula $C = c + v$, which we saw was transformed into $C' = (c + v) + s$, $C$ becoming $C'$. We know that the value of the constant capital is transferred to, and merely re-appears

Unter dem zur Wertproduktion vorgeschoßnen konstanten Kapital verstehn wir daher, wo das Gegenteil nicht aus dem Zusammenhang erhellt, stets nur den Wert der in der Produktion verzehrten Produktionsmittel.

Dies vorausgesetzt, kehren wir zurück zur Formel $C = c + v$, die sich in $C' = c + v + m$ und eben dadurch $C$ in $C'$ verwandelt. Man weiß, daß der Wert des konstanten Kapitals im Produkt nur wieder
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...in the product.

↑ The formulation “merely” in this last sentence confirms that Marx is looking for the source of surplus-value. This source cannot lie in \( c \). Only \( v \) grows, \( c \) remains constant.

↓ I.e., \( c \) is not part of the value created in the process.

The new value actually created in the process, the value produced, or value-product, is therefore not the same as the value of the product; it is not, as it would at first sight appear \((c + v) + s\) or £410 const. + £90 var. + £90 surpl.; but \( v + s \) or £90 var. + £90 surpl., not £590 but £180.

↓ Now Marx looks at the counterfactual case that \( c = 0 \), and comes to the conclusion that the valorization process is not affected.

If \( c = 0 \), or in other words, if there were branches of industry in which the capitalist could dispense with all means of production made by previous labor, whether they...
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be raw material, auxiliary material, or instruments of labor, employing only labor-power and materials supplied by nature, in that case, there would be no constant capital to transfer to the product. This component of the value of the product, *i.e.*, the £410 in our example, would be eliminated, but the sum of £180, the amount of new value created, or the value produced, which contains £90 of surplus-value, would remain just as great as if *c* represented the highest value imaginable. We should have $C = (0 + v) = v$ or $C'$ the expanded capital $= v + s$ and therefore $C' - C = s$ as before.

\[ \downarrow \text{On the other hand, if } s = 0, \text{ i.e., if } v \text{ is either itself zero, or } v \text{ does not grow but its value is constant, then the observed valorization could not have occurred.} \]

On the other hand, if $s = 0$, or in other stoffe, noch Arbeitsinstrumente, sondern nur von Natur vorhandne Stoffe und Arbeitskraft auzuwenden hätte, so wäre kein konstanter Wertteil auf das Produkt zu übertragen. Dies Element des Produktenwerts, in unsrem Beispiel 410 Pfd.St., fiele fort, aber das Wertprodukt von 180 Pfd.St., welches 90 Pfd.St. Mehrwert enthält, bliebe ganz ebenso groß, als ob *c* die größte Wertsumme darstellte. Wir hätten $C = 0 + v = v$, und $C'$, das verwertete Kapital, $= v + m$, $C' - C$ nach wie vor $= m$.

Wäre umgekehrt $m = 0$, in andren Worten,
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words, if the labor-power, whose value is advanced in the form of variable capital, were to produce only its equivalent, we should have \( C = c + v \) or \( C' \) the value of the product \( = (c + v) + 0 \) or \( C = C' \). The capital advanced would, in this case, not have expanded its value.

\[ \text{This again underlines the importance of the variable capital and the irrelevance of the constant capital.} \]

\[ \text{But we know that already any way:} \]

322:1 From what has gone before, we know that surplus-value is purely the result of a variation in the value of \( v \), of that portion of the capital which is transformed into labor-power; consequently, \( v + s = v + \Delta v \), or \( v \) plus an increment of \( v \).

\[ \text{Since only} \ v \ \text{grows and} \ c \ \text{remains constant, the analysis of the process in its pure form requires that we set} \ c = 0. \]
9. The Rate of Surplus-Value

But the true change in value, and the rate of that variation, are obscured by the circumstance that in consequence of the increase in the variable component of the capital, there is also an increase in the sum total of the advanced capital. It was originally £500 and becomes £590. Therefore in order that our investigation may lead to accurate results, we must make abstraction from that portion of the value of the product, in which constant capital alone appears, and consequently must equate the constant capital to zero or make \( c = 0 \). This is merely an application of a mathematical rule, employed whenever we operate with constant and variable magnitudes, related to each other by the symbols of addition and subtraction only.

Aber die wirkliche Wertveränderung und das Verhältnis, worin sich der Wert ändert, werden dadurch verdunkelt, daß infolge des Wachstums seines variierenden Bestandteils auch das vorgeschoßne Gesamtkapital wächst. Es war 500, und es wird 590. Die reine Analyse des Prozesses erheischt also von dem Teil des Produktenwerts, worin nur konstanter Kapitalwert wieder erscheint, ganz zu abstrahieren, also das konstante Kapital \( c = 0 \) zu setzen, und damit ein Gesetz der Mathematik anzuwenden, wo sie mit variablen und konstanten Größen operiert und die konstante Größe nur durch Addition oder Subtraktion mit der variablen verbunden ist.
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The mathematical law referred to here by Marx is: if one adds a constant to a variable magnitude, one gets something which looks like a variable magnitude, even though not every part of it is variable.

Now that we have zeroed in on the variable capital as the true agent of change in the overall capital value, the next step is to define the rate at which this \( v \) expands its value. Marx will give this definition in \( 323\% \), but first he makes three additional remarks.

(1) There is the contradiction that this variable capital is a fixed amount of money, i.e., it is not variable.

322\% A further difficulty is caused by the original form of the variable capital. In our example, \( C' = £410 \) constant capital + £90 variable capital + £90 surplus-value. But £90 is a given and therefore a constant quantity; hence it seems absurd to treat it as variable.

Solution of this contradiction:

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But in fact, the term £90 variable capital is here merely a symbol to show that this value undergoes a process. The portion of the capital invested in the purchase of labor-power is a definite quantity of materialised labor, a constant value like the value of the labor-power purchased. But in the process of production the place of the £90 is taken by the labor-power in action, dead labor is replaced by living labor, something stagnant by something flowing, a constant by a variable. The result is the reproduction of \( v \) plus an increment of \( v \). From the standpoint then of capitalist production, the whole process is the self-motion of the value that is transformed into labor-power, and which was originally constant. Both the process and

Aber 90 Pfd.St. oder 90 Pfd.St. variables Kapital ist hier in der Tat nur Symbol für den Prozeß, den dieser Wert durchläuft. Der im Ankauf der Arbeitskraft vorgeschossene Kapi
talteil ist ein bestimmtes Quantum vergegen-
ständlichter Arbeit, also konstante Wert-
größe, wie der Wert der gekauften Arbeits-
kraft. Im Produktionsprozeß selbst aber tritt an die Stelle der vorgeschossenen 90 Pfd.St. die sich betätigungende Arbeitskraft, an die Stelle toter, lebendige Arbeit, an die Stelle einer ruhenden eine fließende Größe, an die Stelle einer konstanten eine variable. Das Resul-
tat ist die Reproduktion von \( v \) plus Inkrement von \( v \). Vom Standpunkt der kapitalistischen Produktion ist dieser ganze Verlauf Selbst-
bewegung des in Arbeitskraft umgesetzten,
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its result are therefore assigned to this value. If, therefore, the formula “£90 variable capital,” or “so much self-expanding value”, appears contradictory, this is only because they bring to the surface a contradiction immanent in capitalist production.

↑ Marx digs out here yet another non-obvious contradiction of the daily practical activity in capitalism. It is contradictory to consider the advanced £90, which is a constant magnitude, as variable capital. But this is a contradiction inherent to capitalist production: capital claims the value created by living labor as its own product. Although the surplus-value does not come from the value of labor-power, it is credited to the capitalist who paid this value.

↓ (2) Setting \( c = 0 \) is an everyday procedure whenever someone subtracts the costs of materials in order to find out the net production of value in a certain industry.

323:1 At first sight it appears a strange proceeding, to equate the constant capital to zero. Yet it is what we do every day. If, for

229:1 Die Gleichsetzung des konstanten Kapitalls mit 0 befremdet auf den ersten Blick. Indes vollzieht man sie beständig im
example, we wish to calculate the amount of England’s profits from the cotton industry, we first of all deduct the sums paid for cotton to the United States, India, Egypt and other countries; in other words, the value of the capital that merely re-appears in the value of the product, is put = 0.

\[ (3) \text{ Ratio of profits to total advanced capital has important economic meaning as well. This will be discussed in book 3, but it will abstracted away here.} \]

323:2 Of course the ratio of the surplus-value not only to that portion of the capital from which it immediately springs, and whose change of value it represents, but also to the sum total of the capital advanced is economically of very great importance. We shall, therefore, in the third book, treat of this ratio exhaustively. In order to en-

229:2 Allerdings hat das Verhältnis des Mehrwerts nicht nur zum Kapitalteil, woraus er unmittelbar entspringt und dessen Wertveränderung er darstellt, sondern auch zum vorgeschossenen Gesamtkapital seine große ökonomische Bedeutung. Wir behandeln dies Verhältnis daher ausführlich im dritten Buch. Um einen Teil des Kapitals durch seinen Um-
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able one portion of a capital to expand its value by being converted into labor-power, it is necessary that another portion be converted into means of production. In order that variable capital may perform its function, constant capital must be advanced in proper proportion, a proportion given by the special technical conditions of each labor-process. The circumstance, however, that retorts and other vessels, are necessary to a chemical process, does not compel the chemist to notice them in the result of his analysis. If we look at the means of production, in their relation to the creation of value, and to the variation in the quantity of value, apart from anything else, they appear simply as the material in which labor-power, satz in Arbeitskraft zu verwerten, muß ein anderer Teil des Kapitals in Produktionsmittel verwandelt werden. Damit das variable Kapital fuktioniere, muß konstantes Kapital in entsprechenden Proportionen, je nach dem bestimmten technischen Charakter des Arbeitsprozesses, vorgeschossen werden. Der Umstand jedoch, daß man zu einem chemischen Prozeß Retorten und andre Gefäße braucht, verhindert nicht, bei der Analyse von der Retorte selbst zu abstrahieren. Sofern Wertschöpfung und Wertveränderung für sich selbst, d.h. rein betrachtet werden, liefern die Produktionsmittel, diese stofflichen Gestalten des konstanten Kapitals, nur den Stoff, worin sich die flüssige, wertbildende Kraft fixieren soll. Die Natur dieses Stoffes ist daher
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the value-creator, incorporates itself. Neither the nature, nor the value of this material is of any importance. The only requisite is that there be a sufficient supply to absorb the labor expended in the process of production. That supply once given, the material may rise or fall in value, or even be, as land and the sea, without any value in itself; but this will have no influence on the creation of value or on the variation in the quantity of value.\(^\text{27}\)

↑ Marx compares the constant capital to the test tube in which a chemical reaction takes place; right now we are interested in the reaction itself.

↓ The footnote clarifies that the word “value creation” does not refer to a creation out of nothing.

\(^\text{27}\) What Lucretius says is self-evident; “nil posse creari de nihilo,” out of nothing, nothing...
can be created. Creation of value is transformation of labor-power into labor. Labor-power itself is energy transferred to a human organism by means of nourishing matter.

After these three side remarks Marx continues in the main current of the argument. Setting \( c = 0 \) one gets the rate at which that part of the capital expands that is responsible for the expansion of the entire capital. Marx calls this the rate of surplus-value.

\[ \frac{323}{3/o} \] In the first place then we equate the constant capital to zero. The capital advanced is consequently reduced from \( c + v + s \) to \( v \), and instead of the value of the product \( c + v + s \) we have now the value produced \( v + s \). Given the new value produced = £180, which sum consequently represents the whole labor expended during the process, then subtracting from it £90 the value of the variable capital, we have remaining

\[ \frac{229}{3/o} \] Wir setzen also zunächst den konstanten Kapitalteil gleich Null. Das vorgeschossene Kapital reduziert sich daher von \( c + v \) auf \( v \), und der Produktenwert \( c + v + m \) auf das Wertprodukt \( v + m \). Gegeben das Wertprodukt = 180 Pfd.St., worin sich die während der ganzen Dauer des Produktionsprozesses fließende Arbeit darstellt, so haben wir den Wert des variablen Kapitals = 90 Pfd. St. abzuziehn, um den Mehrwert = 90 Pfd.
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£90, the amount of the surplus-value. This sum of £90 or $ expresses the absolute quantity of surplus-value produced. The relative quantity produced, or the increase per cent of the variable capital, is determined, it is plain, by the ratio of the surplus-value to the variable capital, or is expressed by $/$. In our example this ratio is 90/90, which gives an increase of 100%. This relative increase in the value of the variable capital, or the relative magnitude of the surplus-value, I call, “The rate of surplus-value.”

28 In the same way that the English use the terms “rate of profit,” “rate of interest.” We shall see, in Book III, that the rate of profit is no mystery, so soon as we know the laws of surplus-value. If the process is reversed, neither the one

St. zu erhalten. Die Zahl 90 Pfd.St. = $\frac{m}{v}$ drückt hier die absolute Größe des produzierter Mehrwerts aus. Seine proportionelle Größe aber, also das Verhältnis, worin das variable Kapital sich verwertet hat, ist offenbar bestimmt durch das Verhältnis des Mehrwerts zum variablen Kapital oder ist ausgedrückt in $\frac{m}{v}$. Im obigen Beispiel also in 90/90 = 100%. Diese verhältnismäßige Verwertung des variablen Kapitals oder die verhältnismäßige Größe des Mehrwerts nenne ich Rate des Mehrwerts.

28 In derselben Weise, wie der Engländer „rate of profits“, „rate of interest“, usw. braucht. Man wird aus Buch III sehen, daß die Profitrate leicht zu begreifen, sobald man die Gesetze des Mehrwerts kennt. Auf dem umgekehrten Weg begreift man ni
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Very strong epistemological statement: if approached in the wrong order, things become incomprehensible.

9.1.b. [Rate of Exploitation]

So far Marx was concerned about how the surface appearance of surplus-value as the excess of sales price over cost should be read. The important quantitative relationship is that between $v$ and $s$. In the next two paragraphs he discusses an equally important quantitative relationship in the production process. Now we are no longer on the level of surface appearances, but we are analyzing a process that is taking place behind closed doors.

Marx begins with the introduction of the concept “necessary labor” as distinct from “surplus labor.” Although the word “necessary labor” was used previously, this is a new and different meaning of the same word.

We have seen that the laborer, during one portion of the labor-process, produces only the value of his labor-power, that
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is, the value of his means of subsistence. Now since his work forms part of a system, based on the social division of labor, he does not directly produce the actual necessaries which he himself consumes; he produces instead a particular commodity, yarn for example, whose value is equal to the value of those necessaries or of the money with which they can be bought. The portion of his day’s labor devoted to this purpose, will be greater or less, in proportion to the value of the necessaries that he daily requires on an average, or, what amounts to the same thing, in proportion to the labor-time required on an average to produce them. If the value of those necessaries represent on an average the expenditure of six hours’ labor,
the workman must on an average work for six hours to produce that value. If instead of working for the capitalist, he worked independently on his own account, he would, other things being equal, still be obliged to labor for the same number of hours, in order to produce the value of his labor-power, and thereby to gain the means of subsistence necessary for his conservation or continued reproduction.

The concept of necessary labor can be defined whenever there is commodity production, even if labor-power is not sold as a commodity. But under capitalism, this necessary labor obtains a specific form; it takes the form of reproduction rather than that of a new production of value:

But as we have seen, during that portion of his day’s labor in which he produces the value of his labor-power, say three shillings,
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He produces only an equivalent for the value of his labor-power already advanced by the capitalist; the new value created only replaces the variable capital advanced. It is owing to this fact, that the production of the new value of three shillings appears as mere reproduction.

The Moore-Aveling translation says: "It is owing to this fact, that the production of the new value of three shillings takes the semblance of a mere reproduction." This translation is wrong. It not only seems so, but in the bookkeeping of the capitalist and also the tax laws there is no difference between the value of the raw materials etc. which reappears in the product, and the value of the wages which is replaced by new value and not transferred to the end product. On the level of the surface, the production of necessary means of subsistence has indeed the form of reproduction.

This is not a mere semblance, as the Moore-Aveling translation says, but this is a real relation on the surface. Instead of "reproduction" it is perhaps clearer to use here the word "transfer": The period of the day during which the worker produces an equivalent of his
wage takes the form of a mere transfer of the value expended for the wage to the product; however the worker’s wage is not transferred to the product, it is consumed by the worker, and the worker creates new value during the work-day which replaces it.

28a Note added in the 3rd German edition. The author resorts here to the economic language in current use. It will be remembered that on p. 182 (present edition, p. 174) it was shown that in reality the laborer “advances” to the capitalist and not the capitalist to the laborer.} F.E.

Next Marx introduces the terminology “necessary labor” for this and justifies this wording.

That portion of the working-day, then, during which this reproduction takes place, I call “necessary” labor-time, and the labor expended during that time I call “necessary” labor. Necessary, as regards the laborer, because independent of the particular social
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Form of his labor; necessary, as regards capital, and the world of capitalists, because on the continued existence of the laborer depends their existence also.

29 In this work, we have, up to now, employed the term “necessary labor-time,” to designate the time necessary under given social conditions for the production of any commodity. Henceforward we use it to designate also the time necessary for the production of the particular commodity labor-power. The use of one and the same technical term in different senses is inconvenient, but in no science can it be altogether avoided. Compare, for instance, the higher with the lower branches of mathematics.

↑ Interestingly, Marx uses here a system-transcending criterion: “Necessary for the worker, because independent of the particular social form of his labor.”

↓ The next paragraph stresses that surplus-value is objectified surplus labor, i.e., it origi-
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nates in labor performed in excess of that necessary for the maintenance of the worker.

325:1 During the second period of the labor-process, that in which his labor is no longer necessary labor, the workman, it is true, labors, expends labor-power; but his labor, being no longer necessary labor, he creates no value for himself. He creates surplus-value which, for the capitalist, has all the charms of a creation out of nothing. This portion of the working-day, I name surplus labor-time, and to the labor expended during that time, I give the name of surplus labor. It is every bit as important, for a correct understanding of surplus-value, to conceive it as a mere congelation of surplus labor-time, as nothing but materialised surplus-labor, as it is, for a proper compre-
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Hension of value, to conceive it as a mere congelation of so many hours of labor, as nothing but materialised labor.

↓ Surplus-labor exists in all class societies:

The essential difference between the various economic forms of society, between, for instance, a society based on slave-labor, and one based on wage-labor, lies only in the mode in which this surplus-labor is in each case extracted from the actual producer, the laborer.30

30 Herr Wilhelm Thucydides Roscher has found a mare’s nest. He has made the important discovery that if, on the one hand, the formation of surplus-value, or surplus-produce, and the consequent accumulation of capital, is nowadays due to the thrift of the capitalist, on the other hand, the unrelenting exaction of the surplus from the proletariat is due to its own circumstances and the natural despotism of the market.30

Mehrarbeit zu begreifen.

Nur die Form, worin diese Mehrarbeit dem unmittelbaren Produzenten, dem Arbeiter, abgepreßt wird, unterscheidet die ökonomischen Gesellschaftsformationen, z.B. die Gesellschaft der Sklaverei von der der Lohnarbeit.30

30 Mit wahrhaft Gottschedscher Genialität entdeckt Herr Wilhelm Thukydides Roscher, daß, wenn die Bildung von Mehrwert oder Mehrprodukt, und die damit verbundne Akkumulation, heurigen Tags der „Sparsamkeit“ des Kapitalisten geschuldet, der dafür „z.B. Zins verlangt“,
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hand, in the lowest stages of civilisation it is the strong who compel the weak to economise. (l.c., p. 78.) To economise what? Labor? Or superfluous wealth that does not exist? What is it that makes such men as Roscher account for the origin of surplus-value, by a mere rechauffé of the more of less plausible excuses by the capitalist, for his appropriation of surplus-value? It is, besides their real ignorance, their apologetic dread of a scientific analysis of value and surplus-value, and of obtaining a result, possibly not altogether palatable to the powers that be.


9.1.c. [Rate of Surplus-Value Expresses Rate of Exploitation]

Now the bridge between the surface and the underlying phenomena. Perhaps a better metaphor in the present case would be: the opening through which the surface lays bare an important
9. The Rate of Surplus-Value

aspect of the underlying process. The rate of surplus-value, easily computed from empirical phenomena, is equal to the proportional division of the labor day into necessary and surplus labor.

326:1 Since, on the one hand, the values of the variable capital and of the labor-power purchased by that capital are equal, and the value of this labor-power determines the necessary portion of the working-day; and since, on the other hand, the surplus-value is determined by the surplus portion of the working-day, it follows that surplus-value bears the same ratio to variable capital, that surplus-labor does to necessary labor, or in other words, the rate of surplus-value \((s / v)\) = (surplus-labor / necessary labor). Both ratios, \(s/v\) and surplus-labor/necessary-labor, express the same

231:2/o Da der Wert des variablen Kapitals = Wert der von ihm gekauften Arbeitskraft, da der Wert dieser Arbeitskraft den notwendigen Teil des Arbeitstags bestimmt, der Mehrwert seinerseits aber bestimmt ist durch den überschüssigen Teil des Arbeitstags, so folgt: Der Mehrwert verhälilt sich zum variablen Kapital, wie die Mehrarbeit zur notwendigen, oder die Rate des Mehrwerts \(m/v = (\text{Mehrarbeit}) / (\text{Notwendige Arbeit})\). Beide Proportionen drücken dasselbe Verhältnis in verschiedener Form aus, das eine Mal in der Form \(\text{vergegenständlichter}\), das andre Mal in der Form flüssiger Arbeit.
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thing in different ways; in the one case by reference to materialised, incorporated labor, in the other by reference to living, fluent labor.

Two equations for the rate of surplus-value: \( \frac{s}{v} \) and surplus labor/necessary labor.

326:2 The rate of surplus-value is therefore an exact expression for the degree of exploitation of labor by capital, or of the laborer by the capitalist.\(^{30a}\)

\( \frac{s}{v} \) it is an empirically measurable phenomenon, but it expresses what is going on underneath the surface, the exploitation of labor-power. By making the mathematical division one penetrates through the surface.

\(^{30a}\) Although the rate of surplus-value is an exact expression for the degree of exploitation of labor-power, it is, in no sense, an expression for the absolute amount of exploitation. For example, if the necessary labor 5 hours and the surplus labor 2 hours.

232:1 Die Rate des Mehrwerts ist daher der exakte Ausdruck für den Exploitationsgrad der Arbeitskraft durch das Kapital oder des Arbeiters durch den Kapitalisten.\(^{30a}\)

\(^{30a}\) Note zur 2. Ausg. Obgleich exakter Ausdruck für den Exploitationsgrad der Arbeitskraft, ist die Rate des Mehrwerts kein Ausdruck für die absolute Größe der Exploitation. Z.B. wenn die notwendige Arbeit = 5 Stunden und die Mehr-
surplus-labor = 5 hours, the degree of exploitation is 100%. The amount of exploitation is here measured by 5 hours. If, on the other hand, the necessary labor = 6 hours and the surplus-labor = 6 hours, the degree of exploitation remains, as before, 100%, while the actual amount of exploitation has increased 20%, namely from five hours to six.

\[\downarrow \text{Rate of exploitation much higher than profit rate.}\]

326:3/o We assumed in our example, that the value of the product £410 const. + £90 var. + £90 surpl., and that the capital advanced = £500. Since the surplus-value = £90, and the advanced capital = £500, we should, according to the usual way of reckoning, get as the rate of surplus-value (generally confounded with rate of profits) 18%, a rate so low as possibly to cause a pleasant...

232:2 Nach unserer Annahme war der Wert des Produkts = 410 Pfd.St. + 90 Pfd.St. + 90, das vorgeschoßne Kapital = 500 Pfd.St. Da der Mehrwert = 90 und das vorgeschoßne Kapital = 500, würde man nach der gewöhnlichen Art der Berechnung herausbekommen, daß die Rate des Mehrwerts (die man mit der Profitrate verwechselt) = 18%, eine Verhältniszahl, deren Niedrigkeit Herrn Carey und...
surprise to Mr. Carey and other harmonisers. But in truth, the rate of surplus-value is not equal to $s/C$ or $s/(C+v)$: thus it is not $90/500$ but $90/90$ or $100\%$, which is more than five times the apparent degree of exploitation.

\[\text{In the second half of the paragraph Marx emphasizes how extraordinary this “peek” below the surface is.}\]

Although, in the case we have supposed, we are ignorant of the actual length of the working-day, and of the duration in days or weeks of the labor-process, as also of the number of laborers employed, yet the rate of surplus-value $s/v$ accurately discloses to us, by means of its equivalent expression, surplus-labor/necessary labor the relation between the two parts of the working-

\[\text{Obgleich wir nun im gegebenen Fall die absolute Größe des Arbeitstags nicht kennen, auch nicht die Periode des Arbeitsprozesses (Tag, Woche usw.), endlich nicht die Anzahl der Arbeiter, die das variable Kapital von 90 Pfd.St. gleichzeitig in Bewegung setzt, zeigt uns die Rate des Mehrwerts } m/v \text{ durch ihre Konvertibilität in (Mehrarbeit) / (Notwendige Arbeit) genau das Verhältnis der zwei Be-}\]
9. The Rate of Surplus-Value

day. This relation is here one of equality, the rate being 100%. Hence, it is plain, the laborer, in our example, works one half of the day for himself, the other half for the capitalist.

Although many details about the working day are unknown to us, the empirically accessible s/v reveals exactly the relative magnitude of the two portions of the working day.

9.1.d. [Example]

To conclude this first section, Marx gives in a cookbook fashion the prescription how to calculate the rate of surplus-value, and then two detailed examples. He apparently considered it important that people should be able to make this calculation.

The method of calculating the rate of surplus-value is therefore, shortly, as follows. We take the total value of the product and put the constant capital which merely stands, the totale des Arbeitstags zueinander. Es ist 100%. Also arbeitete der Arbeiter die eine Hälfte des Tags für sich und die andre für den Kapitalisten.

327:1 The method of calculating the rate of surplus-value is therefore, shortly, as follows. We take the total value of the product and put the constant capital which merely wiederscheinenden

232:3 Die Methode zur Berechnung der Rate des Mehrwerts ist also kurzgefaßt diese:Wir nehmen den ganzen Produktenwert und setzen den darin nur
9.1. The Degree of Exploitation of Labor-Power

re-appears in it, equal to zero. What remains, is the only value that has, in the process of producing the commodity, been actually created. If the amount of surplus-value be given, we have only to deduct it from this remainder, to find the variable capital. And vice versa, if the latter be given, and we require to find the surplus-value. If both be given, we have only to perform the concluding operation, viz., to calculate $s/v$, the ratio of the surplus-value to the variable capital.

327:2 Though the method is so simple, yet it may not be amiss, by means of a few examples, to exercise the reader in the application of the novel principles underlying it.

konstanten Kapitalwert gleich Null. Die übrigbleibende Wertsumme ist das einzige im Bildungsprozeß der Ware wirklich erzeugte Wertprodukt. Ist der Mehrwert gegeben, so ziehn wir ihn von diesem Wertprodukt ab, um das variable Kapital zu finden. Umgekehrt, wenn letztes gegeben und wir den Mehrwert suchen. Sind beide gegeben, so ist nur noch die Schlußoperation zu verrichten, das Verhältnis des Mehrwerts zum variablen Kapital, $m/v$, zu berechnen.

233:1 So einfach die Methode, scheint es doch passend, den Leser in die ihr zu Grunde liegende und ihm ungewohnte Anschauungsweise durch einige Beispiele einzuexerzieren.
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Example of a spinning mill.

First we will take the case of a spinning mill containing 10,000 mule spindles, spinning No. 32 yarn from American cotton, and producing 1 lb. of yarn weekly per spindle. We assume the waste to be 6%: under these circumstances 10,600 lbs. of cotton are consumed weekly, of which 600 lbs. go to waste. The price of the cotton in April, 1871, was 7 3/4 d. per lb.; the raw material therefore costs in round numbers £342. The 10,000 spindles, including preparation-machinery, and motive power, cost, we will assume, £1 per spindle, amounting to a total of £10,000. The wear and tear we put at 10%, or £1,000 yearly = £20 weekly. The rent of the build-
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We suppose the annual rate of exploitation to be £300, or £6 per week. Coal consumed (for 100 horse-power indicated, at 4 lbs. of coal per horse-power per hour during 60 hours, and inclusive of that consumed in heating the mill), 11 tons a week at 8s. 6d. a ton, amounts to about £4 1/2 a week: gas, £1 a week, oil, etc., £4 1/2 a week. Total cost of the above auxiliary materials, £10 weekly. Therefore the constant portion of the value of the week’s product is £378. Wages amount to £52 a week. The price of the yarn is 12 1/4 d. per lb. which gives for the value of 10,000 lbs. the sum of £510. The surplus-value is therefore in this case £510 - £430 = £80. We put the constant part of the value of the product = 0, as it plays no part in the creation of the constant part of the value of the product. This is because the constant part of the value of the product is not equal to the constant part of the value of the product of labor. Therefore the rate of surplus-value is 80/52.
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of value. There remains £132 as the weekly value created, which = £52 var. + £80 surpl. The rate of surplus-value is therefore \( \frac{80}{52} = 153 \frac{11}{13}\% \). In a working-day of 10 hours with average labor the result is: necessary labor = 3 \( \frac{31}{33} \) hours, and surplus-labor = 6 \( \frac{2}{33} \).\(^{31}\)

\(^{31}\) The above data, which may be relied upon, were given me by a Manchester spinner. In England the horse-power of an engine was formerly calculated from the diameter of its cylinder, now the actual horse-power shown by the indicator is taken.

= 153 \( \frac{11}{13}\% \). Bei zehnstündigem durchschnittlichem Arbeitstag ergibt dies: Notwendige Arbeit = 3 \( \frac{31}{33} \) Stunden und Mehrarbeit = 6 \( \frac{2}{33} \) Stunden.\(^{31}\)


To follow these calculations note that each £ has 20 shillings, and each shilling 12 d. (pence). The costs of producing 10,000 lbs. of yarn split up into the following components:
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Raw material cotton: 10,600 lbs of cotton at 7 3/4 d. per lb, whose total cost is £ 342 plus 5 shillings plus 10 d., Marx takes the round number £ 342. Depreciation of the spindles: The 10,000 spindles cost £ 1 each. They last 10 years, and Marx assumes 50 weeks per year. This gives a depreciation of altogether £ 20 each week. Rent of the building: £ 300 each year, gives £ 6 each week. Coal: 4 lbs for every hour and horse power: 60 hours each week, 100 horse powers, gives 24,000 lbs. He says 11 tons, how many lbs are in a ton? Price of coal is 8 sh 6 d the ton (which is 102 d the ton); for 11 tons it would be 1122 d, or £ 4 plus 13 sh plus 6 d. Marx takes the round number of £ 4 1/2. Gas: £ 1 each week. Oil: £ 4 1/2 each week. All these constant cost elements together give £ 342 + 20 + 6 + 10 = 378. Now the labor: it is £ 52 per week. Finally the sales price of the yarn is 12 1/4 d., therefore the total sales amount is £ 510 plus 8 shillings plus 4 d., Marx rounds it to £ 510.

Therefore we have $378c + 52v + 80s = 510$. Rate of surplus-value is $\frac{s}{v} = \frac{80}{52} = \frac{20}{13}$. Therefore 13/33 of the day is necessary labor and 20/33 of the day is surplus labor. If the day is 10 hours long, this gives 3 31/33 hours of necessary labor and 6 2/33 hours surplus labor.

Is there an error in the wheat example? What is the relationship between a bushel and a quarter? Arithmetic gives: if 22 bushels cost £ 11, then 1 bushel costs 10 shillings. Since Marx says the price is 80 sh. per quarter, this could only be true if 1 quarter is 8 bushels?
9. The Rate of Surplus-Value

328:1 One more example. Jacob gives the following calculation for the year 1815. Owing to the previous adjustment of several items it is very imperfect; nevertheless for our purpose it is sufficient. In it he assumes the price of wheat to be 80 s. a quarter, and the average yield per acre to be 22 bushels.

234:1 Jacob gibt für das Jahr 1815, bei Annahme eines Weizenpreises von 80 sh. per Quarter und eines Durchschnittsertrags von 22 Buschels per acre, so daß der acre 11 Pfd.St. einbringt, folgende durch vorherige Kompensation verschiedner Posten sehr mangelhafte, aber für unsren Zweck genügende Rechnung.

<table>
<thead>
<tr>
<th>Value Produced Per Acre</th>
<th>1 Pfd.St.</th>
<th>9 sh.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed (wheat)</td>
<td>1 Pfd.St.</td>
<td>9 sh.</td>
</tr>
<tr>
<td>Manure</td>
<td>2 Pfd.St.</td>
<td>10 sh.</td>
</tr>
<tr>
<td>Wages</td>
<td>3 Pfd.St.</td>
<td>10 sh.</td>
</tr>
<tr>
<td><strong>Summa:</strong></td>
<td>7 Pfd.St.</td>
<td>9 sh.</td>
</tr>
<tr>
<td>Tithes, Rates, Taxes</td>
<td>1 Pfd.St.</td>
<td>1 sh.</td>
</tr>
<tr>
<td>Rent</td>
<td>1 Pfd.St.</td>
<td>8 sh.</td>
</tr>
<tr>
<td>Farmer’s Profit and Interest</td>
<td>1 Pfd.St.</td>
<td>2 sh.</td>
</tr>
<tr>
<td><strong>Summa:</strong></td>
<td>3 Pfd.St.</td>
<td>11 sh.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Wertproduktion per acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samen (Weizen)</td>
</tr>
<tr>
<td>Dünger</td>
</tr>
<tr>
<td>Arbeitslohn</td>
</tr>
<tr>
<td><strong>Summa:</strong></td>
</tr>
<tr>
<td>Zehnten, Rates, Taxes</td>
</tr>
<tr>
<td>Rente</td>
</tr>
<tr>
<td>Pächters Profit u. Zins</td>
</tr>
<tr>
<td><strong>Summa:</strong></td>
</tr>
</tbody>
</table>

The Moore-Aveling translation says it should be 80 s. per acre as says 8 s. per acre, but Alan Sievers in the German.

328:2/o Assuming that the price of the product is the same as its value, we here find the surplus-value distributed under the various heads of profit, interest, rent, etc. We have nothing to do with these in detail; we

234:2 Der Mehrwert, stets unter der Voraussetzung, daß Preis des Produkts = seinem Wert, wird hier unter die verschiedenen Rubriken, Profit, Zins, Zehnten usw. verteilt. Diese Rubriken sind uns gleichgültig. Wir addieren
simply add them together, and the sum is a surplus-value of £3 11s. 0d. The sum of £3 19s. 0d., paid for seed and manure, is constant capital, and we put it equal to zero. There is left the sum of £3 10s. 0d., which is the variable capital advanced: and we see that a new value of £3 10s. 0d. + £3 11s. 0d. has been produced in its place. Therefore $s/v = £3 11s. 0d. / £3 10s. 0d.$, giving a rate of surplus-value of more than 100%. The laborer employs more than one half of his working-day in producing the surplus-value, which different persons, under different pretexts, share amongst themselves.\(^{31a}\)

\(^{31a}\) The calculations given in the text are intended merely as illustrations. We have in fact assumed that prices = values. We shall, however,
9.1. The Degree of Exploitation of Labor-Power

see, in Book Ill., that even in the case of average prices the assumption cannot be made in this very simple manner.
“The working-day is ... determinable, but in and for itself indeterminate.” This last sentence of 341:1 is a good summary of Marx’s argument in chapter Ten.

- The length of the working-day is in and for itself indeterminate, i.e., there are no economic laws prescribing how long the working-day must be. Within certain limits, the capitalist economy functions equally well with a longer or shorter working-day. If one tries to apply the laws of commodity exchange to determine the length of the working-day, one gets conflicting results depending on whether one looks at it from the point of view of the worker or the capitalist. This is discussed in section 10.1.

- But the length of the working-day is determinable, i.e., this length can be, and even
must be, fixed by extra-economic forces. Since market forces do not lead to an orderly sale of the commodity labor-power, the working-class is forced to take up political struggles as described in this chapter. The sections after section 10.1 give a “historical sketch” (sic in 411:1) of the struggles between capitalist class and working class in England, which led to a legal fixation of the working-day.

10.1. The Limits of the Working-Day

Marx’s starting point is the division of the working-day into two parts, necessary labor and surplus labor. “Necessary labor” is the length of time needed by the worker every day to produce an equivalent of his or her daily wage. “Surplus-labor” is the additional time during which the worker produces value appropriated without equivalent by the capitalist. This division of the working-day was already introduced in chapter Seven in a rather dramatic and entertaining fashion, see 297:4/o. The terminology “necessary labor-time” for that part of the working-day in which the worker produces an equivalent of his wages was formally introduced in chapter Nine, 324:1/o, and this concept should not be confused with that of “socially necessary labor-time” introduced in chapter One, 129:2.
10.1.a. [Indeterminacy of the Working-Day]

340:1 We started with the assumption that labor-power is bought and sold at its value. The value of labor-power, like that of any other commodity, is determined by the labor-time necessary for its production. If the production of the average daily consumption of the laborer takes up 6 hours, he must work, on the average, 6 hours every day to produce his daily labor-power, or to reproduce the value he received when he sold it. The necessary part of his working-day amounts to 6 hours, and is, therefore, \textit{caeteris paribus}, a given quantity. But with this, the length of the working-day itself is not yet given.

245:1 Wir gingen von der Voraussetzung aus, daß die Arbeitskraft zu ihrem Werte gekauft und verkauft wird. Ihr Wert, wie der jeder anderen Ware, wird bestimmt durch die zu ihrer Produktion nötige Arbeitszeit. Erheischt also die Produktion der durchschnittlichen täglichen Lebensmittel des Arbeiters 6 Stunden, so muß er im Durchschnitt 6 Stunden per Tag arbeiten, um seine Arbeitskraft täglich zu produzieren oder den in ihrem Verkauf erhaltenen Wert zu reproduzieren. Der notwendige Teil seines Arbeitstags beträgt dann 6 Stunden und ist daher, unter sonst gleichbleibenden Umständen, eine gegebene Größe. Aber damit ist die Größe des Arbeitstags selbst noch nicht gegeben.
It is commonly thought that the length of the working-day is fixed by economic necessity. If the workers were to go home before the usual 8, 10, 12, 14 hours per day, then, it is believed, the economy would break down or the capitalists would have to close the factories. One can presently witness this kind of propaganda in the struggles for a shorter work week in Europe. Even the workers cannot believe that it is economically possible that they work fewer hours each week and still get the same weekly wage. Mainstream economics perpetuates this myth: usually the length of the working-day is treated as a fixed magnitude. To add insult to injury, this length is said to be the result of free choice: you are stuck with such long hours because all other workers want it this way.

Marx, by contrast, says: the labor day consists of two parts, the necessary part and the surplus part. Only the first part is fixed by economic laws; the second part is variable. Marx is using here the day as unit of measurement of labor-power, not the hour. The daily wage is determined by the value of the “average daily means of subsistence” of the laborer. If the work day is 8 hours long, then perhaps only 3 hours are needed to reproduce this daily wage. These 3 hours are fixed by economic necessity: the working-day cannot be shorter than that. But the second part, consisting here of 5 hours, is variable. This part might be shorter or longer, according to the balance of forces between workers and capitalists. The
factors determining this variable part are discussed in the remainder of section 10.1.

10.1.b. [The Inherent Limits of Surplus Labor]

Let us assume that the line $A-B$ represents the length of the necessary working time, say 6 hours. If the labor be prolonged 1, 3, or 6 hours beyond $A-B$, we have 3 different lines representing 3 different working-days of 7, 9, and 12 hours. The extension $B-C$ of the line $A-B$ represents the length of the surplus-labor. As the working-day is $A-B$
+ B—C or A—C, it varies with the variable quantity B—C.

This is a very simple relationship, and it might seem pedantic of Marx to go through it in such detail. However Marx’s emphasis is justifiable because this simple relationship is not part of the common consciousness! The limits of necessary labor are not visible to the surface agents. No bell rings in the factories at 11 am. to indicate that now the (unpaid) surplus labor begins. Also the fact that wages are paid per hour, not per day, is confusing here. The length of the necessary labor is part of the hidden core structure of the economy. Nevertheless it is real and its quantity is well-defined; Marx says in the next sentence that it is “given”:

Since A—B is given, the ratio of B—C to A—B can always be calculated. In working-day I, it is 1/6, in working-day II, 3/6, in working-day III 6/6 of A—B.

The ratio \( \frac{\text{surplus working time}}{\text{necessary working time}} \) is sometimes called the “rate of exploitation.” This invisible rate of exploitation determines the rate of surplus-value, which is visible. Compare chapter Nine, 326:1.
10. The Working-Day

Since further the ratio \( \frac{\text{surplus working time}}{\text{necessary working time}} \) determines the rate of the surplus-value, the latter is given by the ratio of B—C to A—B. It amounts in the 3 different working-days respectively to 16 2/3, 50, and 100 per cent.

\[ \Downarrow \] This representation of the hidden core structure on the surface is however not complete: certain aspects of the core are not visible in these relations:

On the other hand, the rate of surplus-value alone would not give us the extent of the working-day. If this rate, e.g., were 100 per cent, the working-day might be of 8, 10, 12, or more hours. It would indicate that the two constituent parts of the working-day, necessary-labor and surplus-labor-time, were equal in extent, but not how long each of these two constituent parts was.

Da ferner die Proportion \( \frac{\text{Mehrarbeitszeit}}{\text{notwendige Arbeitszeit}} \) die Rate des Mehrwerts bestimmt, ist letztere gegeben durch jenes Verhältnis. Sie beträgt in den drei verschiedenen Arbeitstagen respective 16 2/3, 50 und 100%.

Umgekehrt würde die Rate des Mehrwerts allein uns nicht die Größe des Arbeitstags geben. Wäre sie z.B. gleich 100%, so könnte der Arbeitstag 8-, 10-, 12stündig usw. sein. Sie würde anzeigen, daß die zwei Bestandteile des Arbeitstags, notwendige Arbeit und Mehrarbeit, gleich groß sind, aber nicht, wie groß jeder dieser Teile.
This simple observation is relevant because Marx assumes that competition between workers and capitalists tends to equalize the rate of exploitation: an equal rate of exploitation can accommodate different lengths of the working-day.

341:1 The working-day is thus not a constant, but a variable quantity.

By “variable” Marx means that there is no economic law which would force the total working-day to be a certain length, i.e., it is “up for grabs”!

Although one of its parts is determined by the working time required for the reproduction of the labor-power of the laborer himself, its total length varies with the duration of the surplus-labor. The working-day is, therefore, determinable, but in and for itself indeterminate.  

35 “A day’s labour is vague, it may be long or short.” (“An Essay on Trade and Commerce, Containing Observations on Taxes, etc.” London
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After all this emphasis that the working-day is indeterminate, Marx adds the remark at the end, without further explanation, that the working-day is determinable. My interpretation of this is that the length of the working-day can be fixed by extra-economic forces (for instance by law). Such a fixation will not come in conflict with the economic laws of capitalism but, on the contrary, this chapter shows that capitalism itself needs the working-day to be fixed. The subject of this chapter is exactly how this in and for itself indeterminate quantity finds its determination.

The discussion of the variability of the working-day is not yet finished, because the working-day can only vary within certain bounds. (These bounds might be considered the negation of the negation of the determination.)

The working-day is therefore not a fixed, but a fluid quantity. On the other hand, it can only vary within certain bounds. These bounds do not come from the nature of the working-day itself (otherwise Marx would call them “limits”) but they are imposed by outside mechanisms (for instance the
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physiology of the laborer, or their traditional culture and standard of living). What is the shortest possible length of the working-day?

The minimum bound, however, is not determinable. Of course, if we make the extension line $B-C$ or the surplus-labor $= 0$, we have a minimum bound, i.e., the part of the day which the laborer must necessarily work for his own maintenance. On the basis of capitalist production, however, this necessary labor must always only form a part of the working-day; the working-day itself can never be reduced to this minimum.

Isn’t this hairsplitting? Why does Marx make so much ado about the simple fact that the labor-time must always be longer than the minimum? The answer is given by Marx two sentences earlier: this simple fact prevents the minimum of the labor-day from being determinable. In other words, there is no length of the work day which could be imposed on
10. The Working-Day

the capitalist economy as a maximum (in order to get a minimally exploitative capitalism). In Value, Price and Profit, [mecw20]145:5/o, Marx says that there is no minimum rate of profit because there is no maximum level of wages.

Perhaps Marx viewed this as another secret critique of Hegel, comparable to 132:3. If a minimum bound cannot be determined, although the working-day must be longer than necessary labor itself, then Hegel’s pronouncement is incorrect that every negation is a determination. (Bhaskar [Bha93, p. 240:1] also criticizes this principle which, as he says, “is simply not true.”)

The maximum bound, by contrast, is determinable. It is even multiply determined, i.e., different mechanisms kick in as soon as the working-day is extended beyond certain (possibly different) threshold values:

On the other hand, the working-day has a maximum bound. It cannot be prolonged beyond a certain point. This maximum bound is determined in two different ways. First, by the physiological bounds of labor-power. Within the 24 hours of the natural Dagegen besitzt der Arbeitstag eine Maximalschranke. Er ist über eine gewisse Grenze hinaus nicht verlängerbar. Diese Maximalschranke ist doppelt bestimmt. Einmal durch die physische Schranke der Arbeitskraft. Ein Mensch kann während des natürlichen Tags
10.1. Limits of Working-Day

day a man can expend only a definite quantity of his vital force. Just as a horse can only work, from day to day, 8 hours. During part of the day this force must rest, sleep; during another part the man has to satisfy other physiological needs, to feed, wash, and clothe himself. Besides these purely physiological limits, the extension of the working-day encounters moral ones. The laborer needs time to satisfy his intellectual and social wants, the extent and number of which are conditioned by the general state of social advancement.

The two mechanisms enforcing a maximum bound of the working-day are located in different layers of reality:

- Physiological: the continuous functioning of the labor-power is compatible only with a certain number of hours daily.
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- Cultural: the laborer needs time to satisfy intellectual and social needs.

One page later, in 342:2/o, Marx formulates the physiological limit differently: the length of the work day must be such that it does not rob the laborer of his health or shorten his life. I will call these two sides of the physiological bounds the physiological bounds I and II. In 389:2/o Marx mentions a third mechanism which limited the working-day in pre-industrial times, namely, daylight.

The variation of the working-day takes place, therefore, within physiological and social bounds. But both these bounds are of a very elastic nature, and allow the greatest latitude.

At the end, Marx adds yet another level of negation: the minimum and maximum bounds are not only far apart, but they themselves are also elastic. All this explains the great differences in the length of working-days that can be observed empirically.

So we find working-days of 8, 10, 12, 14, 16, 18 hours, i.e., of the most different lengths.
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10.1.c. [Point of view of the Capitalist]

So far, Marx has discussed to what extent the length of the working-day is or is not determined by its inner anatomy. In other words, he identified the economic core mechanisms affecting the number of hours workers have to work in a capitalist economy. Next he is asking whether and how the surface transactions between capitalist and laborer on the market enforce this inherent length of the working-day. The dialogue between capitalist and laborer which follows now must be taken metaphorically: the arguments given here verbally are in practice fought out on the market place and in direct struggles (but the arguments themselves can also be found in the literature, as the footnotes demonstrate).

Throughout chapter Ten, Marx maintains the fiction that the daily wage is agreed upon first, and then afterwards capitalist and worker argue about it how long the worker has to work for this wage. Of course, the details of the transactions between worker and capitalist on the surface of the economy seem to be different: the wage is paid as hourly wage or piece wage, therefore it seems as if the daily wage was not fixed but that it was proportional to the amount of labor performed.

On the other hand, the employee usually cannot decide how many hours of labor he or she is to perform: the length of the work day is given, and therefore the daily wage is given
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once we know what the hourly wage is. In practice, today’s procedure with a fixed hourly wage but no substantial choice regarding the number of hours worked has therefore the same outcome as Marx’s daily-wage bargain. If one looks at the data one will also not find proportionality between labor-time and wages; on the contrary, there are many low wage jobs which “compensate” for their low wages by long hours (see 688:1).

Marx claims that this is not an accident. The connection between labor and wage is not that wages are proportional to labor performed, but wages are an amount determined by the worker’s cost of living, and the length of the work day is, just as the precise definition of the worker’s cost of living, the result of struggles between capitalists and the working class. The hourly wage can then be computed by dividing the daily wage by the daily work requirement resulting from these class struggles. This theory of wages will be developed in chapter Nineteen.

Marx’s fiction that worker and capitalist first decide on a daily wage and then argue how long the worker has to work is therefore justified: although it contradicts the details of the surface transactions, it accurately captures the structure of the underlying processes mediated by these surface transactions.

341:3/o The capitalist has bought the | 247:1 Der Kapitalist hat die Arbeitskraft zu
10.1. Limits of Working-Day

labor-power at its day-rate. To him its use-value belongs during one working-day. He has thus acquired the right to make the laborer work for him during one day. But, what is a working-day?36

36 This question is far more important than the celebrated question of Sir Robert Peel to the Birmingham Chamber of Commerce: What is a pound? A question that could only have been proposed, because Peel was as much in the dark as to the nature of money as the “little shilling men” of Birmingham.

Marx answers this important question in several steps.

At all events, less than a natural day. By how much?

If the working-day amounted to 24 hours this would be slavery. Capitalism is not slavery but it is based on commodity exchange, a transaction to which both parties voluntarily agree.
Marx discusses therefore now the motivations of the two exchange partners, first those of the capitalist.

The capitalist has his own views of this *ultima Thule*, the necessary limit of the working-day.

The capitalist’s reasons for the exchange are different than the worker’s. But before detailing the inhumane goals of the capitalist Marx interjects that the capitalist’s motivations do not stem from individual preferences but from the tendencies of the social entity he or she represents:

As capitalist, he is only capital personified. His soul is the soul of capital. Capital, in turn, has one single-minded life impulse, the tendency to create value and surplus-value, to make its constant portion, the means of production, absorb the greatest possible amount of surplus-labor. Capital is dead labor, that, vampire-like, only lives by sucking surplus-labor.

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10. *The Working-Day*

Der Kapitalist hat seine eigne Ansicht über dies ultima Thule, die notwendige Schranke des Arbeitstags.

Als Kapitalist ist er nur personifiziertes Kapital. Seine Seele ist die Kapitalseele. Das Kapital hat aber einen einzigen Lebenstrieb, den Trieb, sich zu verwerten, Mehrwert zu schaffen, mit seinem konstanten Teil, den Produktionsmitteln, die größtmögliche Masse Mehrarbeit einzusaugen. Das Kapital ist verstorbbne Arbeit, die sich nur vampyrmäßig be-
ing living labor, and lives the more, the more labor it sucks.


Despite all this, the capitalist does not say to the worker: “I have come to steal as much surplus labor as I can from you,” or “I am the vampire who needs your blood to come to life” or “I am stronger than you, you have to work for me.” On the contrary, he comes with the surprising claim that it is the worker who is robbing the capitalist and not the other way around—whenever the worker uses any of his disposable time for himself:

The time during which the laborer works is the time during which the capitalist consumes the labor-power he has purchased

Die Zeit, während deren der Arbeiter arbeitet, ist die Zeit, während deren der Kapitalist die von ihm gekaufte Arbeitskraft

lebt durch Einsaugung lebendiger Arbeit und um so mehr lebt, je mehr sie davon einsaugt.

37 „Es ist die Aufgabe des Kapitalisten, mit dem verausgabten Kapital die größtmögliche Summe Arbeit herauszuschlagen.“ („D’obtenir du capital dépensé la plus forte somme de travail possible.“) (J.-G. Courcelle-Seneuil, „Traité théorique et pratique des entreprises industrielles“, 2ème édit., Paris 1857, p. 62.)
of him. If the laborer consumes his disposable time for himself, he robs the capitalist.

Marx is not making this up. The footnotes show that it has actually been said that the worker is robbing the capitalist:

38 “An hour’s labor lost in a day is a prodigious injury to a commercial State.” “There is a very great consumption of luxuries among the laboring poor of this kingdom: particularly among the manufacturing populace, by which they also consume their time, the most fatal of consumptions.” [Ano70, pp. 47, 153]

39 If the free worker rests for an instant, the base and petty management which watches over him with wary eyes claims he is stealing from it. N. Linguet, “Théorie des Lois Civiles. etc.” London, 1767, t. II., p. 466.

38 „Der Verlust einer Arbeitsstunde pro Tag stellt einen außerordentlich großen Schaden für einen Handelsstaat dar.“ „Der Konsum von Luxusgütern unter den arbeitenden Armen dieses Königsreichs ist sehr groß; besonders unter dem Manufakturpöbel: dabei konsumieren sie aber auch ihre Zeit, ein Verbrauch, verhängnisvoller als jeder andre.“ [Ano70, p. 47 u. 153]

39 „Wenn sich der freie Tagelöhner einen Augenblick ausruht, behauptet die schmutzige Ökonomie, die ihn mit unruhigen Augen verfolgt, daß er sie bestehle.“ (N. Linguet, „Theorie des Loix Civiles etc.“, London 1767, t. II, p. 466.)
10.1. Limits of Working-Day

The capitalist is robbing the worker under such circumstances that he can find reasons to say and think that it is the worker who is robbing the capitalist. What are these circumstances? The supposedly free and equal exchange on the market:

342:1 In other words, the capitalist appeals to the law of the exchange of commodities. He, like all other buyers, seeks to get the greatest possible benefit out of the use-value of his commodity.

Of course, the capitalist’s intentions have weight only because he has the resources to back them with action. If he does not make profits, he can close down his factory. He has the monopoly over the means of production.

10.1.d. [Point of view of the Worker]

The worker replies only after a delay:
Suddenly the voice of the laborer, which had been silenced in the storm and stress of the

Plötzlich aber erhebt sich die Stimme des Arbeiters, die im Sturm und Drang des Produk-
10. The Working-Day

process of production, rises:

It often takes a sustained attack by the capitalist class before the working class, which is at first overwhelmed by the onslaught of capital, rallies and begins to fight back. Compare 390:1. The working class is also reactive on a deeper level: it uses the commodity form with much less enthusiasm than the capitalist class because this is not the form by which it can attain its goals. The market place is a battlefield which the workers would not choose.

As in the case of the capitalist, Marx first looks at the worker’s goals before asking how the market transaction can be used to attain these goals. These goals are formulated most succinctly in *Value, Price, and Profit*, [mecw20]141:1:

He sells his laboring power in order to maintain it, apart from its natural wear and tear, not in order to destroy it.

In *Capital*, the worker does not state his goals at the beginning, but first describes how he is affected by the actions of the capitalists. Additional profits for the capitalist mean more labor for him:

342:2/o The commodity that I have sold you differs from the crowd of other com-

248:1/o Die Ware, die ich dir verkauft habe, unterscheidet sich von dem andren Wa-

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modities, in that its use creates value, and a value greater than its own. That is why you bought it. That which on your side appears as the valorization of capital, is on mine extra expenditure of labor-power.

But the worker is not allowed to criticize the capitalist for exploiting him; after all, he has sold his labor-power, and the buyer of the labor-power has the right to use his commodity as he sees fit:

You and I know on the market only one law, that of the exchange of commodities. And the consumption of the commodity belongs not to the seller who parts with it, but to the buyer, who acquires it. To you, therefore, belongs the use of my daily labor-power.

The laws of commodity exchange forbid the worker to argue with the capitalist how to use...
10. The Working-Day

his labor-power, since he sold it to him. Nevertheless he derives, from the laws of commodity
exchange, a limit to the use of his labor-power by the capitalist.

But by means of the price that you pay for
it each day, I must be able to reproduce it
daily, and to sell it again. Apart from nat-
ural exhaustion through age, etc., I must be
able on the morrow to work with the same
normal amount of force, health and fresh-
ness as today.

Here the worker defines the use-value he is selling: only as much use of his labor-power
as can be reproduced fully so that he can sell an identical labor-power on the next day. To
justify this, he can use to his advantage the capitalist’s frequent admonitions to be thrifty:

You preach to me constantly the gospel of
“saving” and “abstinence.” Good! I will,
like a sensible saving owner, husband my
sole wealth, labor-power, and abstain from
all foolish waste of it. I will each day spend,

Aber vermittelst ihres täglichen Verkaufs-
preises muß ich sie täglich reproduzieren und
daher von neuem verkaufen können. Abge-
sehen von dem natürlichen Verschleiß durch
Alter usw., muß ich fähig sein, morgen mit
demselben Normalzustand von Kraft, Ge-
sundheit und Frische zu arbeiten, wie heute.

Du predigst mir beständig das Evangelium
der „Sparsamkeit“ und „Enthaltung“. Nun
gut! Ich will wie ein vernünftiger, sparsa-
mer Wirt mein einziges Vermögen, die Ar-
beitskraft, haushalten und mich jeder tollen
set in motion, put into action only as much of it as is compatible with its normal duration and healthy development.

“My sole wealth” is a brief allusion at the class difference.

By an unlimited extension of the working-day, you may in one day use up a quantity of labor-power greater than I can restore in three. What you gain in labor I lose in substance.

↑ So far, Marx has argued that this contract violates the law of value because the capitalist is taking something the worker has not agreed to give. The worker has agreed to sell the normal use of his labor-power but not his own “substance.” ↓ Next Marx asks the hypothetical question: what if the worker agreed to sell his or her own substance? In a pinch, many workers may think this is the only option they have. Here Marx makes another point: the...
The Working-Day

sale of this substance at a regular wage is really “spoliation” because a regular wage is a much too low price for this substance:

The use of my labor-power and the spoliation of it are quite different things. If the average time that (doing a reasonable amount of work) an average laborer can live, is 30 years, the value of my labor-power, which you pay me from day to day, is \( \frac{1}{365 \times 30} \) or 1/10950 of its total value. But if you consume it in 10 years, you pay me daily 1/10950 instead of 1/3650 of its total value, i.e., only 1/3 of its daily value, and you rob me, therefore, every day of 2/3 of the value of my commodity. You pay me for one day’s labor-power, whilst you use that of 3 days. That is against our contract and the law of exchanges.

Die Benutzung meiner Arbeitskraft und die Beraubung derselben sind ganz verschiedene Dinge. Wenn die Durchschnittsperiode, die ein Durchschnittsarbeiter bei vernünftigem Arbeitsmaß leben kann, 30 Jahre beträgt, ist der Wert meiner Arbeitskraft, den du mir einen Tag in den andren zahlst, \( \frac{1}{365 \times 30} \) oder 1/10950 ihres Gesamtwerts. Konsumierst du sie aber in 10 Jahren, so zahlst du mir täglich 1/10950 statt 1/3650 ihres Gesamtwerts, also nur 1/3 ihres Tageswerts, und stiehlst mir daher täglich 2/3 des Werts meiner Ware. Du zahlst mir eintägige Arbeitskraft, wo du dreitägige verbrauchst. Das ist wider unseren Vertrag und das Gesetz des Warenaustau-
This additional argument comes to the same 1 for 3 ratio which appeared for the first time at the end of the previous paragraph.

This concludes the worker’s argument, which derives purely from the laws of commodity exchange, not from any other consideration, that capitalist is allowed to drive the worker to full exhaustion every day.

I demand, therefore, a working-day of normal length, and I demand it without any appeal to your heart, for in money matters sentiment is out of place.

The worker ends his plea with an allusion to the “humanitarian” image in which the capitalist likes to see himself. But instead of saying: you picture yourself as good but are really cruel, he abstains from moralizing. He merely points out that the capitalist represents principles which have nothing to do with human considerations.

You may be a model citizen, perhaps a member of the Society for the Prevention of Cruelty to Animals, and in the odor of...
10. The Working-Day

sanctity to boot; but the thing that you represent against me has no heart in its breast.

Despite the irony regarding the capitalist’s saintness, the worker importantly distinguishes between the capitalist as person, about whose morality he is agnostic, and the capitalist as the character mask of capital.

That which seems to throb there is my own heart-beating.

Capital has so much vitality that it seems to have a heart throbbing in its chest: but it draws its energy not from its own heart, it is rather the worker’s heart which gives life to capital.

I demand the normal working-day because I, like every other seller, demand the value of my commodity.\(^{40}\)

During the great strike of the London builders, 1860–61, for the reduction of the working-day to 9 hours, their Committee published a manifesto that contained, to some extent,

\(^{40}\) Während des großen strike der London builders, 1860-1861, zur Reduktion des Arbeitstags auf 9 Stunden, veröffentlichte ihr Komitee eine Erklärung, die halb und halb auf das Plaidoyer unsres
the plea of our worker. The manifesto alludes, not without irony, to the fact, that the greatest profit-monger amongst the building masters, a certain Sir M. Peto, was in the odour of sanctity (This same Peto, after 1867, came to an end a la Strousberg.)


10.1.e. **[Conclusion: Right Against Right]**

Although capitalist exploitation is squarely based on commodity exchange (it owes its effectiveness and resiliency to it), one important aspect of exploitation, the length of the working-day, is left indeterminate by the laws of commodity exchange:

344:1 We see, then: the nature of commodity exchange itself imposes no limits on the working-day, i.e., no limits on surplus labor, except for extremely elastic bounds.

249:1 Man sieht: Von ganz elastischen Schranken abgesehen, ergibt sich aus der Natur des Warenaustausches selbst keine Grenze des Arbeitstags, also keine Grenze der Mehrarbeit.

↑ Marx writes “nature of the commodity exchange *itself*” because he is talking about the
10. The Working-Day

surface of the economy, the sphere of exchange, as opposed to the core relations governing production. ↓ On the market, capital and labor interact as buyers and sellers of commodities.

The capitalist maintains his rights as a purs- chaser when he tries to make the working-day as long as possible, and to make, whenever possible, two working-days out of one. On the other hand, the peculiar nature of the commodity sold implies a limit to its consumption by the purchaser, and the laborer maintains his right as seller when he wishes to reduce the working-day to one of definite normal duration. There is here, therefore, an antinomy, right against right, both equally bearing the seal of the law of exchanges.

This vacuum is filled by class struggle (and institutionalized congelations of class struggle: trade unions and the state).

Between equal rights force decides. Hence

Der Kapitalist behauptet sein Recht als Käufer, wenn er den Arbeitstag so lang als möglich und womöglich aus einem Arbeitstag zwei zu machen sucht. Andrerseits schließt die spezifische Natur der verkauften Ware eine Schranke ihres Konsums durch den Käufer ein, und der Arbeiter behauptet sein Recht als Verkäufer, wenn er den Arbeitstag auf eine bestimmte Normalgröße beschränken will. Es findet hier also eine Antinomie statt, Recht wider Recht, beide gleichmäßig durch das Gesetz des Warenaustausches besiegelt.

Zwischen gleichen Rechten entscheidet die
10.2. The Thirst for Surplus Labor. Manufacturer and Boyard

344:2/o Capital has not invented surplus-labor. Wherever a part of society possesses the monopoly of the means of production, the laborer, free or not free, must add to the working time necessary for his own...

249:2/o Das Kapital hat die Mehrarbeit nicht erfunden. Überall, wo ein Teil der Gesellschaft das Monopol der Produktionsmittel besitzt, muß der Arbeiter, frei oder unfrei, der zu seiner Selberhaltung notwendigen...

is it that in the history of capitalist production, the determination of what is a working-day, presents itself as a struggle, a struggle between collective capital, i.e., the class of capitalists, and collective labor, i.e., the working-class.

Gewalt. Und so stellt sich in der Geschichte der kapitalistischen Produktion die Normierung des Arbeitstags als Kampf um die Schranken des Arbeitstags dar—ein Kampf zwischen dem Gesamtkapitalisten, d.h. der Klasse der Kapitalisten, und dem Gesamtarbeiter, oder der Arbeiterklasse.
maintenance an extra working time in order to produce the means of subsistence for the owners of the means of production,\footnote{Diejenigen, die arbeiten ..., ernähren in Wirklichkeit sowohl die Pensionäre, genannt die Reichen, als auch sich selbst.} \cite{Bur00, p. 2, 3} whether this proprietor be the Athenian καλὸς κ’ἀγαθός, Etruscan theocrat, civis Romanus, Norman baron, American slave-owner, Wallachian Boyard, modern landlord or capitalist.\footnote{Sehr naiv bemerkt Niebuhr in seiner „Römischen Geschichte“: „Man kann sich nicht verhehlen, daß Werke wie die etruskischen, die in ihren}  

\footnote{ „Diejenigen, die arbeiten ... [called the rich] and themselves.” Edmund Burke \cite{Bur00, p. 2, 3}}

According to footnote 42, evidence of this exploitation are the “astounding” use-values produced by the surplus labor:

\footnote{Sehr naiv bemerkt Niebuhr in seiner „Römischen Geschichte“: „Man kann sich nicht verhehlen, daß Werke wie die etruskischen, die in ihren}
suppose in little (!) states lords and vassals.” Sismondi says far more profoundly that “Brussels lace” pre-supposes wage-lords and wage-slaves.

Surplus labor is not new in capitalism. But capitalism does bring something new:

It is, however, clear that in any given economic formation of society, where not the exchange-value but the use-value of the product predominates, surplus-labor will be circumscribed by a given set of wants which may be greater or less, that therefore no boundless thirst for surplus-labor arises from the characteristic form of production itself.

In the one situation where production in antiquity was motivated by exchange-value instead of use-value, the exploitation of slaves was much more barbaric and horrible than elsewhere:
Hence in antiquity over-work becomes horrible only when the object is to obtain exchange-value in its specific independent money-form; in the production of gold and silver. Compulsory working to death is here the recognised form of over-work. Just read Diodorus Siculus.\(^{43}\)

\(^{43}\) “One cannot see these unfortunates (in the gold mines between Egypt, Ethiopia, and Arabia) who cannot even have their bodies clean, or their nakedness clothed, without pitying their miserable lot. There is no indulgence, no forbearance for the sick, the feeble, the aged, for woman’s weakness. All must, forced by blows, work on until death puts an end to their sufferings and their distress.” (“Diod. Sic. Bibl. Hist.,” lib. 2, c. 13, [p. 260].)
The gold mines are evidence that production for value rather than use-value leads to overwork. In antiquity, production for value was only an exception.

Yet these are exceptions in antiquity.

In more recent history, similar horrors became typical when traditional coercive relations of exploitation were drawn into the capitalist world market. Here a second difference between the old relations and capitalism comes into play: the old relations are based on direct coercion, while capitalism is based on free sale of labor-power.

But as soon as peoples, whose production still moves within the lower forms of slave-labor, corvée-labor, etc., are drawn into the whirlpool of an international market dominated by the capitalist mode of production, the sale of their products for export becoming their principal interest, then the civilised horrors of over-work are grafted on the barbaric horrors of slavery, serfdom, etc.
10. The Working-Day

Slavery in the USA is an important example of this:

Hence the negro labor in the Southern States of the American Union preserved something of a patriarchal character, so long as production was chiefly directed to immediate local consumption. But in proportion, as the export of cotton became of vital interest to these states, the over-working of the negro and sometimes the using up of his life in 7 years of labor became a factor in a calculated and calculating system. It was no longer a question of obtaining from him a certain quantity of useful products. It was now a question of production of surplus-value itself.

Slavery is not the only example.

So was it also with the corvée, e.g., in the Danubian Principalities (now Romania).

The remainder of this section is a detailed comparison between the corvée system and capitalism.

First Marx explains why such a comparison is interesting: (1) In both situations the state steps in in order to regulate exploitation.

345:1 The comparison of the greed for surplus-labor in the Danubian Principalities with the same greed in English factories has a special interest, because surplus-labor in the corvée has an independent and empirically ascertainable form.

(2) In corvée, surplus-labor is clearly identifiable, while in capitalism it is not.

345:2/o Suppose the working-day consists of 6 hours of necessary labor, and 6 hours of surplus-labor.

↓ In capitalism, it is undecided when exactly the surplus-labor occurs:
10. The Working-Day

Then the free laborer gives the capitalist every week $6 \times 6$ or 36 hours of surplus-labor. It is the same as if he worked 3 days in the week for himself, and 3 days in the week gratis for the capitalist. But this is not visible. Surplus-labor and necessary labor glide one into the other. I can, therefore, express the same relationship by saying, e.g., that the laborer in every minute works 30 seconds for himself, and 30 for the capitalist, etc.

So liefert der freie Arbeiter dem Kapitalisten wöchentlich $6 \times 6$ oder 36 Stunden Mehrarbeit. Es ist dasselbe, als arbeite er 3 Tage in der Woche für sich und 3 Tage in der Woche umsonst für den Kapitalisten. Aber dies ist nicht sichtbar. Mehrarbeit und notwendige Arbeit verschwimmen ineinander. Ich kann daher dasselbe Verhältnis z.B. auch so ausdrücken, daß der Arbeiter in jeder Minute 30 Sekunden für sich und 30 Sekunden für den Kapitalisten arbeitet usw.

But in corée, necessary labor and surplus-labor are separated clearly.

It is otherwise with the corvée. The necessary labor which the Wallachian peasant performs for his own maintenance is distinctly marked off from his surplus-labor on behalf of the Boyard. The one he does on behalf of the Boyard. The one he does on behalf of the Boyard.

Anders mit der Fronarbeit. Die notwendige Arbeit, die z.B. der walachische Bauer zu seiner Selbsterhaltung verrichtet, ist räumlich getrennt von seiner Mehrarbeit für den Boyaren. Die eine verrichtet er auf seinem eig-
his own field, the other on the seignorial estate. Both parts of the labor-time exist, therefore, independently, side by side one with the other. In the corvée the surplus-labor is clearly marked off from the necessary labor.

This formal difference does not affect the quantitative relation between necessary and surplus labor: This difference in the form of appearance, however, can obviously make no difference with regard to the quantitative relation of surplus-labor to necessary labor. Three days' surplus-labor in the week remain three days that yield no equivalent to the laborer himself, whether it be called corvée or wage-labor.

However this formal difference, that in capitalism surplus labor is intermixed with nec-
10. The Working-Day

Essary labor, while in feudalism they are clearly separated, leads to a difference in the form of the “chase after surplus labor.”

But in the capitalist the greed for surplus-labor appears in the straining after an unlimited extension of the working-day, in the Boyard more simply in a direct hunting after days of corvée.⁴⁴

⁴⁴ That which follows refers to the situation in the Romanian provinces before the change effected since the Crimean war.

(3) Another reason why a comparison with Corvée will give us a better understanding of capitalism is that Corvée is based on open coercion, while the coercion in capitalism goes through the “dull compulsion of economic laws.” This is such an obvious point that Marx does not specifically say it.

After this justification why Corvée labor should be discussed, this discussion itself begins.
346:1/o In the Danubian Principalities the corvée was accompanied by rents in kind and other appurtenances of serfdom, but corvée constituted the most important tribute paid to the ruling class. Whenever this was the case, the corvée rarely arose from serfdom; serfdom much more frequently on the other hand took origin from the corvée.\textsuperscript{44a}

In Romania, for instance, the sequence was: labor for the common land was turned into labor for the thieves of the common land, and bondage developed afterwards.

Footnote 44a by Engels shows that Romania was not the only place where serfdom has been re-introduced. Similar developments can also be found elsewhere:

\textsuperscript{44a} \{This holds likewise for Germany, and especially for Prussia east of the Elbe. In the 15th century the German peasant was nearly everywhere a man, who, whilst subject to cer-
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Tain rents paid in produce and labor was otherwise at least practically free. The German colonists in Brandenburg, Pomerania, Silesia, and Eastern Prussia, were even legally acknowledged as free men. The victory of the nobility in the peasants’ war put an end to that. Not only were the conquered South German peasants again enslaved. From the middle of the 16th century the peasants of Eastern Prussia, Brandenburg, Pomerania, and Silesia, and soon after the free peasants of Schleswig-Holstein were degraded to the condition of serfs. (Maurer, Fronhöfe iv. vol.,—Meitzen, “Der Boden des preussischen Staats”—Hanssen, “Leibeigenschaft in Schleswig-Holstein.”)—F. E.)

Specific history of corvée (forced labor) in Romania:

This is what took place in the Romanian provinces. Their original mode of produc-

So in den rumänischen Provinzen. Ihre ur-

sprüngliche Produktionsweise war auf Ge-
tion was based on community of the soil, but not in the Slavonic or even Indian form. Part of the land was cultivated in severally as freehold by the members of the community, another part—*ager publicus*—was cultivated by them in common. The products of this common labor served partly as a reserve fund against bad harvests and other accidents, partly as a public store for providing the costs of war, religion, and other common expenses. In course of time military and clerical dignitaries usurped, along with the common land, the labor spent upon it. The labor of the free peasants on their common land was transformed into corvée for the thieves of the common land. This corvée soon developed into a servile relationship meineigentum gegründet, aber nicht auf Gemeineigentum in slawischer oder gar indischer Form. Ein Teil der Ländereien wurde als freies Privateigentum von den Mitgliedern der Gemeinde selbständig bewirtschaftet, ein anderer Teil—der *ager publicus*—gemeinsam von ihnen bestellt. Die Produkte dieser gemeinsamen Arbeit dienten teils als Reservefonds für Mißernten und andre Zufälle, teils als Staatsschatz zur Deckung für die Kosten von Krieg, Religion und andre Gemeindeausgaben. Im Laufe der Zeit usurpierten kriegerische und kirchliche Würdenträger mit dem Gemeineigentum die Leistungen für dasselbe. Die Arbeit der freien Bauern auf ihrem Gemeindeland verwandelte sich in Fronarbeit für die Diebe des Gemeindelandes. Damit
10. The Working-Day

existing in point of fact, not in point of law, until Russia, the liberator of the world, made it legal under presence of abolishing serfdom. The code of the corvée, which the Russian General Kisseleff proclaimed in 1831, was of course dictated by the Boyards themselves. Thus Russia conquered with one blow the magnates of the Danubian provinces, and the applause of liberal cretins throughout Europe.

↑ Although corvée was connected with other appurtenances of serfdom, in Romania it did not arise from serfdom, but from the usurpation of the common lands in a Germanic mode of production. However, under the influence of capitalism it led to serfdom, legalized by the reglement organique.

↓ Now a detailed description of these laws, which Marx is going to compare with the English Factory Acts.
According to the “Réglement organique,” as this code of the corvée is called, every Wallachian peasant owes to the so-called landlord, besides a mass of detailed payments in kind: (1), 12 days of general labor; (2), one day of field labor; (3), one day of wood carrying. In all, 14 days in the year. With deep insight into Political Economy, however, the working-day is not taken in its ordinary sense, but as the working-day necessary to the production of an average daily product; and that average daily product is determined in so crafty a way that no Cyclops would be done with it in 24 hours.

The nominally 12 days of corvée labor were actually 56 days:

In dry words, the Réglement itself declares...
with true Russian irony that by 12 working-
days one must understand the product of the
manual labor of 36 days, by 1 day of field
labor 3 days, and by 1 day of wood carry-
ing in like manner three times as much. In
all, 42 corvée days. To this had to be added
the so-called jobagie, service due to the lord
for extraordinary occasions. In proportion
to the size of its population, every village
has to furnish annually a definite contingent
to the jobagie. This additional corvée is es-
timated at 14 days for each Wallachian peas-
ant. Thus the prescribed corvée amounts to
56 working-days yearly. But the agricul-
tural year in Wallachia numbers in conse-
quence of the severe climate only 210 days,
of which 40 for Sundays and holidays, 30
on an average for bad weather, together 70 days, do not count. 140 working-days re-
main.

The rate of surplus labor to necessary labor is still not very great, therefore there are additional loopholes which allow the labor to be made longer:

The ratio of the corvée to the necessary labor 56/84, or 66 2/3 per cent, gives a much smaller rate of surplus-value than that which regulates the labor of the English agricultural or factory laborer. This is, however, only the legally prescribed corvée. And in a spirit yet more “liberal” than the English Factory Acts, the “Réglement organique” has known how to facilitate its own evasion. After it has made 56 days out of 12, the nominal day’s work of each of the 56 corvée days is again so arranged that a por-
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The 12 corvée days of the ‘Règlement organique’ cried a Boyard drunk with victory, amount to 365 days in the year.”

“Die zwölf Frontage des Règlement organique,“rief ein siegtrunkner Bojar, „belaufen sich auf 365 Tage im Jahr!“

Further details are to be found in É. Regnault’s Histoire politique et sociale des principautés danubiennes, Paris, 1855 [pp. 304 ff.].

Weitere Details findet man in É. Regnault, „Histoire politique et sociale des Principautés Danubiennes“, Paris 1855, [p. 304 sqq.].

After his description of the state legislation legalizing and extending bonded labor in the

The condition of it must fall on the ensuing day. In one day, e.g., must be weeded an extent of land, which, for this work, especially in maize plantations, needs twice as much time. The legal day’s work for some kinds of agricultural labor is interpretable in such a way that the day begins in May and ends in October. In Moldavia conditions are still harder.

In Moldavia conditions are still harder.

Weitere Details findet man in É. Regnault, „Histoire politique et sociale des Principautés Danubiennes“, Paris 1855, [p. 304 sqq.].

After his description of the state legislation legalizing and extending bonded labor in the
Danubian provinces, Marx makes a comparison with the recent legislation in England, the “Factory Acts” of 1850, limiting the working-day to 10 hours (see 349:1).

348:1 While the Règlement organique of the Danubian Principalities was a positive expression of the appetite for surplus labor, which every paragraph legalized, the English Factory Acts are negative expressions of the same appetite.

At first glance, the Factory Acts seem to be the opposite of the Règlement Organique: they limit the work days instead of extending them. But Marx calls them an expression of the same drive, even if this expression has the opposite sign.

These laws curb capital’s drive to suck as much as it can get out of labor-power, curbs it by forcibly limiting the working-day on the authority of the state, a state which is ruled by capitalist and landlord.
10. *The Working-Day*

Why would a state controlled by the capitalists and landowners limit the exploitation of labor-power? Marx gives two kinds of reasons. On the one hand, the strength of the labor movement. On the other hand, the legislation was *necessary for society* (although it was against the interest of the capitalist class). The comparison with guano shows that the blind drive for profits needs corrective action also in other ways.

Apart from the daily more threatening advance of the working-class movement, the limiting of factory labor was dictated by the same necessity as forced the manuring of English fields with guano. The same blind desire for profit that in the one case exhausted the soil had in the other case seized hold of the vital force of the nation at its roots.

Marx gives here two very different reasons for the Factory Acts: pressure of the working class, and necessity to preserve the vital force of the nation, which is also addressed in 533:1. The deeper reason, the principle, as Marx says later in 408:2/o, is the general interest
of society not to have the productivity of its workers undermined. This general and necessary social principle is enforced by the struggles of the working class for a limitation of the working-day. “Without the working man’s continuous pressure from without that (legislative) interference would have never taken place” (Value, Price and Profit, p. [mecw20]146:2. Here the working class struggles not only for its own class interest, but for the general social interest, which the ruling class, by itself, is unable to pursue.

The capitalists like to claim that they act in the interest of society as a whole, while the working class only has its own particular interest in mind which is an obstacle to general social progress. This claim becomes less and less justified. The capitalists don’t even act in the long-term interest of their own class any more. Instead, the proletariat begins to be the class whose class interest coincides with the general interest of society. “Apart from higher motives, ... their own most important interests dictate to the classes that are for the nonce the ruling ones, the removal of all legally removable hindrances to the free development of the working class” (91:3/o).

The state found itself in the contradictory situation of giving in to the demands of the working class in order to heed the long-term interests of capital. The state’s failure to enforce its own legislation shows how contradictory this role is.
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The last sentence of this paragraph and footnote 46 give evidence that there was indeed physiological encroachment, not only “moral” encroachment:

Periodical epidemics speak as clearly on this point as the diminishing military standard of height in France and Germany.46

46 ‘In general and within certain limits, evidence of the prosperity of organic beings is provided by their exceeding the medium size of their kind. As for man, his bodily height diminishes if his due growth is interfered with, either by physical or by social conditions. In all European countries in which the conscription holds, since its introduction, the medium height of adult men, and generally their fitness for military service, has diminished. Before the revolution (1789), the minimum for the infantry in France was 165 centimetres; in 1818 (law of March 10th), 157; by the law of March 21, 1832, 156 c.m.; on the average

Periodische Epidemien sprachen hier ebenso deutlich als das abnehmende Soldatenmaß in Deutschland und Frankreich.46

46 „Im allgemeinen spricht innerhalb gewisser Grenzen für das Gedeihen organischer Wesen das Überschreiten des Mittelmaßes ihrer Art. Für den Menschen verkleinert sich sein Körpermitte, wenn sein Gedeihen beeinträchtigt ist, sei es durch physische oder soziale Verhältnisse. In allen europäischen Ländern, wo Konskription besteht, hat seit Einführung derselben das mittlere Körpermitte der erwachsenen Männer und im ganzen ihre Tauglichkeit zum Kriegsdienst abgenommen. Vor der Revolution (1789) war das Minimum für den Infanteristen in Frankreich 165 Zentimeter; 1818 (Gesetz vom 10. März) 157, nach
in France more than half are rejected on account of deficient height or bodily weakness. The military standard in Saxony was in 1780, 178 c.m. It is now 155. In Prussia it is 157. According to the statement of Dr. Meyer in the Bavarian Gazette, May 9th, 1862, the result of an average of 9 years is, that in Prussia out of 1,000 conscripts 716 were unfit for military service, 317 because of deficiency in height, and 399 because of bodily defects... Berlin in 1858 could not provide its contingent of recruits, it was 156 men short.' J. von Liebig: “Die Chemie in ihrer Anwendung auf Agrikultur und Physiologie. 1862,” 7th Ed., vol. 1, pp. 117, 118.

Brief summary of the Factory Acts in force when Marx was writing:

349:1 The Factory Act of 1850 now in force (1867) allows for the average

254:1 Der jetzt (1867) geltende Factory-Act von 1850 erlaubt für den durchschnitt-
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working-day 10 hours, i.e., for the first 5 days 12 hours from 6 a.m. to 6 p.m., from which however 1/2 an hour for breakfast and an hour for dinner are subtracted by law, thus leaving 10 1/2 working-hours, and for Saturday 8 hours, from 6 a.m. to 2 p.m., of which 1/2 an hour is subtracted for breakfast. 60 working-hours are left, 10 1/2 for each of the first 5 days, 7 1/2 for the last. 47

Certain guardians of these laws are appointed, Factory Inspectors, directly under the Home Secretary, whose reports are published half-yearly, by order of Parliament. They give regular and official statistics of the capitalists’ greed for surplus-labor.
The history of the Factory Act of 1850 will be found in the course of this chapter.

The events and developments leading up to these Factory Acts will be discussed later. Right now Marx says, in several different ways, that these Acts were a negative expression of the greed for surplus-labor.

(1) Even after the Acts, are the working hours are still very long, plus the legal norms are exceeded by many firms. The reports of the factory inspectors (instituted by these Acts) became the official documentation of capitalist greed.

349:2–350:1 Let us listen, for a moment, to the Factory Inspectors.

“The fraudulent mill-owner begins work a quarter of an hour (sometimes more, sometimes less) before 6 a.m., and leaves off a quarter of an hour (sometimes more, sometimes less) after 6 p.m. He takes 5 minutes from the beginning and from the end of the half
hour nominally allowed for breakfast, and 10 minutes at the beginning and end of the hour nominally allowed for dinner. He works for a quarter of an hour (sometimes more, sometimes less) after 2 p.m. on Saturday. Thus his gain is—

<table>
<thead>
<tr>
<th>Time</th>
<th>Minutes</th>
<th>Time</th>
<th>Minutes</th>
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<tbody>
<tr>
<td>Before 6 a.m.</td>
<td>15 minutes</td>
<td>Vor 6 Uhr morgens</td>
<td>15 Minuten</td>
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<tr>
<td>After 6 p.m.</td>
<td>15 minutes</td>
<td>Nach 6 Uhr nachmittags</td>
<td>15 Minuten</td>
</tr>
<tr>
<td>At breakfast time</td>
<td>10 minutes</td>
<td>Für Frühstückszeit</td>
<td>10 Minuten</td>
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<tr>
<td>At dinner time</td>
<td>20 minutes</td>
<td>Beim Mittagessen</td>
<td>20 Minuten</td>
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<td>60 minutes</td>
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<tr>
<td><em>Sum in 5 days:</em></td>
<td>300 minutes</td>
<td><em>Summa in 5 Tagen:</em></td>
<td>300 Minuten</td>
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<td>On Saturdays</td>
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<tr>
<td>Before 6 a.m.</td>
<td>15 minutes</td>
<td>Vor 6 Uhr morgens</td>
<td>15 Minuten</td>
</tr>
<tr>
<td>At breakfast time</td>
<td>10 minutes</td>
<td>Für Frühstück</td>
<td>10 Minuten</td>
</tr>
<tr>
<td>Nach 2 p.m.</td>
<td>15 minutes</td>
<td>Nach 2 Uhr nachmittags</td>
<td>15 Minuten</td>
</tr>
<tr>
<td><em>Total weekly:</em></td>
<td>340 minutes</td>
<td><em>Wöchentlicher Gesamtgewinn:</em></td>
<td>340 Minuten</td>
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</table>
Or 5 hours and 40 minutes weekly, which multiplied by 50 working weeks in the year (allowing two for holidays and occasional stoppages) is equal to 27 working-days.”

“Five minutes a day’s increased work, multiplied by weeks, are equal to two and a half days of produce in the year.”

“An additional hour a day gained by small instalments before 6 a.m., after 6 p.m., and at the beginning and end of the times nominally fixed for meals, is nearly equivalent to working 13 months in the year.”


Oder 5 Stunden 40 Minuten wöchentlich, was mit 50 Arbeitswochen multipliziert, nach Abzug von 2 Wochen für Feiertage oder gelegentliche Unterbrechungen, 27 Arbeitstage gibt.“

„Wird der Arbeitstag täglich 5 Minuten über die Normaldauer verlängert, so gibt das 2 1/2 Produktionstage im Jahr.“

„Eine zusätzliche Stunde täglich, dadurch gewonnen, daß bald hier ein Stückchen Zeit erhascht wird, bald dort ein andres Stückchen, macht aus den 12 Monaten des Jahres 13.“

talist mode of production is shown by the Factory Reports, Reports on Mines, etc., that have appeared since 1845, and how accurately he painted the circumstances in detail is seen on the most superficial comparison of his work with the official reports of the Children’s Employment Commission, published 18 to 20 years later (1863–1867). These deal especially with the branches of industry in which the Factory Acts had not, up to 1862, been introduced, in fact are not yet introduced. Here, then, little or no alteration had been enforced, by authority, in the conditions painted by Engels.

In this favorable review of Engels in footnote 48, Marx distinguishes between the depth of Engels’s understanding, corroborated by the factory reports (which contain interviews of the capitalists themselves), and the accuracy of his detailed knowledge, corroborated by the reports of the Children’s Employment Commission (which was focusing on what actually was done to the children in the factories).
The rest of footnote 48 is directed at Marx’s German readers.

48ctd I borrow my examples chiefly from the free-trade period after 1848, that age of paradise, of which the commercial travellers for the great firm of free-trade, blatant as ignorant, tell such fabulous tales to the Germans.—By the way, England figures here in the foreground because she is the classic representative of capitalist production, and she alone has a continuous set of official statistics of the things we are considering.

Marx did not mean to put down England. Other countries did similar things, but they did not document it.

49 “Suggestions, etc. by Mr. L. Homer, Inspector of Factories,” in Factories Regulation Acts. Ordered by the House of Commons to be printed, 9th August, 1859, pp. 4, 5.

50 Reports of the Inspector of Factories for the
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51 Reports, etc., 30th April, 1858, p. 9. 51 „Report etc. 30th April 1858“, p. 9.

(2) Crises, during which production is interrupted, do not affect the drive to lengthen the working-day:

350:2–351:1 Crises during which production is interrupted and the factories work “short time,” i.e., for only a part of the week, naturally do not affect the tendency to extend the working-day.

⇑ This is a contradiction. Business conditions force the capitalists to work shorter hours, but their drive is to extend the hours as much as possible. ⇩ It is revealing how they deal with this contradiction: Even if the employees are working short hours, they are still expected to work during breaks and before and after their paid time.

The less business there is, the more profit has to be made on the business done. The less time spent in work, the more of that time has to be turned into surplus labor.

Je weniger Geschäfte gemacht werden, desto größer soll der Gewinn auf das gemachte Geschäft sein. Je weniger Zeit gearbeitet werden kann, desto mehr Surplusarbeits-
time. Thus the Factory Inspector’s report on the period of the crisis from 1857 to 1858:

“It may seem inconsistent that there should be any overworking at a time when trade is so bad; but that very badness leads to the transgression by unscrupulous men, they get the extra profit of it . . . In the last half year, says Leonard Homer, 122 mills in my district have been given up; 143 were found standing,” yet, over-work is continued beyond the legal hours.52 “For a great part of the time,” says Mr. Howell, “owing to the depression of trade, many factories were altogether closed, and a still greater number were working short time. I continue, however, to receive about the usual number of complaints that half, or three-quarters of an hour in the day, are

zeit soll gearbeitet werden. So berichten die Fabrikinspektoren über die Periode der Krise von 1857 bis 1858:

„Man mag es für eine Inkonsequenz halten, daß irgendwelche Überarbeit zu einer Zeit stattfinden, wo der Handel so schlecht geht, aber sein schlechter Zustand spornzt rücksichtslose Leute zu Überschreitungen; sie sichern sich so einen Extraprofit . . .“ „Zur selben Zeit“, sagt Leonard Horner, „wo 122 Fabriken in meinem Distrikt ganz aufgegeben sind, 143 stillstehen und alle anderen kurze Zeit arbeiten, wird die Überarbeit über die gesetzlich bestimmte Zeit fortgesetzt.“52 „Obgleich“, sagt Herr Howell, „in den meisten Fabriken des schlechten Geschäftsstands wegen nur halbe Zeit gearbeitet wird, erhalte ich nach wie vor dieselbe Anzahl von Klagen, daß eine halbe Stunde oder 3/4 Stun-
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snatched from the workers by encroaching upon the times professedly allowed for rest and refreshment.”

52 Reports, etc., l.c., p. 10.
53 Reports etc., l.c., p. 25.

351:2–352:2 The same phenomenon was reproduced on a smaller scale during the frightful cotton-crises from 1861 to 1865.

"It is sometimes advanced by way of excuse, when persons are found at work in a factory, either at a meal hour, or at some illegal time, that they will not leave the mill at the appointed hour, and that compulsion is necessary to force them to cease work [cleaning their machinery, etc.], especially on Saturday afternoons. But, if the hands remain in a factory after the machinery has ceased to revolve den täglich den Arbeitern weggeschnappt (snatched) werden durch Eingriffe in die ihnen gesetzlich gesicherten Fristen für Mahlzeit und Erholung.

52 „Reports etc.“, l.c. p. 10.
53 „Reports etc.“, l.c. p. 25.

256:1 Dasselbe Phänomen wiederholt sich auf kleinerer Stufenleiter während der furchtbaren Baumwollkrise von 1861 bis 1865.

„Es wird zuweilen vorgeschützt, wenn wir Arbeiter während der Speisestunden oder sonst zu ungesetzlicher Zeit am Werk ertappen, daß sie die Fabrik durchaus nicht verlassen wollen und daß es des Zwangs bedarf, um ihre Arbeit (Reinigen der Maschinen usw.) zu unterbrechen, namentlich Samstag nachmittags. Aber wenn die ‚Hände‘ nach Stillsetzung der Maschinerie in der Fabrik bleiben, geschieht es
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... they would not have been so employed if sufficient time had been set apart specially for cleaning, etc., either before 6 a.m. [sic.] or before 2 p.m. on Saturday afternoons."\(^{55}\)

“The profit to be gained by it (over-working in violation of the Act) appears to be, to many, a greater temptation than they can resist; they calculate upon the chance of not being found out; and when they see the small amount of penalty and costs, which those who have been convicted have had to pay, they find that if they should be detected there will still be a considerable balance of gain ...\(^{56}\)

In cases where the additional time is gained by a multiplication of small thefts in the course of the day, there are insuperable difficulties to the inspectors making out a case.”\(^{57}\)

nur, weil ihnen zwischen 6 Uhr morgens und 6 Uhr abends, in den gesetzlich bestimmten Arbeitsstunden, keine Frist zur Verrichtung solcher Geschäfte gestattet worden ist.”\(^{55}\)

„Der durch Überarbeit über die gesetzliche Zeit zu machende Extraprofit scheint für viele Fabrikanten eine zu große Versuchung, um ihr widerstehn zu können. Sie rechnen auf die Chance, nicht aufgefunden zu werden, und berechnen, daß selbst im Fall der Entdeckung die Geringfügigkeit der Geldstrafen und Gerichtskosten ihnen immer noch eine Gewinnbilanz sichert.”\(^{56}\)

Wo die zusätzliche Zeit durch Multiplikation kleiner Diebstähle (a multiplication of small thefts) im Laufe des Tages gewonnen wird, stehn den Inspektoren fast unüberwindliche Schwierigkeiten der Beweisführung im Weg.”\(^{57}\)
These “small thefts” of capital from the laborer’s meal and recreation time, the factory inspectors also designate as “petty pilferings of minutes,” or, as the laborers technically called them, “nibbling and cribbling at meal-times.”

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54 Reports etc., for the half year ending 30th April, 1861. See Appendix No. 2; Reports, etc., 31st October, 1862, pp. 7, 52, 53. The violations of the Acts became more numerous during the last half year 1863. Cf. Reports, etc., ending 31st October, 1863, p. 7.

55 Reports, etc., October 31st, 1860, p. 23. With what fanaticism, according to the evidence of manufacturers given in courts of law, their
10.2. Manufacturer and Boyard

hands set themselves against every interruption in factory labor, the following curious circumstance shows. In the beginning of June, 1836, information reached the magistrates of Dewsbury (Yorkshire) that the owners of 8 large mills in the neighbourhood of Batley had violated the Factory Acts. Some of these gentlemen were accused of having kept at work 5 boys between 12 and 15 years of age, from 6 a.m. on Friday to 4 p.m. on the following Saturday, not allowing them any respite except for meals and one hour for sleep at midnight. And these children had to do this ceaseless labor of 30 hours in the “shoddyhole,” as the hole is called, in which the woollen rags are pulled in pieces, and where a dense atmosphere of dust, shreds, etc., forces even the adult workman to cover his mouth continually with handkerchiefs for the protection of his lungs! The accused gentlemen affirm in

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lieu of taking an oath—as quakers they were too scrupulously religious to take an oath—that they had, in their great compassion for the unhappy children, allowed them four hours for sleep, but the obstinate children absolutely would not go to bed. The quaker gentlemen were fined £20. Dryden anticipated these gentry:

55 ctd “Fox full fraught in seeming sanctity, That feared an oath, but like the devil would lie, That look’d like Lent, and had the holy leer, And durst not sin! before he said his prayer!”

Eides Statt—als Quäker waren sie zu skrupulös religiöse Männer, einen Eid zu leisten—, sie hätten in ihrer großen Barmherzigkeit den elenden Kindern 4 Stunden Schlaf erlaubt, aber die Starrköpfe von Kindern wollten durchaus nicht zu Bett gehn! Die Herrn Quäker wurden zu 20 Pfd. St. Geldbuße verurteilt. Dryden ahnte diese Quäker:

55 ctd „Ein Fuchs voller Scheinheiligkeit, der wie der Teufel lügt, doch fürchtet sich vor’m Eid, der wie ein Büsser ausschaut, doch seitwärts gier’ge Blicke wirft, doch nicht zu sünd’gen wagt, bevor er sein Gebet gesagt!“

56 Rep., 31st Oct., 1856, p. 34.
57 l.c., p. 35.
58 l.c., p. 48.
59 l.c., p. 48.
Although Marx says that in general, capitalist exploitation is “hidden,” in this situation capitalism reveals itself as being based on the expropriation of labor.

It is evident that in this atmosphere the formation of surplus-value by surplus-labor is no secret. “‘If you allow me’, said a highly respectable master to me, ‘to work only ten minutes in the day over-time, you put one thousand a year in my pocket.’”

“Moments are the elements of profit.”


Nothing is from this point of view more characteristic than the designation of the workers who work full time as

“Moments are the elements of profit.” (Report of the Insp. etc. 30th April 1860 p. 56.)

Nichts ist in dieser Hinsicht charakteristischer als die Bezeichnung der Arbeiter, die volle Zeit arbeiten, durch „full times“
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“full-timers,” and the children under 13 who are only allowed to work 6 hours as “half-timers.” The worker is here nothing more than personified labor-time. All individual distinctions are merged in those of “full-timers” and “half-timers.”

63 This is the official expression both in the factories and in the reports.

63 Der Ausdruck hat offizielles Bürgerrecht, wie in der Fabrik, so in den Fabrikberichten.

10.3. Branches of English Industry With No Legal Bounds to Exploitation

The factory acts discussed so far were the “negative expression” of capital’s were-wolf hunger for surplus-value. The present section discusses situations in which this hunger freely expressed itself because it had not yet received such a negative reaction. Marx concentrates on the time after 1845, see footnote 48 to paragraph 349:2–350:1, where the working-
day was regulated in some but not in other industries. He shows that the same thirst for surplus-labor that is apparent in the regulated industries, can also be found in the unregulated ones. This proves that this thirst is not a reaction to regulation, and makes it clear to the reader that regulation is necessary everywhere, see 411:2/o. Besides excessive length of the working-day, also other transgressions are registered: child labor, unsafe or unhealthy working conditions, product adulteration.

353:1 We have hitherto considered the tendency to the extension of the working-day, the were-wolf’s hunger for surplus-labor, in a department where boundless excesses, not surpassed, says an English bourgeois economist, by the cruelties of the Spaniards to the American red-skins,64 caused capital at last to be bound by the chains of legal regulations.

64 “The cupidity of mill-owners whose cruelties in the pursuit of gain have hardly been ex-
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cceeded by those perpetrated by the Spaniards on the conquest of America in the pursuit of gold.” John Wade, [Wad35, p. 114]. The theoretical part of this book, a kind of hand-book of Political Economy, is, considering the time of its publication, original in some parts, e.g., on commercial crises. The historical part is, to a great extent, a shameless plagiarism of Sir F. M. Eden’s “The State of the Poor,” London, 1797.

It is the boundless excesses of the werewolf’s hunger for surplus labor, not this hunger itself, that triggered the legal regulation. Now Marx looks at industries which were exempt from these laws, in which these excesses continued unabated. Marx brings examples from the production of laces in 353:2/o, pottery in 354:1, matches in 356:1, wallpaper in 356:2, bread in 358:1, and at the end, in 363:1, various other consumer products where excessive hours prevailed.

Now, let us cast a glance at certain branches of production in which the exploitation of labor is either free from fetters to this day, denjenigen übertroffen wurden, die die Spanier bei der Eroberung Amerikas, bei der Jagd nach dem Golde verübten.“ John Wade [Wad35, p. 114] Der theoretische Teil dieses Buchs, eine Art Grundriß der politischen Ökonomie, enthält für seine Zeit einiges Originelle, z.B. über Handelskrisen. Der historische Teil leidet an schamlosem Plagiarismus aus Sir M. Edens, „The State of the Poor“, London 1797.

Werfen wir jetzt den Blick auf einige Produktionszweige, wo die Aussaugung der Arbeitskraft entweder noch heute fesselfrei ist oder
or was so yesterday.

*Laces*: Discussion in a county magistrate about child labor in laces, 18 hours and more per day, amounts to slavery and manslaughter. Personal outrage of officials and priest, capitalists protest against the discussion.

353:2/0 “Mr. Broughton Charlton, county magistrate, declared, as chairman of a meeting held at the Assembly Rooms, Nottingham, on the 14th January, 1860, that there was an amount of privation and suffering among that portion of the population connected with the lace trade, unknown in other parts of the kingdom, indeed, in the civilised world . . . Children of nine or ten years are dragged from their squalid beds at two, three, or four o’clock in the morning and compelled to work for a bare subsistence until ten, eleven, or twelve at night, their limbs wearing away, their frames dwindling, their faces whitening, and their hu-

258:2/0 „Herr Broughton, ein County Magistrate, erklärte als Präsident eines Meetings, abgehalten in der Stadthalle von Nottingham, am 14. Januar 1860, daß in dem mit der Spitzenfabrikation beschäftigten Teile der städtischen Bevölkerung ein der übrigen zivilisierten Welt unbekannter Grad von Leid und Entbehrung vorherrscht . . . Um 2, 3, 4 Uhr des Morgens werden Kinder von 9 bis 10 Jahren ihren schmutzigen Betten entrissen und gezwungen, für die nackte Subsistenz bis 10, 11, 12 Uhr nachts zu arbeiten, während ihre Glieder wegschwinden, ihre Gestalt zusammenschrumpft, ihre Gesichtszüge abstumpfen und ihr mensch-
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manity absolutely sinking into a stone-like torpor, utterly horrible to contemplate ... We are not surprised that Mr. Mallett, or any other manufacturer, should stand forward and protest against discussion ... The system, as the Rev. Montagu Valpy describes it, is one of unmitigated slavery, socially, physically, morally, and spiritually ... What can be thought of a town which holds a public meeting to petition that the period of labor for men shall be diminished to eighteen hours a day? ... We declaim against the Virginian and Carolinian cotton-planters. Is their black-market, their lash, and their barter of human flesh more detestable than this slow sacrifice of humanity which takes place in order that veils and collars may be fabricated for the benefit of capitalists?"\(^65\)
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Potteries: One and the same pottery was subject to 3 parliamentary investigations within 22 years. Quotes from these about the child labor there (leaving aside the conditions for adults). Long and irregular hours, whole nights of overtime without extra pay. Bad health of population is very obvious.

354:1 The potteries of Staffordshire have, during the last 22 years, been the subject of three parliamentary inquiries. The result is embodied in Mr. Scriven’s Report of 1841 to the “Children’s Employment Commissioners,” in the report of Dr. Greenhow of 1860 published by order of the medical officer of the Privy Council (Public Health, 3rd Report, 112–113), lastly, in the report of Mr. Longe of 1862 in the “First Report


65 Daily Telegraph, 17th January, 1860.

of the Children’s Employment Commission, of the 13th June, 1863.” For my purpose it is enough to take, from the reports of 1860 and 1863, some depositions of the exploited children themselves. From the children we may form an opinion as to the adults, especially the girls and women, and that in a branch of industry by the side of which cotton-spinning appears an agreeable and healthful occupation. 66


Testimony of children working in the potteries:

354:2 William Wood, 9 years old, was 7 years and 10 months when he began to work. He “ran moulds” (carried ready-

259:2–5 Wilhelm Wood, neunjährig, “war 7 Jahre 10 Monate alt, als er zu arbeiten begann“. Er „ran moulds“ (trug die fertig ge-
moulded articles into the drying-room, afterwards bringing back the empty mould) from the beginning. He came to work every day in the week at 6 a.m., and left off about 9 p.m.

“I work till 9 o’clock at night six days in the week. I have done so seven or eight weeks.”

Fifteen hours of labor for a child 7 years old! J. Murray, 12 years of age, says:

“I turn jigger, and run moulds. I come at 6. Sometimes I come at 4. I worked all night last night, till 6 o’clock this morning. I have not been in bed since the night before last. There were eight or nine other boys working last night. All but one have come this morning. I get 3 shillings and sixpence. I do not get formte Ware in die Trockenstube, um nachher die leere Form zurückzubringen) von Anfang an. Er kommt jeden Tag in der Woche um 6 Uhr morgens und hört auf ungefähr 9 Uhr abends.

„Ich arbeite bis 9 Uhr abends jeden Tag in der Woche. So z.B. während der letzten 7–8 Wochen.“

Also fünfzehnstündige Arbeit für ein siebenjähriges Kind! J. Murray, ein zwölfjähriger Knabe, sagt aus:

„I run moulds and turn jigger (drehe das Rad). Ich komme um 6 Uhr, manchmal um 4 Uhr morgens. Ich habe während der ganzen letzten Nacht bis diesen Morgen 6 Uhr gearbeitet. Ich war nicht im Bett seit der letzten Nacht. Außer mir arbeiteten 8 oder 9 andre Knaben die letzte Nacht durch. Alle außer einem sind die-
any more for working at night. I worked two nights last week.”

Fernyhough, a boy of ten:

“I have not always an hour (for dinner). I have only half an hour sometimes; on Thursday, Friday, and Saturday.”

Testimony about the general state of health of the population:

354:3/o Dr. Greenhow states that the average duration of life in the pottery districts of Stoke-on-Trent and Wolstanton is extraordinarily short. Although in the district of Stoke, only 36.6% and in Wolstanton only

260:1–5 Dr. Greenhow erklärt die Lebenszeit in den Töpferdistrikten von Stokeupon-Trent und Wolstanton für außerordentlich kurz. Obgleich im Distrikt Stoke nur 36,6% und in Wolstanton nur 30,4% der männlichen
30.4% of the adult male population above 20 are employed in the potteries, among the men of that age in the first district more than half, in the second, nearly 2/5 of the whole deaths are the result of pulmonary diseases among the potters. Dr. Boothroyd, a medical practitioner at Hanley, says:

“Each successive generation of potters is more dwarfed and less robust than the preceding one.”

In like manner another doctor, Mr. M’Bean:

“Since he began to practice among the potters 25 years ago, he had observed a marked degeneration especially shown in diminution of stature and breadth.”

These statements are taken from the report of Dr. Greenhow in 1860.68

Bevölkerung über 20 Jahre in den Töpfereien beschäftigt sind, fällt unter Männern dieser Kategorie im ersten Distrikt mehr als die Hälfte, im zweiten ungefähr 2/5 der Todesfälle infolge von Brustkrankheiten auf die Töpfer. Dr. Boothroyd, praktischer Arzt zu Hanley, sagt aus:

„Jede sukzessive Generation der Töpfer ist zwerghafter und schwächer als die vorhergehende.“

Ebenso ein anderer Arzt, Herr McBean:


Diese Aussagen sind dem Bericht des Dr. Greenhow von 1860 entnommen.68
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68 Public Health, 3rd report, etc., pp. 102, 104, 105.

355:1 From the report of the Commissioners in 1863 the following: Dr. J. T. Arledge, senior physician of the North Staffordshire Infirmary, says:

“The potters as a class, both men and women, represent a degenerated population, both physically and morally. They are, as a rule, stunted in growth, ill-shaped, and frequently ill-formed in the chest; they become prematurely old, and are certainly short-lived; they are phlegmatic and bloodless, and exhibit their debility of constitution by obstinate attacks of dyspepsia, and disorders of the liver and kidneys, and by rheumatism. But of all diseases they are especially prone to chest-disease, to pneumonia, phthisis, bronchitis, and asthma.

68 „Public Health, 3rd Report etc.“, p. 103, 105.

260:6–7 Aus dem Bericht der Kommissäre von 1863 folgendes: Dr. J. T. Arledge, Oberarzt des North Staffordshire Krankenhauses, sagt:

„Als eine Klasse repräsentieren die Töpfer, Männer und Frauen ..., eine entartete Bevölkerung, physisch und moralisch. Sie sind in der Regel verzwergt, schlecht gebaut, und oft an der Brust verwachsen. Sie altern vorzeitig und sind kurzlebig; phlegmatisch und blutlos, verraten sie die Schwäche ihrer Konstitution durch hartnäckige Anfälle von Dyspepsie, Leber und Nierenstörungen und Rheumatismus. Vor allem aber sind sie Brustkrankheiten unterworfen, der Pneumonie, Phthisis, Bronchitis und dem Asthma. Eine Form des letztren ist ihnen ei-
One form would appear peculiar to them, and is known as potter’s asthma, or potter’s consumption. Scrofula attacking the glands, or bones, or other parts of the body, is a disease of two-thirds or more of the potters ... That the ‘degenerescence’ of the population of this district is not even greater than it is, is due to the constant recruiting from the adjacent country, and intermarriages with more healthy races.”


355:2/o Mr. Charles Parsons, late house surgeon of the same institution, writes in a letter to Commissioner Longe, amongst other things:

↓ This testimony speaks not only of the avarice of the employers but also the parents:

“I can only speak from personal observation and not from statistical data, but I do not hes-


260:8–261:3 Herr Charles Parsons, vor kurzem noch House Surgeon derselben Krankenanstalt, schreibt in einem Briefe an den Kommissär Longe u.a.:

„Ich kann nur aus persönlicher Beobachtung, nicht statistisch sprechen, aber ich stehe nicht
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I outline to assert that my indignation has been aroused again and again at the sight of poor children whose health has been sacrificed to gratify the avarice of either parents or employers."

He enumerates the causes of the diseases of the potters, and sums them up in the phrase, "long hours." The report of the Commission trusts that "a manufacture which has assumed so prominent a place in the whole world, will not long be subject to the remark that its great success is accompanied with the physical deterioration, widespread bodily suffering, and early death of the workpeople ... by whose labor and skill such great results have been achieved." 69


Er zählt die Ursachen der Töpferkrankheiten auf und schließt sie kulminierend ab mit "long hours“ („langen Arbeitsstunden“). Der Kommissionsbericht hofft, daß „eine Manufaktur von so hervorragender Stellung in den Augen der Welt nicht lange mehr den Makel tragen wird, daß ihr großer Erfolg begleitet ist von physischer Entartung, vielverzweigten körperlichen Leiden und frühem Tode der Arbeiterbevölkerung, durch deren Arbeit und Geschick so große Resultate erzielt worden sind.“ 69

69 „Children’s Employm. Commission, 1863“
And all that holds of the potteries in England is true of those in Scotland.\textsuperscript{70}

\textsuperscript{70} l.c., p. xlvii.

\textit{Matches}: Because of phosphorus extremely unhealthy conditions, long and irregular hours, meals for the most part taken in the phosphorus infested workrooms, lockjaw disease peculiar to matchmakers, half of the workers children under thirteen.

356:1 The manufacture of lucifer matches dates from 1833, from the discovery of the method of applying phosphorus to the match itself. Since 1845 this manufacture has rapidly developed in England, and has extended especially amongst the thickly populated parts of London as well as in Manchester, Birmingham, Liverpool, Bristol, Norwich, Newcastle and Glasgow. With it has spread the form of lockjaw, which a Vienna
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physician in 1845 discovered to be a disease peculiar to lucifer-matchmakers. Half the workers are children under thirteen, and young persons under eighteen.

Now some indirect reference to the custom by the working class to deliver their children as workers into the factories: Only the most miserable part of the working class delivers its children for the potteries.

The manufacture is on account of its unhealthiness and unpleasantness in such bad odour that only the most miserable part of the laboring class, half-starved widows and so forth, deliver up their children to it, “the ragged, half-starved, neglected, and untaught children.” Of the witnesses that Commissioner White examined (1863), 270 were under 18, 50 under 10, 10 only 8, and 5 only 6 years old. A range of the working-holzmacher entdeckte. Die Hälfte der Arbeiter sind Kinder unter 13 und junge Personen unter 18 Jahren.

Die Manufaktur ist wegen ihrer Ungesundheit und Widerwärtigkeit so verrufen, daß nur der verkommenste Teil der Arbeiterklasse, halbverhungerte Witwen usw., Kinder für sie hergibt, “zerlumpte, halb verhungerte, ganz verwahrloste und unerzogene Kinder“. Von den Zeugen, die Kommissär White (1863) verhörte, waren 270 unter 18 Jahren, 40 unter 10 Jahren, 10 nur 8 und 5 nur 6 Jahre alt. Wechsel des Arbeitstags von 12 auf 14 und 15
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day from 12 to 14 or 15 hours, night-labor, irregular meal-times, meals for the most part taken in the very workrooms that are pestilent with phosphorus. Dante would have found the worst horrors of his Inferno surpassed in this manufacture.

71 l.c., p. liv.

_Paper hangings_ (wallpaper): Machinery operated by children, has to run continuously without meal breaks (apparently as a pretext it was claimed that paper and ink would be wasted). Season mainly in winter, therefore extremely long hours with overtime pay in winter, but overtime also in summer. Workers have to quit sick because of overwork.

356:2 In the manufacture of paper-hangings the coarser sorts are printed by machine; the finer by hand (block-printing). The most active business months are from the beginning of October to the end of April. During this time the work goes on fast and

Stunden, Nachtarbeit, unregelmäßige Mahlzeiten, meist in den Arbeitsräumen selbst, die vom Phosphor verpestet sind. Dante wird in dieser Manufaktur seine grausamsten Höllenphantasien übertroffen finden.

71 l.c. p. LIV.

261:5 In der Tapetenfabrik werden die größeren Sorten mit Maschinen, die feineren mit der Hand (block printing) gedruckt. Die lebhaftesten Geschäftsmonate fallen zwischen Anfang Oktober und Ende April. Während dieser Periode dauert diese Arbeit häufig
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furious without intermission from 6 a.m. to 10 p.m. or further into the night.

356:3/op J. Leach deposes:

“Last winter six out of nineteen girls were away from ill-health at one time from overwork. I have to bawl at them to keep them awake.” W. Duffy: “I have seen when the children could none of them keep their eyes open for the work; indeed, none of us could.” J. Lightbourne: “Am 13 We worked last winter till 9 (evening), and the winter before till 10. I used to cry with sore feet every night last winter.” G. Apsden: “That boy of mine when he was 7 years old I used to carry him on my back to and fro through the snow, and he used to have 16 hours a day … I have often knelt down to feed him as he stood by

261:6–262:0 J. Leach sagt aus:

the machine, for he could not leave it or stop.” Smith, the managing partner of a Manchester factory: “We (he means his “hands” who work for “us”) work on with no stoppage for meals, so that day’s work of 10 1/2 hours is finished by 4.30 p.m., and all after that is over-time.”⁷² (Does this Mr. Smith take no meals himself during 10 1/2 hours?) “We (this same Smith) seldom leave off working before 6 p.m. (he means leave off the consumption of “our” labor-power machines), so that we (iterum Crispinus) are really working overtime the whole year round. For all these, children and adults alike (152 children and young persons and 140 adults), the average work for the last 18 months has been at the very least 7 days, 5 hours, or 78 1/2 hours a week. For the six weeks ending May 2nd this year (1862), arbeiten; … Ich habe oft niedergekniet, um ihn zu füttern, während er an der Maschine stand, denn er durfte sie nicht verlassen oder stillsetzen.“ Smith, der geschäftsführende Associé einer Manchester Fabrik: „Wir“ (er meint seine „Hände“, die für „uns“) „arbeiten ohne Unterbrechung für Mahlzeiten, so daß die Tagesarbeit fertig ist, und alles spätere ist Überzeit.“⁷²: (Ob dieser Herr Smith wohl keine Mahlzeit während 10 1/2 Stunden zu sich nimmt?) „Wir“ (derselbe Smith) „hören selten auf vor 6 Uhr abends“ (er meint mit der Konsumtion „unsrer“ Arbeitskraftmaschinen), „so daß wir“ (iterum Crispinus) „in der Tat das ganze Jahr durch Überzeit arbeiten … Die Kinder und Erwachsenen (152 Kinder und junge Personen unter 18 Jahren und 140 Erwachsene) „haben gleichmä-

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the average was higher—8 days or 84 hours a week.”

ßig während der letzten 18 Monate im Durchschnitt allermindestens 7 Tage und 5 Stunden in der Woche gearbeitet oder 78 1/2 Stunden wöchentlich. Für die 6 Wochen, endend am 2. Mai dieses Jahres“ (1863), „war der Durchschnitt höher—8 Tage oder 84 Stunden in der Woche!“

72 This is not to be taken in the same sense as our surplus-labor-time. These gentlemen consider 10 1/2 hours of labor as the normal working-day, which includes of course the normal surplus-labor. After this begins “over-time” which is paid a little better.

Then a remark about overtime in general, which will be developed more systematically in 686:2/oo

72 It will be seen later that the labor expended during the so-called normal day is paid below its value, so that the over-time is simply

72 Man wird bei einer späteren Gelegenheit sehen, daß die Verwendung der Arbeitskraft während des sogenannten Normaltages unter dem
a capitalist trick in order to extort more surplus-
labor, which it would still be, even if the labor-
power expended during the normal working-day were properly paid.

357:0p–1p Still this same Mr. Smith, who is so extremely devoted to the *pluralis majestatis*, adds with a smile, “Machine-work is not great.” So the employers in the block-printing say: “Hand labor is more healthy than machine work.” On the whole, manufacturers declare with indignation against the proposal “to stop the machines at least during meal-times.”

A clause, says Mr. Otley, manager of a wallpaper factory in the Borough, “which allowed work between, say 6 a.m. and 9 p.m. would suit us (!) very well, but the factory hours, 6

Werte bezahlt wird, so daß die „Überzeit“ ein bloßer Kapitalistenpfiff ist, um mehr „Mehrarbeit“ auszupressen, was es übrigens selbst dann bleibt, wenn die während des „Normaltages“ verwandte Arbeitskraft wirklich voll bezahlt wird.

262:1–2 Doch fügt derselbe Herr Smith, der dem pluralis majestatis so sehr ergeben ist, schmunzelnd hinzu: „Maschinenarbeit ist leicht.“ Und so sagen die Anwender des block printing: „Handarbeit ist gesünder als Maschinenarbeit.“ Im ganzen erklären sich die Herrn Fabrikanten mit Entrüstung gegen den Vorschlag, „die Maschinen wenigstens während der Mahlzeiten stillzusetzen“.

„Ein Gesetz“, sagt Herr Ottley, der Manager einer Tapetenfabrik im Borough (in London) … das Arbeitsstunden von 6 Uhr morgens bis 9 Uhr abends erlaubte, würde uns (!) sehr wohl
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...a.m. to 6 p.m., are not suitable. Our machine is always stopped for dinner. (What generosity!) There is no waste of paper and colour to speak of. But,” he adds sympathetically, “I can understand the loss of time not being liked.”

The report of the Commission opines with naïvete that the fear of some “leading firms” of losing time, *i.e.*, the time for appropriating the labor of others, and thence losing profit is not a sufficient reason for allowing children under 13, and young persons under 18, working 12 to 16 hours per day, to lose their dinner, nor for giving it to them as coal and water are supplied to the steam-engine, soap to wool, oil to the...
wheel—as merely auxiliary material to the instruments of labor, during the process of production itself.\(^73\)

\(^73\) l.c., Evidence, pp. 123, 124, 125, 140, and 54.

**Baking** was still a very antiquated branch of production, even at the time *Capital* was written.

358:1 No branch of industry in England (we do not take into account the making of bread by machinery recently introduced) has preserved up to the present day a method of production so archaic, so—as we see from the poets of the Roman Empire—pre-Christian, as baking. But capital, as was said earlier, is at first indifferent as to the technical character of the labor-process; at first it takes it just as it finds it.

263:1 Kein Industriezweig in England—(wir seh’n von dem erst neuerdings sich Bahnbrechenden Maschinenbrot ab)—hat so altertümliche, ja, wie man aus den Dichtern der römischen Kaiserzeit ersehn kann, vorschichtliche Produktionsweise bis heute beibehalten als die Bäckerei. Aber das Kapital, wie früher bemerkt, ist zunächst gleichgültig gegen den technischen Charakter des Arbeitsprozesses, dessen es sich bemächtigt. Es nimmt ihn zu-
The advent of capitalism by itself does not cause a change in the mode of production. Of course, after capitalism has been established, other mechanisms set in which eventually lead to a revolutionizing of this branch of production. This is why Marx writes here “at first.”

State inspections were triggered not by overwork but by the adulterations of bread. Bread adulteration was already discussed in footnote 51 to paragraph 277:2 of chapter Six.

The incredible adulteration of bread, especially in London, was first revealed by the House of Commons Committee “on the adulteration of articles of food” (1855–56), and Dr. Hassall’s work, “Adulterations detected.” The consequence of these revelations was the Act of August 6th, 1860, “for preventing the adulteration of articles of food and drink,” an ineffective law, since it of course observes the tenderest consideration for every Free-trader who aims by the
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buying or selling of adulterated commodities “to turn an honest penny.”

Alum finely powdered, or mixed with salt, is a normal article of commerce bearing the significant name of “bakers’ stuff.”

A brief more general digression about how free trade affects use-values begins with footnote 75.

Soot is a well-known and very energetic form of carbon, and forms a manure that capitalistic chimney-sweeps sell to English farmers. Now in 1862 the British juryman had in a lawsuit to decide whether soot, with which, unknown to the buyer, 90% of dust and sand are mixed, is genuine soot in the commercial sense or adulterated soot in the legal sense. The “amis du commerce” decided it to be genuine commercial soot, and nonsuited the plaintiff farmer, who had in addition to pay the costs of the suit.

durch Kauf und Verkauf gefälschter Waren „to turn an honest penny“. 75

Alaun, fein gerieben oder mit Salz gemischt, ist ein normaler Handelsartikel, der den bezeichnenden Namen „Baker’s stuff“ führt.

The Committee itself formulated more or less naively its conviction that Free-trade meant essentially trade with adulterated, or as the English ingeniously put it, “sophisticated” goods. In fact this kind of sophistry knows better than Protagoras how to make white black, and black white, and better than the Eleatics how to demonstrate *ad oculos* that everything real is merely an appearance.\(^76\)

\(^76\) The French chemist, Chevallier, in his treatise on the “sophistications” of commodities, enumerates for many of the 600 or more articles which he passes in review, 10, 20, 30 different methods of adulteration. He adds that he does ab, der noch obendrein die Prozeßkosten zu zahlen hatte.

\(^76\) Der französische Chemiker Chevallier, in einer Abhandlung über die „sophistications“ der Waren, zählt unter 600 und einigen Artikeln, die er Revue passieren läßt, für viele derselben 10, 20, 30 verschiedene Methoden der Fälschung auf. Er fügt...
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not know all the methods and does not mention all that he knows. He gives 6 kinds of adulteration of sugar, 9 of olive oil, 10 of butter, 12 of salt, 19 of milk, 20 of bread, 23 of brandy, 24 of meal, 28 of chocolate, 30 of wine, 32 of coffee, etc. Even God Almighty does not escape this fate. See Rouard de Card, “On the Falsifications of the Materials of the Sacrament.” ("De la falsification des substances sacramentelles," Paris, 1856.)

359:1 At all events the Committee had directed the attention of the public to its “daily bread,” and therefore to the baking trade. At the same time in public meetings and in petitions to Parliament rose the cry of the London journeymen bakers against their overwork, etc. The cry was so urgent that Mr. H. S. Tremenheere, also a member of the Com-

hinzu, er kenne nicht alle Methoden und erwähne nicht alle, die er kenne. Für den Zucker gibt er 6 Fälschungsarten, 9 für das Olivenöl, 10 für die Butter, 12 für das Salz, 19 für die Milch, 20 für das Brot, 23 für den Branntwein, 24 für Mehl, 28 für Schokolade, 30 für Wein, 32 für Kaffee etc. Selbst der liebe Herrgott entgeht diesem Schicksal nicht. Sieh Rouard de Card, „De la falsification des substances sacramentelles“, Paris 1856.

264:1 Jedenfalls hatte das Komitee die Augen des Publikums auf sein „tägliches Brot“ und damit auf die Bäckerei gelenkt. Gleichzeitig erscholl in öffentlichen Meetings und Petitionen an das Parlament der Schrei der Londoner Bäckergesellen über Überarbeitung usw. Der Schrei wurde so dringend, daß Herr H. S. Tremenheere, auch Mitglied
mission of 1863 several times mentioned, was appointed Royal Commissioner of Inquiry. His report, together with the evidence given, roused not the heart of the public but its stomach.

The public was upset not so much about overwork but by the adulteration of their food.

Englishmen, always well up in the Bible, knew well enough that man, unless by elective grace a capitalist, or landlord, or sinecurist, is commanded to eat his bread in the sweat of his brow, but they did not know that he had to eat daily in his bread a certain quantity of human perspiration.

"Report, etc., relative to the grievances complained of by the journeymen bakers, etc., London, 1862," and "Second Report, etc., London, 1863."

Der bibelfeste Engländer wußte zwar, daß der Mensch, wenn nicht durch Gnadenwahl Kapitalist oder Landlord oder Sinekurist, dazu berufen ist, sein Brot im Schweiße seines Angesichts zu essen, aber er wußte nicht, daß er in seinem Brote täglich ein gewisses Quantum Menschenschweiß essen muß,
mixed with the discharge of abscesses, cobwebs, dead black-beetles, and putrid German yeast, without counting alum, sand, and other agreeable mineral ingredients.

The bible prepares the public for overwork but not for bread adulteration.

Without any regard to his holiness, Free-trade, the free baking-trade was therefore placed under the supervision of the State inspectors (Close of the Parliamentary session of 1863), and by the same Act of Parliament, work from 9 in the evening to 5 in the morning was forbidden for journeymen bakers under 18. The last clause speaks volumes about the over-work in this seemingly old-fashioned and homely line of business.

359:2/oo “The work of a London journey-

getränkt mit Eiterbeulenausleerung, Spinnweb, Schaben-Leichnamen und fauler deutscher Hefe, abgesehen von Alaun, Sandstein und sonstigen angenehmen mineralischen Ingredienzien.

Ohne alle Rücksicht auf seine Heiligkeit, den „Freetrade“, wurde daher die anhero „freie“ Bäckerei der Aufsicht von Staatsinspektoren unterworfen (Ende der Parlamentssitzung 1863) und durch denselben Parlamentsakt die Arbeitszeit von 9 Uhr abends bis 5 Uhr morgens für Bäckergesellen unter 18 Jahren verboten. Die letztere Klausel spricht Bände über die Überarbeitung in diesem uns so altväterisch anheimelnden Geschäftszweig.

264:2/o „Die Arbeit eines Londoner Bäckerge-
man baker begins, as a rule, at about eleven at night. At that hour he ‘makes the dough,’—a laborious process, which lasts from half an hour to three quarters of an hour, according to the size of the batch or the labor bestowed upon it. He then lies down upon the kneading-board, which is also the covering of the trough in which the dough is ‘made’; and with a sack under him, and another rolled up as a pillow, he sleeps for about a couple of hours. He is then engaged in a rapid and continuous labor for about five hours—throwing out the dough, ‘scaling it off,’ moulding it, putting it into the oven, preparing and baking rolls and fancy bread, taking the batch bread out of the oven, and up into the shop, etc., etc. The temperature of a bakehouse ranges from about 75 to upwards of 90 degrees, and in the smaller bakehouses approximates usually to the higher
rather than to the lower degree of heat. When the business of making the bread, rolls, etc., is over, that of its distribution begins, and a considerable proportion of the journeymen in the trade, after working hard in the manner described during the night, are upon their legs for many hours during the day, carrying baskets, or wheeling hand-carts, and sometimes again in the bakehouse, leaving off work at various hours between 1 and 6 p.m. according to the season of the year, or the amount and nature of their master’s business; while others are again engaged in the bakehouse in ‘bringing out’ more batches until late in the afternoon.

78 l.c., First Report, etc., p. vi.

“During what is called ‘the London season’, the operatives belonging to the ‘full-priced’
Westend regularly begin work at 11 p.m., and are engaged in making the bread, with one or two short (sometimes very short) intervals of rest, up to 8 o’clock the next morning. They are then engaged all day long, up to 4, 5, 6, and as late as 7 o’clock in the evening carrying out bread, or sometimes in the afternoon in the bakehouse again, assisting in the biscuit-baking. They may have, after they have done their work, sometimes five or six, sometimes only four or five hours’ sleep before they begin again. On Fridays they always begin sooner, some about ten o’clock, and continue in some cases, at work, either in making or delivering the bread up to 8 p.m. on Saturday night, but more generally up to 4 or 5 o’clock, Sunday morning. On Sundays the men must attend twice or three times during the day for an hour or
two to make preparations for the next day’s bread … The men employed by the underselling masters (who sell their bread under the ‘full price,’ and who, as already pointed out, comprise three-fourths of the London bakers) have not only to work on the average longer hours, but their work is almost entirely confined to the bakehouse. The underselling masters generally sell their bread … in the shop. If they send it out, which is not common, except as supplying chandlers’ shops, they usually employ other hands for that purpose. It is not their practice to deliver bread from house to house. Towards the end of the week … the men begin on Thursday night at 10 o’clock, and continue on with only slight intermission until late on Saturday evening.’’

79 l.c., p. lxxi.

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das Brot unter dem vollen Preise verkaufen), „und diese betragen, wie früher bemerkt, über 3/4 der Londoner Bäcker, haben noch längere Arbeitsstunden, aber ihre Arbeit ist fast ganz auf das Backhaus beschränkt, da ihre Meister, die Lieferung an kleine Kramladen ausgenommen, nur in der eignen Boutique verkaufen. Ge- gen Ende der Woche … d.h. am Donnerstag, beginnt hier die Arbeit um 10 Uhr in der Nacht und dauert mit nur geringer Unterbrechung bis tief in Sonntag nacht hinein.“

79 l.c., p. LXXI.
Competitors recognize that undersellers base their business on exploitation, even though they don’t see that their own business is based on exploitation too.

361:1 Even the bourgeois intellect understands the position of the “underselling” masters. “The unpaid labor of the men was made the source whereby the competition was carried on.”\(^80\) And the “full-priced” baker denounces his underselling competitors to the Commission of Inquiry as thieves of foreign labor and adulterators.

“They only exist now by first defrauding the public, and next getting 18 hours’ work out of their men for 12 hours’ wages.”\(^81\)


\(^81\) Report (First) etc. Evidence. Testimony of


„Sie reussieren nur durch den Betrug des Publikums und dadurch, daß sie 18 Stunden aus ihren Gesellen für einen Lohn von 12 Stunden herausschlagen.“\(^81\)

\(^80\) George Read, „The History of Baking“, London 1848, p. 16.

\(^81\) „Report (First) etc. Evidence.“ Aussage des
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The adulteration of bread and the formation of a class of bakers that sells the bread below the full price, date from the beginning of the 18th century, from the time when the corporate character of the trade was lost, and the capitalist in the form of the miller or flour-factor, rises behind the nominal master baker. Thus was laid the foundation of capitalistic production in this trade, of the unlimited extension of the working-day and of night-labor, although the latter only since 1824 gained a serious footing, even in London.

George Read, l.c. At the end of the 17th and the beginning of the 18th centuries the factors (agents) that crowded into every possible trade
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were still denounced as “public nuisances.” Thus the Grand Jury at the quarter session of the Justices of the Peace for the County of Somerset, addressed a presentment to the Lower House which, among other things, states, “that these factors of Blackwell Hall are a Public Nuisance and Prejudice to the Clothing Trade, and ought to be put down as a Nuisance.” “The Case of our English Wool., etc.,” London, 1685, pp. 6, 7.

83 First Report, etc., p. viii.

361:3 After what has just been said, it will be understood that the Report of the Commission classes journeymen bakers among the short-lived laborers, who, having by good luck escaped the normal decimation of the children of the working-class, rarely reach the age of 42. Nevertheless, the baking trade is always overwhelmed with ap-

noch offiziell als „Public Nuisances“ denunziert. So erließ z.B. die Grand Jury bei der vierteljährigen Friedensrichtersitzung in der Grafschaft Somerset, ein „presentment“ an das Unterhaus, worin es u.a. heißt: „daß diese Agenten von Blackwell Hall ein öffentlicher Unfug sind und dem Tuchgewerbe Abbruch tun und als Schädlinge unterdrückt werden sollten“. („The Case of our English Wool etc.“, London 1685, p. 6, 7.)

83 „First Report etc.“, p. VIII.

266:2 Man wird nach dem Vorhergehenden verstehn, daß der Kommissionsbericht die Bäckergesellen zu den kurzlebigen Arbeitern zählt, die, nachdem sie der unter allen Teilen der Arbeiterklasse normalen Kinderdezimation glücklich entwischt sind, selten das 42. Lebensjahr erreichen. Nichtsdestoweniger ist das Bäckergewerbe stets mit
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The sources of the supply of these labor-powers to London are Scotland, the western agricultural districts of England, and Germany.

362:1 In the years 1858–60, the journeymen bakers in Ireland organised at their own expense great meetings to agitate against night and Sunday work. The public—e.g., at the Dublin meeting in May, 1860—took their part with Irish warmth. As a result of this movement, day-labor alone was successfully established in Wexford, Kilkenny, Clonmel, Waterford, etc.

“In Limerick, where the grievances of the journeymen are demonstrated to be excessive, the movement has been defeated by the oppo-


„Zu Limerick, wo die Qualen der Lohngesellen bekanntermaßen alles Maß überstiegen, scheiterte diese Bewegung an der Opposition der
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position of the master bakers, the miller bakers being the greatest opponents. The example of Limerick led to a retrogression in Ennis and Tipperary. In Cork, where the strongest possible demonstration of feeling took place, the masters, by exercising their power of turning the men out of employment, have defeated the movement. In Dublin, the master bakers have offered the most determined opposition to the movement, and by discountenancing as much as possible the journeymen promoting it, have succeeded in leading the men into acquiescence in Sunday work and night-work, contrary to the convictions of the men.”

84 Report of Committee on the Baking Trade in Ireland for 1861.

Tough words but no actions, although they could easily have acted:

362:2 The Committee of the English Bäckermeister, namentlich der Bäcker-Müller. Das Beispiel Limericks führte zum Rückschritt in Ennis und Tipperary. Zu Cork, wo der öffentliche Unwille sich in der lebhaftesten Form kundgab, vereitelten die Meister die Bewegung durch den Gebrauch ihrer Macht, die Gesellen an die Luft zu setzen. Zu Dublin leisteten die Meister den entschiedensten Widerstand und zwangen durch Verfolgung der Gesellen, die an der Spitze der Agitation standen, den Rest zum Nachgeben, zur Fügung in die Nacht- und Sonntagsarbeit.”

84 „Report of Committee on the Baking Trade in Ireland for 1861.“
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Government, which Government, in Ireland, is armed to the teeth, and generally knows how to show it, remonstrates in mild, though funereal, tones with the implacable master bakers of Dublin, Limerick, Cork, etc.: “The Committee believe that the hours of labor are limited by natural laws, which cannot be violated with impunity. That for master bakers to induce their workmen, by the fear of losing employment, to violate their religious convictions and their better feelings, to disobey the laws of the land, and to disregard public opinion (this all refers to Sunday labor), is calculated to provoke ill-feeling between workmen and masters, … and affords an example dangerous to religion, morality, and social order … The
Committee believe that any constant work beyond 12 hours a-day encroaches on the domestic and private life of the working-man, and so leads to disastrous moral results, interfering with each man’s home, and the discharge of his family duties as a son, a brother, a husband, a father. That work beyond 12 hours has a tendency to undermine the health of the workingman, and so leads to premature old age and death, to the great injury of families of working-men, thus deprived of the care and support of the head of the family when most required.”

Agricultural laborers in Scotland (rough climate, Sunday work). Railway operators in England. Long hours lead to accidents, but juries do not seem to recognize the underlying reasons! The second time that Marx is critical of pro-capitalist public opinion.
363:1 So far, we have dealt with Ireland. On the other side of the channel, in Scotland, the agricultural laborer, the ploughman, protests against his 13–14 hours’ work in the most inclement climate, with 4 hours’ additional work on Sunday (in this land of Sabbatarians!), whilst, at the same time, three railway men are standing before a London coroner’s jury—a guard, an enginedriver, a signalman. A tremendous railway accident has hurried hundreds of passengers into another world. The negligence of the employee is the cause of the misfortune. They declare with one voice before the jury that ten or twelve years before, their labor only lasted eight hours a day. During the last five or six years it had been screwed up

to 14, 18, and 20 hours, and under a specially severe pressure of holiday-makers, at times of excursion trains, it often lasted for 40 or 50 hours without a break. They were ordinary men, not Cyclops. At a certain point their labor-power failed. Torpor seized them. Their brain ceased to think, their eyes to see. The thoroughly “respectable” British jurymen answered by a verdict that sent them to the next assizes on a charge of manslaughter, and, in a gentle “rider” to their verdict, expressed the pious hope that the capitalistic magnates of the railways would, in future, be more extravagant in the purchase of a sufficient quantity of labor-power, and more “abstemious”, more “self-denying,” more “thrifty,” in the draining of
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paid labor-power.\textsuperscript{87}

\textsuperscript{86} Public meeting of agricultural laborers at Lasswade, near Edinburgh, January 5th, 1866. (See Workman’s Advocate, January 13th, 1866.) The formation since the close of 1865 of a Trades’ Union among the agricultural laborers at first in Scotland is a historic event. In one of the most oppressed agricultural districts of England, Buckinghamshire, the laborers, in March, 1867, made a great strike for the raising of their weekly wage from 9–10 shillings to 12 shillings. (It will be seen from the preceding passage that the movement of the English agricultural proletariat, entirely crushed since the suppression of its violent manifestations after 1830, and especially since the introduction of the new Poor

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Laws, begins again in the sixties, until it becomes finally epoch-making in 1872. I return to this in the 2nd volume, as well as to the Blue books that have appeared since 1867 on the position of the English land laborers. Addendum to the 3rd ed.)

87 Reynolds’ Newspaper, January, 1866.—Every week this same paper has, under the sensational headings, “Fearful and fatal accidents,” “Appalling tragedies,” etc., a whole list of fresh railway catastrophes. On these an employee on the North Staffordshire line comments: “Everyone knows the consequences that may occur if the driver and fireman of a locomotive engine are not continually on the look-out. How can that be expected from a man who has been at such work for 29 or 30 hours, exposed to the weather, and without rest. The following is an example which is of very frequent occurrence:—One fireman commenced work on the Monday Jahren wieder beginnt, bis sie endlich 1872 epochemachend wird. Ich komme hierauf im II. Band zurück, ebenso auf die seit 1867 erschienenen Blaubücher über die Lage des englischen Landarbeiters. Zusatz zur 3. Aufl.)

morning at a very early hour. When he had finished what is called a day’s work, he had been on duty 14 hours 50 minutes. Before he had time to get his tea, he was again called on for duty. . . . The next time he finished he had been on duty 14 hours 25 minutes, making a total of 29 hours 15 minutes without intermission. The rest of the week’s work was made up as follows: – Wednesday. 15 hours: Thursday, 15 hours 35 minutes; Friday, 14 1/2 hours; Saturday, 14 hours 10 minutes, making a total for the week of 88 hours 40 minutes. Now, sir, fancy his astonishment on being paid 6 1/4 days for the whole. Thinking it was a mistake, he applied to the time-keeper, . . . and inquired what they considered a day’s work, and was told 13 hours for a goods man (i.e., 78 hours). . . . He then asked for what he had made over and above the 78 hours per week, but was refused. However, he was at last told they would
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give him another quarter, *i.e.*, 10 d.” L.c., 4th February 1866.

Two more very diverse examples showing that “before capital all men are alike”: *Milliner* (Putzmacherin) long hours, overtime before the balls, overfull ateliers. *Blacksmith*: Hard labor and long hours surpassing human capacity.

364:1 From the motley crowd of laborers of all callings, ages, sexes, that press on us more busily than the souls of the slain on Ulysses, on whom—without referring to the Blue books under their arms—we see at a glance the mark of over-work, let us take two more figures whose striking contrast proves that before capital all men are alike—a milliner and a blacksmith.

364:2/o In the last week of June, 1863, 268:1/o Aus dem buntscheckigen Haufen der Arbeiter von allen Professionen, Altern, Geschlechtern, die eifriger auf uns andrängen als die Seelen der Erschlagenen auf den Odysseus und denen man, ohne die Blaubücher unter ihren Armen, auf den ersten Blick die Überarbeit ansieht, greifen wir noch zwei Figuren heraus, deren frappanter Kontrast beweist, daß vor dem Kapital alle Menschen gleich sind—eine Putzmacherin und einen Grobschmied.

269:1–270:3 In den letzten Wochen vom
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all the London daily papers published a paragraph with the “sensational” heading, “Death from simple over-work.” It dealt with the death of the milliner, Mary Anne Walkley, 20 years of age, employed in a highly-respectable dressmaking establishment, exploited by a lady with the pleasant name of Elise. The old, often-told story, was once more recounted. This girl worked, on an average, 16 1/2 hours, during the season often 30 hours, without a break, whilst her failing labor-power was revived by occasional supplies of sherry, port, or coffee. It was just now the height of the season. It was necessary to conjure up in the twinkling of an eye the gorgeous dresses for the noble ladies bidden to the ball in honour of the noble ladies bidden to the ball in honour

of the newly-imported Princess of Wales. Mary Anne Walkley had worked without intermission for 26 1/2 hours, with 60 other girls, 30 in one room, that only afforded 3 of the cubic feet of air required for them. At night, they slept in pairs in one of the stifling holes into which the bedroom was divided by partitions of board. And this was one of the best millinery establishments in London. Mary Anne Walkley fell ill on the Friday, died on Sunday, without, to the astonishment of Madame Elise, having previously completed the work in hand. The doctor, Mr. Keys, called too late to the death-bed, duly bore witness before the coroner’s jury that
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“Mary Anne Walkley had died from long hours of work in an over-crowded work-room, and a too small and badly ventilated bedroom.”

In order to give the doctor a lesson in how to live well, the coroner’s jury thereupon brought in a verdict that

“the deceased had died of apoplexy, but there was reason to fear that her death had been accelerated by over-work in an over-crowded workroom, etc.”

88 Cf F. Engels, l.c., pp. 253, 254.

89 Dr. Letheby, Consulting Physician of the Board of Health, declared: “The minimum of air for each adult ought to be in a sleeping room 300, and in a dwelling room 500 cubic feet.”

Dr. Richardson, Senior Physician to one of the

vor der „Coroner’s Jury“ in dürren Worten:

„Mary Anne Walkley sei gestorben an langen Arbeitsstunden in einem überfüllten Arbeitszimmer und überengem, schlechtventiliertem Schlafgemach.“

Um dem Arzt eine Lektion in guter Lebensart zu geben, erklärte dagegen die „Coroner’s Jury“:

„Die Hingeschiedne sei gestorben an der Apoplexie, aber es sei Grund, zu fürchten, daß ihr Tod durch Überarbeit in einer überfüllten Werkstatt usw. beschleunigt worden sei.


89 Dr. Letheby, beim Board of Health funk tionierender Arzt, erklärt damals: „Das Minimum für die Erwachsenen sollte in einem Schlafzimmer 300 Kubikfuß und in einem Wohnzimmer 500 Kubikfuß Luft sein.“

Dr. Richardson, Oberarzt eines
London Hospitals: “With needlewomen of all kinds, including milliners, dressmakers, and ordinary sempstresses, there are three miseries—over-work, deficient air, and either deficient food or deficient digestion … Needlework, in the main, … is infinitely better adapted to women than to men. But the mischiefs of the trade, in the metropolis especially, are that it is monopolised by some twenty-six capitalists, who, under the advantages that spring from capital, can bring in capital to force economy out of labor. This power tells throughout the whole class. If a dressmaker can get a little circle of customers, such is the competition that, in her home, she must work to the death to hold together, and this same over-work she must of necessity inflict on any who may assist her. If she fail, or do not try independently, she must join an establishment, where her labor is oot less, but where her money
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is safe. Placed thus, she becomes a mere slave, tossed about with the variations of society. Now at home, in one room, starving, or near to it, then engaged 15, 16, aye, even 18 hours out of the 24, in an air that is scarcely tolerable, and on food which, even if it be good, cannot be digested in the absence of pure air. On these victims, consumption, which is purely a disease of bad air, feeds.” Dr. Richardson: “Work and Over-work,” in “Social Science Review,” 18th July, 1863.

365:1 “Our white slaves,” cried the Morning Star, the organ of the Free-traders, Cob-

selben Überarbeit muß sie notwendig ihre Gehilfinnen heimsuchen. Mißlingt ihr Geschäft oder kann sie sich nicht selbständig etablieren, so wendet sie sich an ein Etablissement, wo die Arbeit nicht geringer, aber die Zahlung sicher ist. So gestellt, wird sie eine reine Sklavin, hin und her geschleudert von jeder Flutung der Gesellschaft; bald zu Hause in einem kleinen Zimmer verhungernd, oder nahe so; dann wieder von 24 Stunden 15, 16 ja 18 Stunden beschäftigt in kaum erträglicher Luft und mit einer Nahrung, die, selbst wenn gut, wegen Abwesenheit reiner Luft nicht verdaut werden kann. Von diesen Opfern lebt die Schwindsucht, welche nichts als eine Luftkrankheit ist.” (Dr. Richardson, „Work and Overwork“ in „Social Science Review“, 18. Juli 1863.)

270:4 Unsre „weißen Sklaven“, rief der „Morning Star“, das Organ der Freihandels-
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den and Bright, “our white slaves, who are toiled into the grave, for the most part silently pine and die.”

90 Morning Star, 23rd June, 1863.—The Times made use of the circumstance to defend the American slave-owners against Bright, etc. “Very many of us think,” says a leader of July 2nd, 1863, “that, while we work our own young women to death, using the scourge of starvation, instead of the crack of the whip, as the instrument of compulsion, we have scarcely a right to hound on fire and slaughter against families who were born slave-owners, and who, at least, feed their slaves well, and work them lightly.” In the same manner, the Standard, a Tory organ, fell foul of the Rev. Newman Hall: “He excommunicated the slave-owners, but prays with the fine

herrn Cobden und Bright, „unsere weißen Sklaven werden in das Grab hineingearbeitet und verderben und sterben ohne Sang und Klang“. 90

folk who, without remorse, make the omnibus drivers and conductors of London, etc., work 16 hours a-day for the wages of a dog.” Finally, spake the oracle, Thomas Carlyle, of whom I wrote, in 1850, “Zum Teufel ist der Genius, der Kultus ist geblieben.” In a short parable, he reduces the one great event of contemporary history, the American Civil War, to this level, that the Peter of the North wants to break the head of the Paul of the South with all his might, because the Peter of the North hires his labor by the day, and the Paul of the South hires his by the life. (“Macmillan’s Magazine.” Ilias Americana in nuce. August, 1863.) Thus, the bubble of Tory sympathy for the urban workers—by no means for the rural—has burst at last. The sum of all is—slavery!

366:1/0 “It is not in dressmakers’ rooms that working to death is the order of the day, but


271:1 „Zu Tod arbeiten ist die Tagesordnung, nicht nur in der Werkstätte der Putzmacherin-

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in a thousand other places; in every place I had almost said, where ‘a thriving business’ has to be done … We will take the blacksmith as a type. If the poets were true, there is no man so hearty, so merry, as the blacksmith; he rises early and strikes his sparks before the sun; he eats and drinks and sleeps as no other man. Working in moderation, he is, in fact, in one of the best of human positions, physically speaking. But we follow him into the city or town, and we see the stress of work on that strong man, and what then is his position in the death-rate of his country. In Marylebone, blacksmiths die at the rate of 31 per thousand per annum, or 11 above the mean of the male adults of the country in its entirety. The occupation, instinctive almost as a portion of human art, unobjectionable as a branch of human industry, is made by mere excess of work, the
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destroyer of the man. He can strike so many blows per day, walk so many steps, breathe so many breaths, produce so much work, and live an average, say of fifty years; he is made to strike so many more blows, to walk so many more steps, to breathe so many more breaths per day, and to increase altogether a fourth of his life. He meets the effort; the result is, that producing for a limited time a fourth more work, he dies at 37 for 50.”

91 Dr. Richardson, l.c., pp. 476 ff.

fast instinktive Kunst der Menschheit, an und für sich tadellos, wird durch bloße Übertreibung der Arbeit der Zerstörer des Mannes. Er kann so viel Hammerschläge täglich schlagen, so viel Schritte gehen, so viel Atemzüge holen, so viel Werk verrichten, und durchschnittlich sage 50 Jahre leben. Man zwingt ihn, so viel mehr Schläge zu schlagen, so viel mehr Schritte zu gehen, so viel öfter des Tags zu atmen, und alles zusammen seine Lebensausgabe täglich um ein Viertel zu vermehren. Er macht den Versuch, und das Resultat ist, daß er für eine beschränkte Periode ein Viertel mehr Werk verrichtet und im 37. Jahre statt im 50. stirbt.”

91 Dr. Richardson, l.c.
The prolongation of the working-day is an inherent drive of capital even if there is no constant capital. However it gains special urgency when there is a considerable amount of constant capital: then the constant capital must be used day and night.

367:1/o Constant capital, the means of production, considered from the standpoint of the creation of surplus-value, only exist to absorb labor, and with every drop of labor a proportional quantity of surplus-labor. While they fail to do this, their mere existence causes a relative loss to the capitalist, for they represent during the time they lie fallow, a useless advance of capital. And this loss becomes positive and absolute as soon as the intermission of their employment necessitates additional outlay at the 271:2/o Das konstante Kapital, die Produktionsmittel, sind, vom Standpunkt des Verwertungsprozesses betrachtet, nur da, um Arbeit und mit jedem Tropfen Arbeit ein proportionelles Quantum Mehrarbeit einzusaugen. Soweit sie das nicht tun, bildet ihre bloße Existenz einen negativen Verlust für den Kapitalisten, denn sie repräsentieren während der Zeit, wo sie brachliegen, nutzlosen Kapitalvorschub, und dieser Verlust wird positiv, sobald die Unterbrechung zusätzliche Auslagen nötig macht für den Wiederbeginn
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recommencement of work. The prolongation of the working-day beyond the limits of the natural day, into the night, only acts as a palliative. It quenches only in a slight degree the vampire thirst for the living blood of labor.

These two reasons (constant capital cannot stand idle, and utmost prolongation of the working-day) are powerful enough that night shifts are introduced:

To appropriate labor during all the 24 hours of the day is, therefore, the inherent tendency of capitalist production. But as it is physically impossible to exploit the same individual labor-power constantly during the night as well as the day, to overcome this physical hindrance, an alternation becomes necessary between the workpeople whose powers are exhausted by day, and those who

Arbeit während aller 24 Stunden des Tags anzueignen ist daher der immanente Trieb der kapitalistischen Produktion. Da dies aber physisch unmöglich, würden dieselben Arbeitskräfte Tag und Nacht fortwährend ausgesaugt, so bedarf es, zur Überwindung des physischen Hindernisses, der Abwechslung zwischen den bei Tag und Nacht verspeisten Arbeitskräften, eine Abwechslung, die
are used up by night. This alternation may be effected in various ways; e.g., it may be so arranged that part of the workers are one week employed on day-work, the next week on night-work. It is well known that this relay system, this alternation of two sets of workers, held full sway in the full-blooded youth-time of the English cotton manufacture, and that at the present time it still flourishes, among others, in the cotton spinning of the Moscow district. This 24 hours’ process of production exists today as a system in many of the branches of industry of Great Britain that are still “free,” in the blast-furnaces, forges, plate-rolling mills, and other metallurgical establishments in England, Wales, and Scotland. verschiedene Methoden zulässt, z.B. so geordnet sein kann, daß ein Teil des Arbeiterpersonals eine Woche Tagdienst, Nachtdienst die andre Woche versieht usw. Man weiß, daß dies Ablösungssystem, diese Wechselwirtschaft, in der vollblütigen Jugendperiode der englischen Baumwollindustrie usw. vorherrschte und u.a. gegenwärtig in den Baumwollspinnereien des Gouvernements Moskau blüht. Als System existiert dieser 24stündige Produktionsprozeß heute noch in vielen bis jetzt „freien“ Industriezweigen Großbritanniens, u.a. in den Hochöfen, Schmieden, Walzwerken und anden Metallmanufakturen von England, Wales und Schottland. Der Arbeitsprozeß umfaßt hier außer den 24 Stunden der 6 Werkeltage größenteils auch die 24
The working time here includes, besides the 24 hours of the 6 working-days, a great part also of the 24 hours of Sunday. The workers consist of men and women, adults and children of both sexes. The ages of the children and young persons run through all intermediate grades, from 8 (in some cases from 6) to 18. In some branches of industry, the girls and women work through the night together with the males.


Both in Staffordshire and in South Wales young girls and women are employed on the pit banks and on the coke heaps, not only by day but also by night. This practice has been often noticed in Reports presented to Parliament, as being practised in Reports presented to Parliament, as being described as a violation of the law.

In Staffordshire wie auch in Süd-Wales werden junge Mädchen und Frauen in Kohlengruben und auf Kokshalden beschäftigt, nicht nur bei Tag, sondern auch bei Nacht. In den dem Parlament erstatteten Berichten wurde dies oft erwähnt als eine Verletzung der Gesetze.
attended with great and notorious evils. These females employed with the men, hardly distin-
guished from them in their dress, and begrimed with dirt and smoke, are exposed to the deterio-
ration of character, arising from the loss of self-
respect, which can hardly fail to follow from their
unfeminine occupation.” (l.c., 194, p. xxvi. Cf.
Fourth Report (1865), 61, p. xiii.) It is the same in glass-works.

Shift work not only detrimental to the health of the workers, but it also allows the capital-
ists to cheat on the restrictions of the working-day by forcing workers to work double shifts
if the worker of the next shift does not come in.

368:1/o Placing on one side the generally injurious influence of night-labor, the du-
ration of the process of production, unbro-
ken during the 24 hours, offers very wel-
come opportunities of exceeding the limits

272:1/o Von den allgemeinen schädlichen Wirkungen der Nachtarbeit abgesehen, bietet die ununterbrochene, vierundzwanzigstündi-
ge Dauer des Produktionsprozesses höchst willkommene Gelegenheit, die Grenze des no-
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of the normal working-day.

The general detrimental effects of night work are discussed in the footnote.

A steel manufacturer who employs children in night-labor remarked: “It seems but natural that boys who work at night cannot sleep and get proper rest by day, but will be running about.’ (l.c., Fourth Report, 63, p. xiii.) On the importance of sunlight for the maintenance and growth of the body, a physician writes: “Light also acts upon the tissues of the body directly in hardening them and supporting their elasticity. The muscles of animals, when they are deprived of a proper amount of light, become soft and inelastic, the nervous power loses its tone from defective stimulation, and the elaboration of all growth seems to be perverted . . . In the case of children, constant access to plenty of light during the day, and to the direct rays of the sun for a part of it, is most essential to health. Light assists in the elaboration
of good plastic blood, and hardens the fibre after it has been laid down. It also acts as a stimulus upon the organs of sips, and by this means brings about more activity in the various cerebral functions.” Dr. W. Strange, Senior Physician of the Worcester General Hospital, from whose work on “Health” (1864) this passage is taken, writes in a letter to Mr. White, one of the commissioners: “I have had opportunities formerly, when in Lancashire, of observing the effects of nightwork upon children, and I have no hesitation in saying, contrary to what some employers were fond of asserting, those children who were subjected to it soon suffered in their health.” (l.c., 284., p. 55.) That such a question should furnish the material of serious controversy, shows plainly how capitalist production acts on the brain-functions of capitalists and their retainers.
It should be self-understood that day-and-night work is bad for your health—this is presumably why Marx put this discussion into a footnote.

But shift work also makes it easy for the capitalists to circumvent the regulations regarding work hours:

E.g., in the branches of industry already mentioned, which are of an exceedingly fatiguing nature; the official working-day means for each worker usually 12 hours by night or day. But the over-work beyond this amount is in many cases, to use the words of the English official report, “truly fearful.”

“Kein menschliches Gemüt“, heißt es, „wirklich schauderhaft“ („truly fearful“). 

95 l.c. 57, p. xii.

369:1 “It is impossible,” the report continues,
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“for any mind to realise the amount of work described in the following passages as being performed by boys of from 9 to 12 years of age … without coming irresistibly to the conclusion that such abuses of the power of parents and of employers can no longer be allowed to exist.”  


↑ Here again a critique of the parents as well as the employers, similar to 355:2/o.

369:2 “The practice of boys working at all by day and night turns either in the usual course of things, or at pressing times, seems inevitably to open the door to their not unfrequently working unduly long hours. These hours are, indeed, in some cases, not only cruelly but even incredibly long for children. Amongst a number of boys it will, of course, not unfrequently happen that one or more are

„kann die Arbeitsmasse, die nach den Zeugenaussagen durch Knaben von 9 bis 12 Jahren verrichtet wird, überdenken, ohne unwiderstehlich zum Schluß zu kommen, daß dieser Machtmißbrauch der Eltern und Arbeitgeber nicht länger erlaubt werden darf.“  

96 l.c. („4th Rep.“, 1865), 58, p. XII.

from some cause absent. When this happens, their place is made up by one or more boys, who work in the other turn. That this is a well understood system is plain ... from the answer of the manager of some large rolling-mills, who, when I asked him how the place of the boys absent from their turn was made up, ‘I daresay, sir, you know that as well as I do,’ and admitted the fact.”

97 l.c.

369:3/o “At a rolling-mill where the proper hours were from 6 a.m. to 5 1/2 p.m., a boy worked about four nights every week till 8 1/2 p.m. at least ... and this for six months. Another, at 9 years old, sometimes made three 12-hour shifts running, and, when 10, has made two days and two nights running.” A third, “now 10 ... worked from 6 a.m. till

wegbleibt. Einer oder mehrere der anwesenden Knaben, die ihren Arbeitstag bereits vollbracht, müssen dann den Ausfall gutmachen. Dies System ist so allgemein bekannt, daß der Manager eines Walzwerks auf meine Frage, wie die Stelle der abwesenden Ersatzknaben ausgefüllt würde, antwortete: Ich weiß wohl, daß Sie das ebenso gut wissen als ich, und er nahm keinen Anstand, die Tatsache zu gestehen.”

97 l.c.

273:3/o „In einem Walzwerke, wo der nominelle Arbeitstag von 6 Uhr morgens bis 5 1/2 Uhr abends dauerte, arbeitete ein Junge 4 Nächte jede Woche bis mindestens 8 1/2 Uhr abends des nächstens Tags ... und dies während 6 Monaten.“ „Ein anderer arbeitete im Alter von 9 Jahren manchmal drei zwölfstündige Arbeits- schichten nacheinander und im Alter von 10
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12 p.m. three nights, and till 9 p.m. the other nights.” “Another, now 13, . . . worked from 6 p.m. till 12 noon next day, for a week together, and sometimes for three shifts together, e.g., from Monday morning till Tuesday night.” “Another, now 12, has worked in an iron foundry at Stavely from 6 a.m. till 12 p.m. for a fortnight on end; could not do it any more.” “George Allinsworth, age 9, came here as cellar-boy last Friday; next morning we had to begin at 3, so I stopped here all night. Live five miles off. Slept on the floor of the furnace, over head, with an apron under me, and a bit of a jacket over me. The two other days I have been here at 6 a.m. Aye! it is hot in here. Before I came here I was nearly a year at the same work at some works in the country. Began there, too, at 3 on Saturday morning—always did, but was very gain [near] home, Jahren zwei Tage und zwei Nächte nacheinan-
der:“ „Ein dritter, jetzt 10 Jahre, arbeitete von morgens 6 Uhr bis 12 Uhr in die Nacht drei Nächte durch und bis 9 Uhr abends während der andren Nächte.“ „Ein vierter, jetzt 13 Jahre, arbeitete von 6 Uhr nachmittags bis den and-
en Tag 12 Uhr mittags während einer ganzen Woche, und manchmal drei Schichten nachein-
der, z.B. von Montag morgen bis Dienstag nacht.“ „Ein fünfter, jetzt 12 Jahre, arbeitete in einer Eisengießerei zu Stavely von 6 Uhr morgens bis 12 Uhr nachts während 14 Tagen, ist unfähig, es länger zu tun.“ George Allinsworth, neunjährig: „Ich kam hierhin letzten Freitag. Nächsten Tag hatten wir um 3 Uhr morgens anzufangen. Ich blieb daher die ganze Nacht hier. Wohne 5 Meilen von hier. Schlief auf der Flur mit einem Schurzfell unter mir und einer kleinen Jacke über mir. Die zwei andren Ta-
and could sleep at home. Other days I began at 6 in the morning, and gi’en over at 6 or 7 in the evening,” etc.⁹⁸

Footnote 98: if the children must work this long, it is no wonder they have very little school knowledge:

⁹⁸ l.c., p. xiii. Naturally, the degree of culture of these “labor-powers” cannot be any higher than that manifested in the following dialogues with one of the commissioners: Jeremiah Haynes, age 12—“Four times four is 8; 4 fours are 16. A king is him that has all the money and gold. We have a king (told it is a Queen),
they call her the Princess Alexandra. Told that she married the Queen’s son. The Queen’s son is the Princess Alexandra. A Princess is a man.” William Turner, age 12—“Don’t live in England. Think it is a country, but didn’t know before.” John Morris, age 14—“Have heard say that God made the world, and that all the people was drowned but one, heard say that one was a little bird.” William Smith, age 15—“God made man, man made woman.” Edward Taylor, age 15—“Do not know of London.” Henry Matthewman, age 17—“Had been to chapel, but missed a good many times lately. One name that they preached about was Jesus Christ, but I cannot say any others, and I cannot tell anything about him. He was not killed, but died like other people. He was not the same as other people in some ways, because he was religious in some ways and others isn’t.” (l.c., p. xv.) “The devil is a good money and gold.) Wir haben einen König, man sagt, er ist eine Königin, sie nennen sie Prinzessin Alexandra. Man sagt, sie heiratete der König Sohn. Eine Prinzessin ist ein Mann.“ Wm. Turner, zwölfjährig: „Lebe nicht in England. Denke, es gibt solch ein Land, wußte nichts davon zuvor.“ John Morris, vierzehnjährig: „Habe sagen hören, daß Gott die Welt gemacht und daß alles Volk ersoff, außer einem; habe gehört, daß der eine ein kleiner Vogel war.“ William Smith, fünfzehnjährig: „Gott machte den Mann; der Mann machte das Weib.“ Edward Taylor, fünfzehnjährig: „Weiß nichts von London.“ Henry Matthewman, siebzehnjährig: „Geh’ manchmal in die Kirche … Ein Name, worüber sie predigen, war ein gewisser Jesus Christ, aber ich kann keine andren Namen nennen, und ich kann auch nichts über ihn sagen. Er wurde nicht gémordet, sondern starb wie andre Leute. Er war nicht so wie andre Leute in gewisser
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person. I don’t know where he lives.” “Christ was a wicked man.” “This girl spelt God as dog, and did not know the name of the queen.” (Ch. Employment Comm. V. Report, 1866 “p. 55, n. 278.)

Art, weil er religiös war in gewisser Art, und andre ist es nicht. (He was not the same as other people in some ways, because he was religious in some ways, and others isn’t.) (l.c. 74, p. XV.) „Der Teufel ist eine gute Person. Ich weiß nicht, wo er lebt. Christus war ein schlechter Kerl.“ („The devil is a good person. I don’t know where he lives. Christ was a wicked man.’) „Dies Mädchen (10 Jahre) buchstabiert God Dog und kannte den Namen der Königin nicht.“ „Ch. Empl. Comm. V. Rep.“, 1866, p. 55, n. 278.)

The rest of the footnote discusses shift work in the paper mills:

98 ctd The same system obtains in the glass and paper works as in the metallurgical, already cited. In the paper factories, where the paper is made by machinery, night-work is the rule for all processes, except rag-sorting. In some cases night-work, by relays, is carried on incessantly through the whole week, usually from Sunday night until

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midnight of the following Saturday. Those who are on day-work work 5 days of 12, and 1 day of 18 hours; those on night-work 5 nights of 12, and 1 of 6 hours in each week. In other cases each set works 24 hours consecutively on alternate days, one set working 6 hours on Monday, and 18 on Saturday to make up the 24 hours. In other cases an intermediate system prevails, by which all employed on the paper-making machinery work 15 or 16 hours every day in the week. This system, says Commissioner Lord, “seems to combine all the evils of both the 12 hours’ and the 24 hours’ relays.” Children under 13, young persons under 18, and women, work under this night system. Sometimes under the 12 hours’ system they are obliged, on account of the non-appearance of those that ought to relieve them, to work a double turn of 24 hours. The evidence proves that boys and girls very often work overtime, which, not
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unfrequently, extends to 24 or even 36 hours of uninterrupted toil. In the continuous and unvarying process of glazing are found girls of 12 who work the whole month 14 hours a day, “without any regular relief or cessation beyond 2 or, at most, 3 breaks of half an hour each for meals.” In some mills, where regular night-work has been entirely given up, over-work goes on to a terrible extent, “and that often in the dirtiest, and in the hottest, and in the most monotonous of the various processes.” (“Ch. EmpIoyment Comm. Report IV., 1865,” p. xxxviii, and xxxix.)


Until end of section: Comments of the capitalists themselves about day and night work.
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Of course, they do not admit the excesses and speak about it only in its normal form, but these interviews show what crimes against these children they are capable of just because of a small increase in profits.

370:1/o Let us now hear how capital itself regards this 24 hours’ system. The extreme forms of the system, its abuse in the “cruel and incredible” extension of the working-day are naturally passed over in silence. Capital only speaks of the system in its “normal” form.

371:1 Messrs. Naylor & Vickers, steel manufacturers, who employ between 600 and 700 persons, among whom only 10 per cent are under 18, and of those, only 20 boys under 18 work in night sets, thus express themselves:


275:2–276:0 Die Herren Naylor und Vickers, Stahlfabrikanten, die zwischen 600 und 700 Personen anwenden, und darunter nur 10% unter 18 Jahren, und hiervon wieder nur 20 Knaben zum Nachtpersonal, äußern sich wie folgt:
Marx begins with the testimony of manufacturers who employ a smaller proportion of children than some of the other testimonies to follow. Their testimony is self-contradictory at every step.

“We do not suffer from the heat. The temperature is probably from 86° to 90° . . .”

They know that the temperature is 86° or more (presumably Fahrenheit), but they say that the kids do not suffer from the heat. They try to detract from the around-the-clock shifts in the forges by saying that everything else is day-work.

At the forges and in the rollingmills the hands work night and day, in relays, but all the other parts of the work are day-work, i.e., from 6 a.m. to 6 p.m. In the forge the hours are from 12 to 12. Some of the hands always work in the night, without any alternation of day and night work . . . We do not find any difference in the health of those
who work regularly by night and those who work by day, and probably people can sleep better if they have the same period of rest than if it is changed . . . About 20 of the boys under the age of 18 work in the night sets . . . We could not well do without lads under 18 working by night. The objection would be the increase in the cost of production . . . Skilled hands and the heads in every department are difficult to get, but of lads we could get any number . . .

⇑ If those boys want to work for them, why should they have any scruples? ⇓ They just said that they could not do without the children for cost reasons, but now they turn around and say: since they only have such a small proportion of children in this situation (20 out of
600 employees), the matter of night work is not of much interest to them:

But from the small proportion of boys that we employ, the subject (i.e., of restrictions on night-work) is of little importance or interest to us.”

Näher betrachtet die geringe Proportio-
non von Jungen, die wir verwenden, wären Be-
schränkungen der Nachtarbeit von wenig Wichtig-
keit oder Interesse für uns."

99 Fourth Report, etc., 1865, 79, p. xvi.

It is little comfort to the 20 children on night shift that 580 other employees of the same company are not in this situation. However the absolute numbers are much bigger in a different company:

371:2/op Mr. J. Ellis, one of the firm of Messrs. John Brown & Co., steel and iron works, employing about 3,000 men and boys, part of whose operations, namely, iron and heavier steel work, goes on night and day by relays, states “that in the heavier steel work one or two boys are employed to a score or two men.” Their concern employs 276:1–2 Herr J. Ellis, von der Firma der Herren John Brown et Co., Stahl- und Eisenwerke, die 3000 Männer und Jungen anwenden, und zwar für [einen] Teil der schweren Stahl- und Eisenarbeit „Tag und Nacht, in Ablösungen“, erklärt, daß in den schweren Stahlwerken ein oder zwei Jungen auf zwei Männer kommen. Ihr Geschäft zählt
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upwards of 500 boys under 18, of whom about 1/3 or 170 are under the age of 13. With reference to the proposed alteration of the law, Mr. Ellis says:

“I do not think it would be very objectionable to require that no person under the age of 18 should work more than 12 hours in the 24. But we do not think that any line could be drawn over the age of 12, at which boys could be dispensed with for night-work. But we would sooner be prevented from employing boys under the age of 13, or even so high as 14, at all, than not be allowed to employ boys that we do have at night. Those boys who work in the day sets must take their turn in the night sets also, because the men could not work in the night sets only; it would ruin their health... We think, however, that night-work in all-

500 Jungen unter 18 Jahren und davon ungefähr 1/3, oder 170, unter 13 Jahren. Mit Bezug auf die vorgeschlagene Gesetzänderung meint Herr Ellis:

„Ich glaube nicht, daß es sehr tadelhaft (very objectionable) wäre, keine Person unter 18 Jahren über 12 Stunden aus den 24 arbeiten zu lassen. Aber ich glaube nicht, daß man irgend-eine Linie ziehen kann für die Entbehrllichkeit von Jungen über 12 Jahren für die Nachtarbeit. Wir würden sogar eher ein Gesetz annehmen, überhaupt keine Jungen unter 13 Jahren oder selbst unter 15 Jahren zu verwenden, als ein Verbot, die Jungen, die wir einmal haben, während der Nacht zu brauchen. Die Jungen, die in der Tagesreihe, müssen wechselweise auch in der Nachtreihe arbeiten, weil die Männer nicht unaufhörlich Nachtarbeit verrichten können; es
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We find the men who do it, as well as the others who do other work only by day . . . Our objections to not allowing boys under 18 to work at night, would be on account of the increase of expense, but this is the only reason. (What cynical naïveté!) We think that the increase would be more than the trade, with due regard to its being successfully carried out, could fairly bear. (What mealy-mouthed

Würde ihre Gesundheit ruinieren. Wir glauben jedoch, daß Nachtarbeit, wenn die Woche dafür wechselt, keinen Schaden tut.“

276:3–5 (Die Herren Naylor und Vickers glaubten, übereinstimmend mit dem Besten ihres Geschäfts, umgekehrt, daß statt der fortwährenden grade die periodisch wechselnde Nachtarbeit möglicherweise Schaden anrichtet.)

„Wir finden die Leute, die die alternierende Nachtarbeit verrichten, grade so gesund als die, die nur am Tage arbeiten . . . Unsre Einwürfe gegen die Nichtanwendung von Jungen unter 18 Jahren zur Nachtarbeit würden gemacht werden von wegen Vermehrung der Auslage, aber dies ist auch der einzige Grund.“ (Wie zynisch naiv!) „Wir glauben, daß diese Vermehrung größer wäre, als das Geschäft (the trade)
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phraseology!) labor is scarce here, and might fall short if there were such a regulation.”

(i.e., Ellis Brown & Co. might fall into the fatal perplexity of being obliged to pay labor-power its full value.)

100 l.c., 80. p. xvi.

372:1 The “Cyclops Steel and Iron Works,” of Messrs. Cammell & Co., are concocted on the same large scale as those of the above-mentioned John Brown & Co. The managing director had handed in his evidence to the Government Commissioner, Mr. White, in writing. Later he found it

mit schuldiger Rücksicht auf seine erfolgreiche Ausführung billigerweise tragen könnte. (As the trade with due regard to etc. could fairly bear!)“ (Welche breimäßige Phraseologie!) „Arbeit ist hier rar und könnte unzureichend werden unter einer solchen Regulation.“

(d.h., Ellis, Brown et Co. könnten in die fatale Verlegenheit kommen, den Wert der Arbeitskraft voll zahlen zu müssen).

100 l.c. 80, p. XVI, XVII.

276:6/o Die „Cyklops Stahl- und Eisenwerke“ der Herren Cammell et Co. werden auf derselben großen Stufenleiter ausgeführt wie die des besagten John Brown et Co. Der geschäftsführende Direktor hatte dem Regierungskommissär White seine Zeugenaussage schriftlich eingehändig, fand es aber später
convenient to suppress the MS. when it had been returned to him for revision. Mr. White, however, has a good memory. He remembered quite clearly that for the Messrs. Cyclops the forbidding of the night-labor of children and young persons “would be impossible, it would be tantamount to stopping their works,” and yet their business employs little more than 6% of boys under 18, and less than 1% under 13.\textsuperscript{101}

\textsuperscript{101} l.c., 82. p. xvii.

372:2–374:0p On the same subject Mr. E. F. Sanderson, of the firm of Sanderson, Bros., & Co., steel rolling-mills and forges, Attercliffe, says:

“Great difficulty would be caused by preventing boys under 18 from working at night. The
chief would be the increase of cost from employing men instead of boys. I cannot say what this would be, but probably it would not be enough to enable the manufacturers to raise the price of steel, and consequently it would fall on them, as of course the men (what queer-headed folk!) would refuse to pay it.”

Mr. Sanderson does not know how much he pays the children, but

“perhaps the younger boys get from 4s. to 5s. a week . . . The boys’ work is of a kind for which the strength of the boys is generally (’generally,’ of course not always) quite sufficient, and consequently there would be no gain in the greater strength of the men to coun-

Nachts arbeiten zu lassen, die Hauptschwierigkeit aus der Vermehrung der Kosten, welche ein Ersatz der Knabenarbeit durch Männerarbeit notwendig nach sich zöge. Wieviel das betragen würde, kann ich nicht sagen, aber wahr-scheinlich wäre es nicht so viel, daß der Fabrikant den Stahlpreis erhöhen könnte, und folglich fiele der Verlust auf ihn, da die Männer“ (welch querköpfig Volk!) „[sich] natürlich weigern würden, ihn zu tragen.“

Herr Sanderson weiß nicht, wieviel er den Kindern zahlt, aber

„vielleicht beträgt es 4 bis 5 sh. per Kopf die Woche . . . Die Knabenarbeit ist von einer Art, wofür im allgemeinen“ („generally“, natürlich nicht immer „im Besonderen“) „die Kraft der Jungen grade ausreicht, und folglich würde kein Gewinn aus der größeren Kraft der Männer flie-
terbalance the loss, or it would be only in the few cases in which the metal is heavy. The men would not like so well not to have boys under them, as men would be less obedient. Besides, boys must begin young to learn the trade. Leaving day-work alone open to boys would not answer this purpose.”

And why not? Why could not boys learn their handicraft in the day-time? Your reason?

“Owing to the men working-days and nights in alternate weeks, the men would be separated half the time from their boys, and would lose half the profit which they make from them. The training which they give to an apprentice is considered as part of the return for the boys’


Und warum nicht? Warum können Jungen ihr Handwerk nicht bei Tag lernen? Deinen Grund?

„Weil dadurch die Männer, die in Wechselwochen bald den Tag, bald die Nacht arbeiten, von den Jungen ihrer Reihe während derselben Zeit getrennt, halb den Profit verlieren würden, den sie aus ihnen herausschlagen. Die Anleitung, die sie den Jungen geben, wird nämlich
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labor, and thus enables the man to get it at a cheaper rate. Each man would want half of this profit.”

In other words, Messrs. Sanderson would have to pay part of the wages of the adult men out of their own pockets instead of by the night-work of the boys. Messrs. Sanderson’s profit would thus fall to some extent, and this is the good Sandersonian reason why boys cannot learn their handicraft in the day. In addition to this, it would throw night-labor on those who worked instead of the boys, which they would not be able to stand. The difficulties in fact would be so great that they would very likely lead to the giving up of night-work altogether, and “as

In anden Worten, die Herren Sanderson müßten einen Teil des Arbeitslohnes der erwachsenen Männer aus eignen Taschen statt mit der Nachtarbeit der Jungen zahlen. Der Profit der Herren Sanderson würde bei dieser Gelegenheit etwas fallen, und dies ist der Sandersonsche gute Grund, warum Jungen ihr Handwerk nicht bei Tag lernen können. Außerdem würde dies reguläre Nachtarbeit auf die Männer werfen, die nun von den Jungen abgelöst werden, und sie würden das nicht aushalten. Kurz und gut, die Schwierigkeiten wären so groß, daß sie wahrscheinlich
far as the work itself is concerned,” says E. F. Sanderson, “this would suit as well, but—
“ But Messrs. Sanderson have something else to make besides steel. Steel-making is simply a pretext for surplus-value making. The smelting furnaces, rolling-mills, etc., the buildings, machinery, iron, coal, etc., have something more to do than transform themselves into steel. They are there to absorb surplus-labor, and naturally absorb more in 24 hours than in 12. In fact they give, by grace of God and law, the Sandersons a cheque on the working time of a certain number of hands for all the 24 hours of the day, and they lose their character as capital, are therefore a pure loss for the Sandersons, as soon as their function of absorbing zur gänzlichen Unterdrückung der Nachtarbeit führen würden. „Was die Produktion von Stahl selbst angeht“, sagt E. F. Sanderson, „würde es nicht den geringsten Unterschied machen, aber!“ Aber die Herren Sanderson haben mehr zu tun, als Stahl zu machen. Die Stahlmacherei ist bloßer Vorwand der Plusmacherei. Die Schmelzöfen, Walzwerke usw., die Baulichkeiten, die Maschinerie, das Eisen, die Kohle usw. haben mehr zu tun, als sich in Stahl zu verwandeln. Sie sind da, um Mehrarbeit einzusaugen, und saugen natürlich mehr in 24 Stunden als in 12. Sie geben in der Tat von Gottes und Rechts wegen den Sandersons eine Anweisung auf die Arbeitszeit einer gewissen Anzahl von Händen für volle 24 Stunden des Tags und
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labor is interrupted.

“But then there would be the loss from so much expensive machinery, lying idle half the time, and to get through the amount of work which we are able to do on the present system, we should have to double our premises and plant, which would double the outlay.”

↓ Footnote brings interesting Hegel quote about good reasons:

102 “In our reflecting and reasoning age a man is not worth much who cannot give a good reason for everything, no matter how bad or how crazy. Everything in the world that has been done wrong has been done wrong for the very best of reasons.” (Hegel, l.c., p. 249)
374:0p But why should these Sandersons pretend to a privilege not enjoyed by the other capitalists who only work during the day, and whose buildings, machinery, raw material, therefore lie “idle” during the night? E. F. Sanderson answers in the name of all the Sandersons:

“It is true that there is this loss from machinery lying idle in those manufactories in which work only goes on by day. But the use of furnaces would involve a further loss in our case. If they were kept up there would be a waste of fuel (instead of, as now, a waste of the living substance of the workers), and if they were not, there would be loss of time in laying the fires and getting the heat up (whilst the loss of sleeping time, even to children of 8 is a gain

278:2–3 Aber warum beanspruchen gerade diese Sandersons ein Privilegium vor den anderen Kapitalisten, die nur bei Tag arbeiten lassen dürfen und deren Baulichkeiten, Maschinerie, Rohmaterial daher bei Nacht „brach“ liegen?

„Es ist wahr“, antwortet E. F. Sanderson im Namen aller Sandersons, „es ist wahr, daß dieser Verlust von brachliegender Maschinerie alle Manufakturen trifft, worin nur bei Tag gearbeitet wird. Aber der Gebrauch der Schmelzöfen würde in unsrem Fall einen Extraverlust verursachen. Hält man sie im Gang, so wird Brennmaterial verwüstet“ (statt daß jetzt das Lebensmaterial der Arbeiter verwüstet wird), „und hält man sie nicht im Gang, so setzt das Zeitver-
of working time for the Sanderson tribe), and the furnaces themselves would suffer from the changes of temperature” (whilst those same furnaces suffer nothing from the day and night change of labor).\(^{103}\)

\(^{103}\) l.c., 85, p. xvii. To similar tender scruples of the glass manufacturers that regular meal-times for the children are impossible because as a consequence a certain quantity of heat, radiated by the furnaces, would be “a pure loss” or “wasted,” Commissioner White makes answer. His answer is unlike that of Ure, Senior, etc., and their puny German plagiarists à la Roscher who are touched by the “abstinence,” “self-denial,” “saving,” of the capitalists in the expenditure of lust im Wiederanlegen des Feuers und zur Gewinnung des nötigen Hitzegrads“ (während der Verlust, selbst Achtjähriger, an Schlafzeit Gewinn von Arbeitszeit für die Sandersonsippe), „und die Öfen selbst würden vom Temperaturwechsel leiden“ (während doch dieselbigen Öfen nichts leiden vom Tag- und Nachtwechsel der Arbeit.)\(^{103}\)

\(^{103}\) „Children’s Employment Commission. Fourth Report“, 1865, 85, p. XVII. Auf ähnliches zartes Bedenken des Herrn Glasfabrikanten, daß „regelmäßige Mahlzeiten“ der Kinder unmöglich sind, weil dadurch ein bestimmtes Quantum Hitze, das die Öfen ausstrahlen, „reiner Verlust“ wäre oder „verbüßt“ würde, antwortet Untersuchungskommissär White, durchaus nicht gleich Ure, Senior etc. und ihren schmalen deutschen Nachkläffern, wie Roscher etc., gerührt von der
10.4. Day and Night Work. Relais System

their gold, and by their Timur-Tamerlanish prodigality of human life! “A certain amount of heat beyond what is usual at present might also be going to waste, if meal-times were secured in these cases, but it seems likely not equal in money-value to the waste of animal power now going on in glass-houses throughout the kingdom from growing boys not having enough quiet time to eat their meals at ease, with a little rest afterwards for digestion.” (l.c., p. xiv.) And this in the year of progress 1865! Without considering the expenditure of strength in lifting and carrying, such a child, in the sheds where bottle and flint glass are made, walks during the performance of his work 15–20 miles in every 6 hours! And the work often lasts 14 or 15 hours! In many of these glass works, as in the Moscow spinning mills, the system of 6 hours’ relays is in force. “During the working part of the week six hours is the utmost
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unbroken period ever attained at any one time for rest, and out of this has to come the time spent in coming and going to and from work, washing, dressing, and meals, leaving a very short period indeed for rest, and none for fresh air and play, unless at the expense of the sleep necessary for young boys, especially at such hot and fatiguing work... Even the short sleep is obviously liable to be broken by a boy having to wake himself if it is night, or by the noise, if it is day.” Mr. White gives cases where a boy worked 36 consecutive hours; others where boys of 12 drudged on until 2 in the morning, and then slept in the works till 5 a.m. (3 hours!) only to resume their work. “The amount of work,” say Tremenheere and Tufnell, who drafted the general report, “done by boys, youths, girls, and women, in the course of their daily or nightly spell of labor, is certainly extraordinary.” (l.c., xliii. and xliv.) Meanwhile, late 15 Stunden! In vielen dieser Glashütten herrscht, wie in den Spinnereien von Moskau, das System sechsstündiger Ablösungen. „Während der Arbeitszeit der Woche sind sechs Stunden die äußerste ununterbrochene Rastperiode, und davon geht ab die Zeit, zur und von der Fabrik zu gehn, Waschen, Kleiden, Speisen, was alles Zeit kostet. So bleibt in der Tat nur die kürzeste Ruhezeit. Keine Zeit für Spiel und frische Luft, außer auf Kosten des Schlafs, so unentbehrlich für Kinder, die in solch heißer Atmosphäre solch anstrengendes Werk verrichten... Selbst der kurze Schlaf ist dadurch unterbrochen, daß das Kind sich selbst wecken muß bei Nacht oder bei Tag vom Außenlärmen geweckt wird. „Herr White gibt Fälle, wo ein Junge 36 Stunden nacheinander arbeitete; andre, wo Knaben von 12 Jahren bis 2 Uhr nachts schanzen und dann in der Hütte schlafen bis 5 Uhr morgens (3 Stunden!), um das Tagwerk von neu-
This footnote addresses the waste of human labor against economy of constant capital (already mentioned in footnote 89 to paragraph 364:20).
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10.5. The Struggle around the Normal Working-Day. Compulsory Laws for the Extension of the Working-Day from the Middle of the 14th to the End of the 17th Century

The remainder of chapter Ten, starting with section 10.5, discusses the struggle around the length of the normal working-day. When Marx wrote *Capital*, the working class had just won an important victory in these struggles.

Originally, these struggles were initiated by the capitalists, not by the working class. The working class movement arose out of self-defense after centuries of sustained attacks by the capitalists. For 450 years, the English laborers had to put up with a steady prolongation of the working-day imposed on them by law.
10.5.a. [What is a working-day?]

Before discussing the struggles themselves, i.e. the historical processes through which the length of the working-day was fixed (344:1), Marx develops the mechanisms which determine this length, and their interconnection. (1) Marx starts with an entirely unregulated work day in which the capitalist extends the working hours until he runs into the worker’s physiological bounds I. (2) In this process, capital also oversteps other bounds. Not only the “moral” bounds of the working-day, which used to be quite effective in the past, but also the physiological bounds II. (3) The disregard of the physiological bounds II implies that even capital’s own long-run economic interest would be served by a shortening of the working-day. (4) However there is no competitive mechanism enforcing this. Why not? Because of rural overpopulation.

After this, as proof that these mechanisms are actually at work, Marx brings empirical evidence showing that at the time when the Factory Acts were passed, labor-power was indeed over-used to the point that it no longer possessed its normal strength.

375/o What is a working-day? What is the length of time during which capital may consume the labor-power whose daily value...
it has paid for? How far may the working-day be extended beyond the amount of labor-time necessary for the reproduction of labor-power itself?

The importance of this question, as well as the economic indeterminacy of the length of the working-day, were already emphasized in 341:3/0. The formulation here makes clear that only the surplus part is variable.

The capitalists’s point of view: It has been seen that to these questions capital replies: the working-day contains the full 24 hours, with only the few hours of repose subtracted without which labor-power absolutely refuses its service again.

This is the maximum possible length in the absence of any regulation of the length of the working-day: the capitalist will simply use the labor-power until the worker is physically unable to continue to work. This was indeed the case in England during the Industrial Revolution.

Marx criticizes this point of view in two ways:
10.5. Compulsory Laws for Extension of Working-Day

(1) By insisting that everything the worker does must be related to work and not to any other purpose—which does not mean that he or she has to work 24 hours a day, the worker also has to recover from work and prepare for work, etc.—capital oversteps the moral bounds of the working-day. Marx continues to present the point of view of the capitalist, but now in a polemical, critical style:

First of all it is self-evident that the laborer is for 24 hours a day nothing else than labor-power, that therefore all his disposable time is by nature and law labor-time, to be devoted to the self-expansion of capital. Time for education, for intellectual development, for the fulfilling of social functions and for social intercourse, for the free-play of his bodily and mental activity, even the rest time of Sunday (and that in a country of Sabbatarians!)\textsuperscript{104}—moonshine!

Es versteht sich zunächst von selbst, daß der Arbeiter seinen ganzen Lebenstag durch nichts ist außer Arbeitskraft, daß daher alle seine disponible Zeit von Natur und Rechts wegen Arbeitszeit ist, also der Selbstverwertung des Kapitals gehört. Zeit zu menschlicher Bildung, zu geistiger Entwicklung, zur Erfüllung sozialer Funktionen, zu geselligem Verkehr, zum freien Spiel der physischen und geistigen Lebenskräfte, selbst die Feierzeit des Sonntags—und wäre es im Lande der Sabbatheiligen\textsuperscript{104}—reiner Firlefanz!
Footnote 104 illustrates the contradictory and hypocritical character of religious boundaries.

104 In England even now occasionally in rural districts a laborer is condemned to imprisonment for desecrating the Sabbath, by working in his front garden. The same laborer is punished for breach of contract if he remains away from his metal, paper, or glass works on the Sunday, even if it be from a religious whim. The orthodox Parliament will hear nothing of Sabbath-breaking if it occurs in the process of expanding capital. A memorial (August 1863), in which the London day-laborers in fish and poultry shops asked for the abolition of Sunday labor, states that their work lasts for the first 6 days of the week on an average 15 hours a-day, and on Sunday 8–10 hours. From this same memorial we learn also that the delicate gourmands among the aristocratic hypocrits of Exeter Hall especially en-
10.5. Compulsory Laws for Extension of Working-Day

courage this “Sunday labor.” These “holy ones,” so zealous “in attending to their bodily pleasures” show their Christianity by the humility with which they bear the overwork, the privations, and the hunger of others. Here, “gluttony is more pernicious to the stomach of others (the laborers).”

down (2) Capital also oversteps the physiological bounds II of the working-day.

But in its blind unrestrainable compulsion, its were-wolf hunger for surplus-labor, capital oversteps not only the moral, but even the merely physical maximum bounds of the working-day. It usurps the time for growth, development, and healthy maintenance of the body. It steals the time required for the consumption of fresh air and sunlight. It higgles over a meal-time, incorporating it where possible with the process of pro-
duction itself, so that food is given to the laborer as to a mere means of production, as coal is supplied to the boiler, grease and oil to the machinery. It reduces the sound sleep needed for the restoration, reparation, refreshment of the bodily powers to just so many hours of torpor as the revival of an organism, absolutely exhausted, renders essential.

The capitalist point of view about the length of the working day, against which Marx is polemicizing here, is itself defined by some kind of physiological boundary. This is why this commentary distinguishes between physiological boundary I and physiological boundary II. The difference between the two, according to Marx, is a reversal between what bounds and what is bounded:

It is not the normal maintenance of the labor-power which determines here the limits of the working-day; it is the greatest duktionsprozeß selbst, so daß dem Arbeiter als bloßem Produktionsmittel Speisen zugesetzt werden wie dem Dampfkessel Kohle und der Maschinerie Talg oder Öl. Den gesunden Schlaf zur Sammlung, Erneuerung und Erfrischung der Lebenskraft reduziert es auf so viel Stunden Erstarrung, als die Wiederbelebung eines absolut erschöpften Organismus unentbehrlich macht.
possible daily expenditure of labor-power, no matter how diseased, compulsory, and painful it may be, which determines the limits of the laborers’ period of repose.

This gives an interesting characterization of the difference between physiological boundaries I and II: that which bounds and that which is bounded is reversed. Instead of being allowed to rest until their body is fully recovered (boundary II), the workers must work until they are no longer able to work, after which they are just given enough rest time until their ability to work returns (boundary I). The capitalist finds out how long he can use the labor-power every day before it absolutely refuses its service because of the exhaustion of the laborer; and only the rest of the day, which is no longer of use for the capitalist, is left to the worker to sleep, etc. This sleep may then be enough to enable the worker to work again long hours before he is exhausted on the next day, but it is not enough to regain full health and strength.

The point of view of the capitalist, if unopposed, leads therefore to action that is destructive of the worker himself:

Capital cares nothing for the length of life of labor-power. All that concerns it is simple...
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ply and solely the maximum of labor-power, that can be rendered fluent in one working-day. It attains this end by decreasing the length of the laborer’s life, as a greedy farmer snatches increased produce from the soil by robbing it of its fertility.

The analogy with the greedy farmer raises the question: won’t this overextension of the working-day, the destruction of the labor-power which sustains capital, eventually contradict capital’s own interests?

376:1/o Capitalist production, which is essentially the production of surplus-value, the absorption of surplus-labor, produces thus, with the extension of the working-day, not only the stunting of human labor-power by robbing it of its normal moral and physical conditions of development and func-

281:1 Die kapitalistische Produktion, die wesentlich Produktion von Mehrwert, Einnahmen von Mehrarbeit ist, produziert also mit der Verlängerung des Arbeitstags nicht nur die Verkümmerung der menschlichen Arbeitskraft, welche ihrer normalen moralischen und physischen Entwicklungs- und
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Betätigungsbedingungen beraubt wird. Sie produziert die vorzeitige Erschöpfung und Abtötung der Arbeitskraft selbst.\textsuperscript{105} Sie verlängert die Produktionszeit des Arbeiters während eines gegebenen Termins durch Verkürzung seiner Lebenszeit.

Note the choice of words: Capitalism produces not only the stunting of the "human labor-power" (which is not allowed to develop itself morally, etc., as a human), but also the exhaustion and destruction of the "labor-power itself" (not only of its human characteristics but of its mere physiological existence).

\textsuperscript{105} "We have given in our previous reports the statements of several experienced manufacturers to the effect that over-hours ... certainly tend prematurely to exhaust the working power of the men." (l.c., 64. p. xiii.)

Next, Marx brings a second argument, which has nothing to do with the concern for the worker, but is solely based on the self-interest of capital: it is against the interest of capital
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to ignore the physiological boundaries II:

377:1 But the value of the labor-power includes the value of the commodities necessary for the reproduction of the worker, or for the keeping up of the working-class. If then the unnatural extension of the working-day, that capital necessarily strives after in its unmeasured passion for self-expansion, shortens the length of life of the individual laborer, and therefore the duration of his labor-power, the forces used up have to be replaced at a more rapid rate and the sum of the expenses for the reproduction of labor-power will be greater; just as in a machine the part of its value to be reproduced every day is greater the more rapidly the machine is worn out.

281:2 Der Wert der Arbeitskraft schließt aber den Wert der Waren ein, welche zur Reproduktion des Arbeiters oder zur Fortpflanzung der Arbeiterklasse erheischt sind. Wenn also die naturwidrige Verlängerung des Arbeitstags, die das Kapital in seinem maßlosen Trieb nach Selbstverwertung notwendig anstrebt, die Lebensperiode der einzelnen Arbeiter und damit die Dauer ihrer Arbeitskraft verkürzt, wird rascherer Ersatz der verschlissenen nötig, also das Eingehen größerer Verschleißkosten in die Reproduktion der Arbeitskraft, ganz wie der täglich zu reproduzierende Wertteil einer Maschine um so größer ist, je rascher sie verschleißt.
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The comparison with a machine is not sufficient to make the point which comes next, since the capitalist does not lose as long as the higher wages are proportional to the higher amount of labor received. In Value, Price and Profit, [mecw20]141:1, Marx makes the further point:

“But this distinguishes the working man from the machine. Machinery does not wear out exactly in the same ratio in which it is used. Man, on the contrary, decays in a greater ratio than would be visible from the mere numerical addition of work.”

In Capital, Marx says something similar in chapter Seventeen, 664:1. It is because of this disproportionality that the overuse of labor-power decreases the rate of surplus-value. It would seem therefore that the interest of Das Kapital scheint daher durch sein eignes Interesse auf einen Normalarbeitstag hinges. Does this mean that capital will indeed shorten the work day? The answer is no, because workers killed off prematurely are replaced from the rural overpopulation. In order to develop this part of the argument, Marx uses slavery as an example:

377:2 The slave-owner buys his laborer 281:3–282:0 Der Sklavenhalter kauft sei-
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as he buys his horse. If he loses his slave, he loses capital that can only be restored by new outlay in the slave-mart.

Does this mean that the economic self-interest of the slave master protects the slave?

But “the rice-grounds of Georgia, or the swamps of the Mississippi may be fatally injurious to the human constitution; but the waste of human life which the cultivation of these districts necessitates, is not so great that it cannot be repaired from the teeming preserves of Virginia and Kentucky.

Under these conditions, considerations of economy do not help the slave but, on the contrary, are murderous:

Considerations of economy, moreover, which, under a natural system, afford some security for humane treatment by identifying the
10.5. Compulsory Laws for Extension of Working-Day

master’s interest with the slave’s preservation, when once trading in slaves is practiced, become reasons for racking to the uttermost the toil of the slave; for, when his place can at once be supplied from foreign preserves, the duration of his life becomes a matter of less moment than its productiveness while it lasts. It is accordingly a maxim of slave management, in slave-importing countries, that the most effective economy is that which takes out of the human chattel in the shortest space of time the utmost amount of exertion it is capable of putting forth.

This quote also gives some empirical data: It is in tropical culture, where annual profits often equal the whole capital of plantations, that negro life is most recklessly sacrificed. It is the agriculture of the West In-

Herrn mit der Erhaltung des Sklaven identifizieren, verwandeln sich, nach Einführung des Sklavenhandels, umgekehrt in Gründe der extremsten Zugrunderichtung des Sklaven, denn sobald sein Platz einmal durch Zufuhr aus fremden Negergehegen ausgefüllt werden kann, wird die Dauer seines Lebens minder wichtig als dessen Produktivität, solange es dauert. Es ist daher eine Maxime der Sklavenwirtschaft in Ländern der Sklaveneinfuhr, daß die widestmögliche Masse Leistung in möglichst kurzer Zeit dem Menschenvieh (human chattle) auszupressen.

Grade in tropischer Kultur, wo die jährlichen Profite oft dem Gesamtkapital der Pflanzungen gleich sind, wird das Negerleben am rücksichtslosesten geopfert. Es ist die Agrikultur West-
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dies, which has been for centuries prolific of fabulous wealth, that has engulfed millions of the African race. It is in Cuba, at this day, whose revenues are reckoned by millions, and whose planters are princes, that we see in the servile class, the coarsest fare, the most exhausting and unremitting toil, and even the absolute destruction of a portion of its numbers every year.”


Very similar mechanisms are at work in capitalism:

378:1 Under a different name the story is being told about you. For slave-trade read labor-market, for Kentucky and Virginia, Ireland and the agricultural districts of England, Scotland, and Wales, for Africa, Germany. We heard how over-work thinned

indiens, seit Jahrhunderten die Wiege fabelhaften Reichtums, die Millionen der afrikanischen Race verschlungen hat. Es ist heutzutage in Kuba, dessen Revenuen nach Millionen zählen, und dessen Pflanzer Fürsten sind, wo wir bei der Sklavenklasse außer der grössten Nahrung, der erschöpfendsten und unablässigsten Plackerei einen großen Teil durch die langsame Tortur von Überarbeit und Mangel an Schlaf und Erholung jährlich direkt zerstört sehn.”

106 Cairnes, l.c. p. 110, 111.

282:1 Mutato nomine de te fabula narratur! Lies statt Sklavenhandel Arbeitsmarkt, statt Kentucky und Virginien Irland und die Agrikulturdistrikte von England, Schottland und Wales, statt Afrika Deutschland! Wir hörten, wie die Überarbeit mit den Bäckern...
the ranks of the bakers in London. Nevertheless, the London labor-market is always over-stocked with German and other candidates for death in the bakeries. Pottery, as we saw, is one of the shortest-lived industries. Is there any want therefore of potters? Josiah Wedgwood, the inventor of modern pottery, himself originally a common workman, said in 1785 before the House of Commons that the whole trade employed from 15,000 to 20,000 people. In the year 1861 the population alone of the town centres of this industry in Great Britain numbered 101,302.

“The cotton trade has existed for ninety years … It has existed for three generations of the English race, and I believe I may safely say


„Die Baumwollindustrie zählt 90 Jahre … In drei Generationen der englischen Race hat sie neun Generationen von Baumwollarbeitern ver-
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that during that period it has destroyed nine
generations of factory operatives.”


108 Ferrand’s Speech in the House of Commons, 27th April, 1863.

378:2p No doubt in certain epochs of feverish activity the labor-market shows significant gaps. In 1834, e.g. But then the manufacturers proposed to the Poor Law Commissioners that they should send the “surplus-population” of the agricultural districts to the north, with the explanation “that the manufacturers would absorb and use it up.”

109 Those were the very words used by the cot-

109 “That the manufacturers would absorb it and speist.“


108 Ferrands Rede im „House of Commons“ vom 27. April 1863.


109 „That the manufacturers would absorb it and
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378:2p/o “Agents were appointed with the consent of the Poor Law Commissioners … An office was set up in Manchester, to which lists were sent of those workpeople in the agricultural districts wanting employment, and their names were registered in books. The manufacturers attended at these offices, and selected such persons as they chose; when they had selected such persons as their ‘wants required’, they gave instructions to have them forwarded to Manchester, and they were sent, ticketed like bales of goods, by canals, or with carriers, others tramping on the road, and many of them were found on the way lost and half-starved. This system had grown up unto a regular trade. This House will hardly believe it, but I tell them, that this traffic in human use it up. Those were the very words used by the cotton manufacturers.“ (l. c.)
flesh was as well kept up, they were in effect as regularly sold to these [Manchester] manufacturers as slaves are sold to the cotton-grower in the United States . . . In 1860, ‘the cotton trade was at its zenith.’ . . . The manufacturers again found that they were short of hands . . . They applied to the ‘flesh agents’, as they are called. Those agents sent to the southern downs of England, to the pastures of Dorsetshire, to the glades of Devonshire, to the people tending kine in Wiltshire, but they sought in vain. The surplus-population was ‘absorbed.’”

379:1 The *Bury Guardian* said, on the completion of the French treaty, that “10,000 additional hands could be absorbed by Lancashire, and that 30,000 or 40,000 will be needed.” After the “flesh agents and sub-

Agenten an die Manchester Fabrikanten, ganz so regelmäßig wie Neger an die Baumwollpflanzer der südlichen Staaten . . . Das Jahr 1860 bezeichnet das Zenit der Baumwollindustrie . . . Es fehlte wieder an Händen. Die Fabrikanten wandten sich wieder an die Fleischagenten . . . und diese durchstöberten die Dünen von Dorset, die Hügel von Devon und die Ebenen von Wilts, aber die Übervölkerung war bereits ver- speist.“

283:2 Der „Bury Guardian“ jammerte, daß 10000 zusätzliche Hände nach Abschluß des englisch-französischen Handelsvertrags absorbiert werden könnten und bald an 30000 oder 40000 mehr nötig sein würden. Nach-
agents” had in vain sought through the agricultural districts,

“a deputation came up to London, and waited on the right hon. gentleman [Mr. Villiers, President of the Poor Law Board] with a view of obtaining poor children from certain union houses for the mills of Lancashire.”

l.c. Mr. Villiers, despite the best of intentions on his part, was “legally” obliged to refuse the requests of the manufacturers. These gentlemen, however, attained their end through the obliging nature of the local poor law boards. Mr. A. Redgrave, Inspector of Factories, asserts that this time the system under which orphans and pauper children were treated “legally” as apprentices “was not accompanied with the old abuses” (on these “abuses” see Engels, l.c.), although in
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one case there certainly was “abuse of this system in respect to a number of girls and young women brought from the agricultural districts of Scotland into Lancashire and Cheshire.” Under this system the manufacturer entered into a contract with the workhouse authorities for a certain period. He fed, clothed and lodged the children, and gave them a small allowance of money. A remark of Mr. Redgrave to be quoted directly seems strange, especially if we consider that even among the years of prosperity of the English cotton trade, the year 1860 stands unparalleled, and that, besides, wages were exceptionally high. For this extraordinary demand for work had to contend with the depopulation of Ireland, with unparalleled emigration from the English and Scotch agricultural districts to Australia and America, with an actual diminution of the population in some of the English agricultural districts, in consequence of which Mr. Redgrave remarks, “...“
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sequence partly of an actual breakdown of the vital force of the laborers, partly of the already effected dispersion of the disposable population through the dealers in human flesh. Despite all this Mr. Redgrave says: “This kind of labor, however, would only be sought after when none other could be procured, for it is a high-priced labor. The ordinary wages of a boy of 13 would be about 4s. per week, but to lodge, to clothe, to feed, and to provide medical attendance and proper superintendence for 50 or 100 of these boys, and to set aside some remuneration for them, could not be accomplished for 4s. a-head per week.” (Report of the Inspector of Factories for 30th April, 1860, p. 27.) Mr. Redgrave forgets to tell us how the laborer himself can do all this for his children out of their 4s. a-week wages, when the manufacturer cannot do it for the 50 or 100 children lodged, boarded, super-
intended all together. To guard against false conclusions from the text, I ought here to remark that the English cotton industry, since it was placed under the Factory Act of 1850 with its regulations of labor-time, etc., must be regarded as the model industry of England. The English cotton operative is in every respect better off than his Continental companion in misery. “The Prussian factory operative labors at least ten hours per week more than his English competitor, and if employed at his own loom in his bwn house, his labor is not restricted to even those additional hours. (“Rep. of Insp. of Fact.,” 31st October, 1855, p. 103.) Redgrave, the Factory Inspector mentioned above, after the Industrial Exhibition in 1851, travelled on the Continent, especially in France and Germany, for the purpose of inquiring into the conditions of the factories. Of the Prussian operative he says: “He receives a remu-
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eneration sufficient to procure the simple fare, and to supply the slender comforts to which he has been accustomed ... He lives upon his coarse fare, and works hard, wherein his position is subordinate to that of the English operative.” ("Rep. of Insp. of Fact." 31st Oct., 1855, p. 85.)

Although a part of the population is killed off by overwork, the labor market is generally still full. Only “in certain epochs of feverish activity the labor-market shows significant gaps” 378:2p. Where does this supply of labor come from?

- Immigration
- Rapid reproduction of the weak generations
- “Surplus-population” from the agricultural districts, trade in workers from the rural North to Manchester etc.
- Child labor (workhouses of orphans, 379:1).
The general reasons why there is always surplus-labor in capitalism are not discussed here, they will be developed in chapter Twenty-Five.

Very important general conclusions about the workings of capitalism can be drawn from this. Marx first points out two empirical facts, and then says that because of the first of these two facts capital disregards the second. Here is the first fact:

380:1–381:0 What experience shows to the capitalist generally is a constant excess of population, i.e., an excess in relation to the momentary requirements of surplus-labor-absorbing capital, although this excess is made up of generations of human beings stunted, short-lived, swiftly replacing each other, plucked, so to say, before maturity.111

111 The over-worked “die off with strange rapidity; but the places of those who perish are instantly filled, and a frequent change of persons

284/oo Was die Erfahrung dem Kapitalisten im allgemeinen zeigt, ist eine beständige Übervölkerung, d.h. Übervölkerung im Verhältnis zum augenblicklichen Verwertungsbedürfnis des Kapitals, obgleich sie aus verkümmerten, schnell hinlebenden, sich rasch verdrängenden, sozusagen unreif gepflückten Menschengenerationen ihren Strom bildet.111

111 „Die Überarbeiteten sterben mit befremdlicher Raschheit; aber die Plätze derer, die untergehn, sind sofort wieder ausgefüllt, und ein häufi-
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On the market there is a surplus-population in relation to the needs of capital to create surplus-value. It is again not discussed whether this surplus-population is an accident or why it is there. Now the second fact:

And, indeed, experience shows to the intelligent observer with what swiftness and grip the capitalist mode of production, dating, historically speaking, only from yesterday, has seized the vital power of the people by the very root—shows how the degeneration of the industrial population is only retarded by the constant absorption of primitive and physically uncorrupted elements from the country—shows how even the country la-

Allerdings zeigt die Erfahrung dem verständigen Beobachter auf der andern Seite, wie rasch und tief die kapitalistische Produktion, die, geschichtlich gesprochen, kaum von gestern datiert, die Volkskraft an der Lebenswurzel ergriffen hat, wie die Degenerierung der industriellen Bevölkerung nur durch beständige Absorption naturwüchsiger Lebenselemente vom Lande verlangsamt wird und wie selbst die ländlichen Arbeiter, trotz


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borers, in spite of fresh air and the principle of natural selection, that works so powerfully amongst them, and only permits the survival of the strongest, are already beginning to die off.\footnote{112 See “Public Health. Sixth Report of the Medical Officer of the Privy Council, 1863.” Published in London 1864. This report deals especially with the agricultural laborers. “Sutherland ... is commonly represented as a highly improved county ... but ... recent inquiry has discovered that even there, in districts once famous for fine men and gallant soldiers, the inhabitants have degenerated into a meagre and stunted race. In the healthiest situations, on hill sides fronting the sea, the faces of their famished children are as pale as they could be in the foul atmosphere of a London alley.” (W. Th. Thornton. “Overpop-freier Luft und des unter ihnen so allmächtig waltenden principle of natural selection, das nur die kräftigsten Individuen aufkommen läßt, schon abzuleben beginnen.\footnote{112 Siehe Public Health. Sixth Report of the Medical Officer of the Privy Council. 1863. Veröffentlicht London 1864. Dieser Report handelt namentlich von den Agrikulturarbeitern. „Man hat die Grafschaft Sutherland als eine sehr verbesserte Grafschaft dargestellt, aber eine neuerliche Untersuchung hat entdeckt, daß hier in Distrikten, einst so berühmt wegen schöner Männer und tapfrer Soldaten, die Einwohner degeneriert sind zu einer magren und verkümmerten Race. In den gesündesten Lagen, auf Hügelabhangen im Ange-sicht des Meeres, sind die Gesichter ihrer Kinder so dünn und blaß, wie sie nur in der faulen Atmo-}
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ulation and its Remedy.” l.c., pp. 74, 75.) They resemble in fact the 30,000 “gallant Highlanders” whom Glasgow herds together with prostitutes and thieves in its wynds and closes.

Any “intelligent” (“verständige,” Hegel’s Verstand i.e., analytical reason, not Vernunft!) observer can see the degeneration of the industrial population. Capital, however, theoretically denies it:

Capital, that has such “good reasons” for denying the sufferings of the legions of workers that surround it, . . .

Hegel says that any halfways intelligent person can come up with “good reasons” to excuse anything (citation in footnote 102 to paragraph 372:2–374:0p above). But the phrase “good reasons” also refers to capital’s profit motive. Capital is not moved by these sufferings because due to the surplus-labor they are not translated into higher wages and lower profits.

. . . is in practice moved as much and as little by the sight of the coming degradation and . . . wird in seiner praktischen Bewegung durch die Aussicht auf zukünftige Verfaulung
final depopulation of the human race, as by the probable fall of the earth into the sun.

In every stock-jobbing swindle everyone knows that some time or other the crash must come, but everyone hopes that it may fall on the head of his neighbor, after he himself has caught the shower of gold and placed it in secure hands. *After me the deluge* is the watchword of every capitalist and of every capitalist nation.

Capital’s only standard is profitability. This is why it must be forced by law to heed the bounds of the working-day:

Capital therefore takes no account of the health and the length of life of the worker, unless society forces it to do so.\(^{113}\)
Note that it is “society,” not “the working-class,” or “the state” which forces capital! Society, however, is an empty abstraction if one does not look at its two main classes. It is therefore not society acting in unison, but it is the struggle of the working class against the capitalists which imposes on the capitalist class the self-discipline needed for their long-term interests.

113 ‘But though the health of a population is so important a fact of the national capital, we are afraid it must be said that the class of employers of labor have not been the most forward to guard and cherish this treasure … The consideration of the health of the operatives was forced upon the mill owners’ (The Times, 5 November 1861). ‘The men of the West Riding became the clothiers of mankind … the health of the workpeople was sacrificed, and the race in a few generations must have degenerated. But a reaction set in. Lord Shaftesbury’s Bill limited the hours of chil-

113 „Obgleich die Gesundheit der Bevölkerung ein so wichtiges Element des nationalen Kapitals ist, fürchten wir, gestehen zu müssen, daß die Kapitalisten durchaus nicht bei der Hand sind, diesen Schatz zu erhalten und wert zu achten … Die Rücksicht auf die Gesundheit der Arbeiter wurde den Fabrikanten aufgezwungen.“ („Times“, 5. Novbr. 1861.) „Die Männer des West Riding wurden die Tuchmacher der Menschheit … die Gesundheit des Arbeitervolks wurde geopfert, und in ein paar Generationen wäre die Race degeneriert, aber eine Reaktion trat ein. Die Stunden der
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dren’s labor, etc.’ (Twenty-Second Annual Report of the Registrar-General, for October 1861).

To the outcry about physical and mental degradation, the premature death, the torture of overwork, it answers: Ought these to trouble us since they increase our profits?

Note that the profits are increased although we got before the result that if the full value of the labor-power would have been paid, the rate of surplus-value would have fallen. Either economy of constant capital or payment below the value of labor-power (surplus-population) or both.

But looking at things as a whole, all this does not, indeed, depend on the good or ill will of the individual capitalist. Free competition enforces the inherent laws of capitalist production as external coercive necessities.
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confronting the individual capitalist.\footnote{114}

Footnote 114 throws light on the workings of competition: it can go against the will of the capitalists, can force them to do things which they do not want to do.

\footnote{114} We, therefore, find, e.g., that in the beginning of 1863, 26 firms owning extensive potteries in Staffordshire, including Josiah Wedgwood and Sons, petition in a memorial for “some legislative enactment.” “Competition with other capitalists” permits them no “voluntary” limitation of working time for children, etc. “Much as we deplore the evils before mentioned, it would not be possible to prevent them by any scheme of agreement between the manufacturers … Taking all these points into consideration, we have come to the conviction that some legislative enactment is wanted.” (“Children’s Employment Comm.” Rep. I, 1863, p. 322.)
Most recently a much more striking example offers. The rise in the price of cotton during a period of feverish activity, had induced the manufacturers in Blackburn to shorten, by mutual consent, the working time in their mills during a certain fixed period. This period terminated about the end of November, 1871. Meanwhile, the wealthier manufacturers, who combined spinning with weaving, used the diminution of production resulting from this agreement, to extend their own business and thus to make great profits at the expense of the small employers. The latter thereupon turned in their extremity to the operatives, urged them earnestly to agitate for the 9 hours’ system, and promised contributions in money to this end.

The remainder of section 5 and the remainder of chapter Ten are not yet ready for publi-
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cation.

10.5.b. [Legislation Extending the working-day]

Two phases in the struggle between capitalist and laborer for the determination of the working-day: first extension, later shortening.

382:1/o The establishment of a normal working-day is the result of centuries of struggle between capitalist and laborer. The history of this struggle shows two opposite tendencies. Compare, e.g., the English factory legislation of our time with the English labor Statutes from the 14th century to well into the middle of the 18th.\(^{115}\) Whilst the modern Factory Acts compulsorily shortened the working-day, the earlier statutes tried to lengthen it by compulsion.

The early legal extension is modest compared to the extension during the Industrial Revolution based on market forces.

Of course the demands of capital in embryo—when, in the process of becoming, it secures the right of absorbing a sufficient amount of surplus-labor not yet by the mere force of economic relations, but also by the help of the State—appear very modest when com-
pared with the concessions that, growling and reluctantly, it has to make in its adult condition. It takes centuries before the “free” laborer, thanks to the development of capitalist production, agrees, i.e., is compelled by social conditions, to sell the whole of his active life, his very capacity for work, for the price of the necessaries of life, his birth-right for a mess of pottage.

The upper limit of the extension for adults roughly equal to the lower limit of shortening for children at the time *Capital* was written (this will once more be taken up in 388:1/o).

Hence it is natural that the lengthening of the working-day, which capital, from the middle of the 14th to the end of the 17th century, tries to impose by State-measures chert, ganz und gar bescheiden, vergleicht man sie mit den Konzessionen, die es in seinem Mannesalter knurrend und widerstrebig machen muß. Es kostet Jahrhunderte, bis der „freie“ Arbeiter infolge entwickelter kapitalistischer Produktionsweise sich freiwillig dazu versteht, d.h. gesellschaftlich gezwungen ist, für den Preis seiner gewohnheitsmäßigen Lebensmittel seine ganze aktive Lebenszeit, ja seine Arbeitsfähigkeit selbst, seine Erbst ge- burt für ein Gericht Linsen zu verkaufen.

Es ist daher natürlich, daß die Verlängerung des Arbeitstags, die das Kapital von Mitte des 14. bis Ende des 17. Jahrhunderts staats gewaltig den volljährigen Arbeitern aufzu-
on adult laborers, approximately coincides with the shortening of the working-day which, in the second half of the 19th century, has here and there been effected by the State to prevent the coining of children’s blood into capital. That which to-day, e.g., in the State of Massachusetts, until recently the freest State of the North-American Republic, has been proclaimed as the statutory limit of the labor of children under 12, was in England, even in the middle of the 17th century, the normal working-day of able-bodied artisans, robust laborers, and athletic blacksmiths.\footnote{116}{“No child under 12 years of age shall be employed in any manufacturing establishment more than 10 hours in one day.” General Statutes 1440}

116 „Kein Kind unter 12 Jahren darf in einem Fabrikbetrieb länger als 10 Stunden täglich beschäftigt werden.“ („General Statutes of Massa-
of Massachusetts, 63, ch. 12. (The various Statutes were passed between 1836 and 1858.) “Labor performed during a period of 10 hours on any day in all cotton, woollen, silk, paper, glass, and flax factories, or in manufactories of iron and brass, shall be considered a legal day’s labor. And be it enacted, that hereafter no minor engaged in any factory shall be holden or required to work more than 10 hours in any day, or 60 hours in any week; and that hereafter no minor shall be admitted as a worker under the age of 10 years in any factory within this State.” State of New Jersey. An Act to limit the hours of labor, etc., § 1 and 2. (Law of 18th March, 1851.) “No minor who has attained the age of 12 years, and is under the age of 15 years, shall be employed in any manufacturing establishment more than 11 hours in any one day, nor before 5 o’clock in the morning, nor after 7.30 in the evening.” (“Re-
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The revised Statutes of the State of Rhode Island, etc., ch. 139, § 23, 1st July, 1857.

In the extension phase, capital was not yet strong enough to compel the laborer to work by anonymous market relations, but needed support by the power of the state.

383:1/op The first "Statute of Laborers" (23 Edward III., 1349) found its immediate pretext (not its cause, for legislation of this kind lasts centuries after the pretext for it has disappeared) in the great plague that decimated the people, so that, as a Tory writer says, "The difficulty of getting men to work on reasonable terms, (i.e., at a price that left their employers a reasonable quantity of surplus-labor) grew to such a height as to be quite intolerable." 117

287:1–289:0 Das erste „Statute of Laborers“ (23 Eduard III. 1349) fand seinen unmittelbaren Vorwand (nicht seine Ursache, denn die Gesetzgebung dieser Art dauert Jahrhunderte fort ohne den Vorwand) in der großen Pest, welche die Bevölkerung dezimierte, so daß, wie ein Tory-Schriftsteller sagt, „die Schwierigkeit, Arbeiter zu räsonablen Preisen“ (d.h. zu Preisen, die ihren Anwendern ein räsonables Quantum Mehrarbeit ließen) „an die Arbeit zu setzen, in
wages were, therefore, fixed by law as well as the limits of the working-day. The latter point, the only one that here interests us, is repeated in the Statute of 1496 (Henry VII.). The working-day for all artificers and field laborers from March to September ought, according to this statute (which, however, could not be enforced), to last from 5 in the morning to between 7 and 8 in the evening. But the meal-times consist of 1 hour for breakfast, 1 1/2 hours for dinner, and 1/2 an hour for “noon-meate,” i.e., exactly twice as much as under the factory acts now in force.\footnote{In winter, work was to last from 5 in the morning until dark, with the same intervals. A statute of Elizabeth of 1562 leaves the length of the working-day der Tat unerträglich wurde“.\footnote{Im Winter sollte gearbeitet werden von 5 Uhr morgens bis zum Dunkeln, mit denselben Unterbrechun-}
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for all laborers “hired for daily or weekly wage” untouched, but aims at limiting the intervals to 2 1/2 hours in the summer, or to 2 in the winter. Dinner is only to last 1 hour, and the “afternoon-sleep of half an hour” is only allowed between the middle of May and the middle of August. For every hour of absence 1d. is to be subtracted from the wage. In practice, however, the conditions were much more favourable to the laborers than in the statute-book. William Petty, the father of Political Economy, and to some extent the founder of Statistics, says in a work that he published in the last third of the 17th century:

Ein Statut der Elisabeth von 1562 für alle Arbeiter „gedungen für Lohn per Tag oder Woche“, läßt die Länge des Arbeitstags unberührt, sucht aber die Zwischenräume zu beschränken auf 2 1/2 Stunden für den Sommer und 2 für den Winter. Das Mittagessen soll nur eine Stunde dauern und „der Nachmittagsschlaf von 1/2 Stunde“ nur zwischen Mitte Mai und Mitte August erlaubt sein. Für jede Stunde Abwesenheit soll 1 d. (etwa 8 Pfennige) vom Lohn abgehn. In der Praxis jedoch war das Verhältnis den Arbeitern viel günstiger als im Statutenbuch. Der Vater der politischen Ökonomie und gewissermassen der Erfinder der Statistik, William Petty, sagt in einer Schrift, die er im letzten Drittel des 17. Jahrhunderts veröffentlichte:
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“Laboring-men (then meaning field-laborers) work 10 hours per diem, and make 20 meals per week, viz., 3 a day for working-days, and 2 on Sundays; whereby it is plain, that if they could fast on Friday nights, and dine in one hour and an half, whereas they take two, from eleven to one; thereby thus working 1/20 more, and spending 1/20 less, the above-mentioned (tax) might be raised.”¹¹⁹

²¹⁷ “Sophisms of Free Trade.” 7th Ed. London, 1850, p. 205, 9th Ed., p. 253. This same Tory, moreover, admits that “Acts of Parliament regulating wages, but against the laborer and in favour of the master, lasted for the long period of 464 years. Population grew. These laws were

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then found, and really became, unnecessary and burdensome.” (l.c., p. 206.)

118 In reference to this statute, J. Wade with truth remarks: “From the statement above (i.e., with regard to the statute) it appears that in 1496 the diet was considered equivalent to one-third of the income of an artificer and one-half the income of a laborer, which indicates a greater degree of independence among the working-classes than prevails at present; for the board, both of laborers and artificers, would now be reckoned at a much higher proportion of their wages.” [Wad35, p. 24, 25, and 577]. The opinion that this difference is due to the difference in the price relations between food and clothing then and now is refuted by the most cursory glance at “Chronicon Preciosum, etc.” by Bishop Fleetwood, 1st Ed., London, 1707; 2nd Ed., London, 1745.

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384:0p Was not Dr. Andrew Ure right in crying down the 12 hours’ bill of 1833 as a retrogression to the times of the dark ages? It is true these regulations contained in the statute mentioned by Petty, apply also to apprentices. But the condition of child-labor, even at the end of the 17th century, is seen from the following complaint:

“Tis not their practice (in Germany) as with us in this kingdom, to bind an apprentice for seven years; three or four is their common standard: and the reason is, because they are educated from their cradle to something of employment, which renders them the more apt and docile, and consequently the more capable of attaining to a ripeness and quicker proficiency in business. Whereas our youth,

119 W. Petty, [Pet91, p. 10]

289:1 Hadte Dr. Andrew Ure nicht recht, die Zwölfstundenbill von 1833 als Rückgang in die Zeiten der Finsternis zu verschreien? Allerdings gelten die in den Statuten und von Petty erwähnten Bestimmungen auch für „apprentices“ (Lehrlinge). Wie es aber noch Ende des 17. Jahrhunderts mit der Kinderarbeit stand, ersieht man aus folgender Klage:

„Unsere Jugend, hier in England, treibt gar nichts bis zu der Zeit, wo sie Lehrlinge werden, und dann brauchen sie natürlich lange Zeit—sieben Jahre—, um sich zu vollkommenen Handwerkern zu bilden.“ Deutschland wird dagegen gerühmt, weil dort die Kinder von der Wiege auf wenigstens zu „ein bißchen Beschäftigung erzogen werden“. 120
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here in England, being bred to nothing before they come to be apprentices, make a very slow progress and require much longer time wherein to reach the perfection of accomplished artists.”

“A Discourse on the necessity of encouraging Mechanick Industry,” London, 1690, p. 13. Macaulay, who has falsified English history in the interests of the Whigs and the bourgeoisie, declares as follows: “The practice of setting children prematurely to work ... prevailed in the 17th century to an extent which, when compared with the extent of the manufacturing system, seems almost incredible. At Norwich, the chief seat of the clothing trade, a little creature of six years old was thought fit for labor. Several writers of that time, and among them some who were considered as eminently benevolent, mention with exultation its advantages.”
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tation the fact that in that single city, boys and girls of very tender age create wealth exceeding what was necessary for their own subsistence by twelve thousand pounds a year. The more carefully we examine the history of the past, the more reason shall we find to dissent from those who imagine that our age has been fruitful of new social evils... That which is new is the intelligence and the humanity which remedies them.” (“History of England,” vol. 1., p. 417.) Macaulay might have reported further that “extremely well disposed” amis du commerce in the 17th century, narrate with “exultation” how in a poorhouse in Holland a child of four was employed, and that this example of “vertu mise en pratique” passes muster in all the humanitarian works, à la Macaulay, to the time of Adam Smith. It is true that with the substitution of manufacture for handicrafts, traces of the exploitation of children...
History of the legislation prolonging the working-day. These laws often decrease the wages at the same time! Marx disregards this here, but I think it is important to know about this connection: also the prolongation of the working-day under machinery is one without
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increasing the wages, or even with decreasing them! It is only a prolongation of the surplus-
labor, not one of the necessary labor. Note that in reality the days were generally shorter than
the laws prescribed. Regulations not only for adults but also for apprentices and children.

By the way, the beginning of ::23287:1–289:0:383:1:272:1@: is discussed in [Coh80, p. 279:2–4] as an example of functional explanation. Gives cross reference to footnote 144 to paragraph 526:3/o in chapter Fifteen: “Die Engländer, die gern die erste empirische Erscheinungsform einer Sache als ihren Grund betrachten, …” Cohen also refers here to [mecw8]327:1 (25. Februar 1849), which is interesting regarding legislation.

::23290–292:385–383:0:274–277:0: Despite this legislation, capital did not succeed in
taking away from the workers all the free time they had (except from the agrarian workers),
i.e., in overriding the traditional moral barriers of the working-day. Note that again for the
real movement the price is the starting point: the capitalists pay the laborers wages which
allow them to live 7 days, but they did not get a full week’s labor-power in return. Pro’s
and Con’s of these moral barriers from the point of view of the laborers and the capitalists
(Is the point of view of the laborers a part of the “political economy of the working class”
about which Marx spoke in a political debate of the International Workmen’s association
(According to Naphtali, Wirtschaftsdemokratie, 1928, Reprint FFM 1960, quoted in SoPo
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6/7, 48). The one writing for the capitalists proposes an “ideal workhouse” to force the unemployed paupers to work all day long.

385/o Still, during the greater part of the 18th century, up to the epoch of Modern Industry and machinism, capital in England had not succeeded in seizing for itself, by the payment of the weekly value of labor-power, the whole week of the laborer, with the exception, however, of the agricultural laborers. The fact that they could live for a whole week on the wage of four days, did not appear to the laborers a sufficient reason that they should work the other two days for the capitalist. One party of English economists, in the interest of capital, denounces this obstinacy in the most violent manner, another party defends the laborers. Let us

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listen, *e.g.*, to the contest between Postlethwayt, whose Dictionary of Trade then had the same reputation as the kindred works of MacCulloch and MacGregor to-day, and the author (already quoted) of the “Essay on Trade and Commerce.”

121 Among the accusers of the workpeople, the most angry is the anonymous author quoted in the text of “An Essay on Trade and Commerce, containing Observations on Taxes, etc.,” London, 1770. He had already dealt with this subject in his earlier work: “Considerations on Taxes,” London, 1765. On the same side follows Polonius Arthur Young, the unutterable statistical prattler. Among the defenders of the working-classes the foremost are: Jacob Vanderlint, in: “Money Answers all Things,” London, 1734, the Rev. Nathaniel Forster, D. D., in “An

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Enquiry into the Causes of the Present High Price of Provisions,” London, 1767; Dr. Price, and especially Postlethwayt, as well in the supplement to his “Universal Dictionary of Trade and Commerce,” as in his “Great Britain’s Commercial Interest explained and improved,” 2nd Edition, 1755. The facts themselves are confirmed by many other writers of the time, among others by Josiah Tucker.

386:1/0p Postlethwayt says among other things:

“We cannot put an end to those few observations, without noticing that trite remark in the mouth of too many; that if the industrious poor can obtain enough to maintain themselves in five days, they will not work the whole six. Whence they infer the necessity of even the necessaries of life being made


290:2–291:0 Postlethwayt sagt u.a.:

„Ich kann diese wenigen Bemerkungen nicht abschließen, ohne Notiz zu nehmen von der trivialen Redensart in dem Munde zu vieler, daß, wenn der Arbeiter (industrious poor) in 5 Tagen genug erhalten kann, um zu leben, er nicht volle 6 Tage arbeiten will. Daher schließen sie auf die Notwendigkeit, selbst die notwendigen
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Lebensmittel durch Steuern oder irgendwelche andre Mittel zu verteuern, um den Handwerker und Manufakturarbeiter zu unausgesetzter sechstägiger Arbeit in der Woche zu zwingen. Ich muß um die Erlaubnis bitten, anderer Meinung zu sein als diese großen Politiker, welche für die beständige Sklaverei der Arbeiterbevölkerung dieses Königreichs (the perpetual slavery of the working people) die Lanze einlegen; sie vergessen das Sprichwort „all work and no play“ (nur Arbeit und kein Spiel) macht dumm. Brüsten sich die Engländer nicht mit der Genialität und Gewandtheit ihrer Handwerker und Manufakturarbeiter, die bisher den britischen Waren allgemeinen Kredit und Ruf verschafft haben? Welchem Umstand war dies geschuldet? Wahrscheinlich keinem andern als der Art und Weise, wie unser Arbeitsvolk, eigenlaunig, sich zu zerstreuen weiß. Wären sie

dear by taxes, or any other means, to compel the working artisan and manufacturer to labor the whole six days in the week, without ceasing. I must beg leave to differ in sentiment from those great politicians, who contend for the perpetual slavery of the working people of this kingdom; they forget the vulgar adage, all work and no play. Have not the English boasted of the ingenuity and dexterity of her working artists and manufacturers which have heretofore given credit and reputation to British wares in general? What has this been owing to? To nothing more probably than the relaxation of the working people in their own way. Were they obliged to toil the year round, the whole six days in the week, in a repetition of the same work, might it not blunt their ingenuity, and render them stupid instead of alert and dexterous; and might not our work-
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men lose their reputation instead of maintaining it by such eternal slavery? ... And what sort of workmanship could we expect from such hard-driven animals? ... Many of them will execute as much work in four days as a Frenchman will in five or six. But if Englishmen are to be eternal drudges, 'tis to be feared they will degenerate below the Frenchmen. As our people are famed for bravery in war, do we not say that it is owing to good English roast beef and pudding in their bellies, as well as their constitutional spirit of liberty? And why may not the superior ingenuity and dexterity of, our artists and manufacturers, be owing to that freedom and liberty to direct themselves in their own way, and I hope we shall never have them deprived of such privileges and that good living from whence their ingenuity no less than their courage may proceed.'

gezwungen, das ganze Jahr durchzuarbeiten, alle sechs Tage in der Woche, in steter Wiederholung desselben Werkes, würde das nicht ihre Genialität abstumpfen und sie dumm-träg statt munter und gewandt machen; und würden unsere Arbeiter infolge solcher ewigen Sklaverei ihren Ruf nicht verlieren statt erhalten? ... Welche Art Kunstgeschick könnten wir erwarten von solch hart geplackten Tieren (hard driven animals)? ... Viele von ihnen verrichten so viel Arbeit in 4 Tagen als ein Franzose in 5 oder 6. Aber wenn Engländer ewige Schanzarbeiter sein sollen, so steht zu fürchten, daß sie noch unter die Franzosen entarten (degenerate) werden. Wenn unser Volk wegen seiner Tapferkeit im Krieg berühmt ist, sagen wir nicht, daß dies einerseits dem guten englischen Roastbeef und Pudding in seinem Leibe, andererseits nicht minder unsrem konstitutionellen
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Geiste der Freiheit geschuldet ist? Und warum sollte die größere Genialität, Energie und Geschicklichkeit unserer Handwerker und Manufakturarbeiter nicht der Freiheit geschuldet sein, womit sie sich in ihrer eignen Art und Weise zersetzen? Ich hoffe, sie werden nie wieder diese Privilegien verlieren, noch das gute Leben, woraus ihre Arbeitstüchtigkeit und ihr Mut gleichmäßig herstammen!”


Thereupon the author of the “Essay on Trade and Commerce” replies:

“If the making of every seventh day an holiday is supposed to be of divine institution, as it implies the appropriating the other six days to labor” (he means capital as we shall soon see) “surely it will not be thought cruel to enforce it


Darauf antwortet der Verfasser des „Essay on Trade and Commerce“:

„Wenn es für eine göttliche Einrichtung gilt, den siebenten Tag der Woche zu feiern, so schließt dies ein, daß die anderen Wochentage der Arbeit“ (er meint dem Kapital, wie man gleich sehen wird) „angehören, und es kann nicht grau-
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... That mankind in general, are naturally inclined to ease and indolence, we fatally experience to be true, from the conduct of our manufacturing populace, who do not labor, upon an average, above four days in a week, unless provisions happen to be very dear ... Put all the necessaries of the poor under one denomination; for instance, call them all wheat, or suppose that ... the bushel of wheat shall cost five shillings and that he (a manufacturer) earns a shilling by his labor, he then would be obliged to work five days only in a week. If the bushel of wheat should cost but four shillings, he would be obliged to work but four days; but as wages in this kingdom are much higher in proportion to the price of necessaries ... the manufacturer, who labors four days, has a surplus of money to live idle with the rest of the week ... I hope I have said enough to make
it appear that the moderate labor of six days in a week is no slavery. Our laboring people do this, and to all appearance are the happiest of all our laboring poor, but the Dutch do this in manufactures, and appear to be a very happy people. The French do so, when holidays do not intervene. But our populace have adopted a notion, that as Englishmen they enjoy a birthright privilege of being more free and independent than in any country in Europe. Now this idea, as far as it may affect the bravery of our troops, may be of some use; nut the less the manufacturing poor have of it, certainly the better for themselves and for the State. The laboring people should never think themselves independent of their superiors . . . It is extremely dangerous to encourage mobs in a commercial state like ours, where, per-
haps, seven parts out of eight of the whole, are people with little or no property. The cure will not be perfect, till our manufacturing poor are contented to labor six days for the same sum which they now earn in four days.”

von ihren Vorgesetzten (independent of their superiors) halten . . . Es ist außerordentlich gefährlich, mobs in einem kommerziellen Staat, wie dem unsrigen, zu encouragieren, wo vielleicht 7 Teile von den 8 der Gesamtbevölkerung Leute mit wenig oder keinem Eigentum sind . . . Die Kur wird nicht vollständig sein, bis unsre industriellen Armen sich bescheiden, 6 Tage für dieselbe Summe zu arbeiten, die sie nun in 4 Tagen verdienen.“

123 “An Essay,” etc. He himself relates on p. 96 wherein the “happiness” of the English agricultural laborer already in 1770 consisted. “Their powers are always upon the stretch, they cannot live cheaper than they do, nor work harder.”

123 „An Essay etc.“ Er selbst erzählt p. 96, worin schon 1770 „das Glück“ der englischen Agrikulturarbeiter bestand. „Ihre Arbeitskräfte (their working powers) sind stets auf das äußerste angespannt (on the stretch); sie können nicht schlechter leben, als sie tun (they cannot live cheaper than they do), noch härter arbeiten (nor work harder).“
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124 Protestantism, by changing almost all the traditional holidays into workdays, plays an important pan in the genesis of capital.

This footnote discussed and mis-interpreted in [Coh80, p. 279:1]. Perhaps make a question out of it.


126 l.c., p. 69. Jacob Vanderlint, as early as 1734, declared that the secret of the out-cry of the capitalists as to the laziness of the working people was simply that they claimed for the same wages 6 days’ labor instead of 4.

388:0p To this end, and for “extirpating idleness debauchery and excess,” promoting a spirit of industry, “lowering the price of labor in our manufactories, and easing the lands of the heavy burden of

124 Der Protestantismus spielt schon durch seine Verwandlung fast aller traditionellen Feiertage in Werktage eine wichtige Rolle in der Genesis des Kapitals.

125 „An Essay etc.“, p. 41, 15, 96, 97, 55, 56, 57.

126 l.c. p. 69. Jacob Vanderlint erklärte schon 1734, das Geheimnis der Kapitalistenklage über die Faulenzerei des Arbeitervolks sei einfach, daß sie für denselben Lohn 6 statt 4 Arbeitstage bean spruchten.

292:1 Zu diesem Zwecke, wie zur „Ausrottung der Faulenzerei, Ausschweifung und romantischen Freiheitsduselei“, ditto „zur Minderung der Armentaxe, Förderung des Geistes der Industrie und Herabdrückung
poor’s rates,” our “faithful Eckart” of capital proposes this approved device: to shut up such laborers as become dependent on public support, in a word, paupers, in “an ideal workhouse.” Such ideal workhouse must be made a “House of Terror,” and not an asylum for the poor, “where they are to be plentifully fed, warmly and decently clothed, and where they do but little work.” In this “House of Terror,” this “ideal workhouse, the poor shall work 14 hours in a day, allowing proper time for meals, in such manner that there shall remain 12 hours of neat-labor.”

127 l.c., p. 242.

127 „An Essay etc.“, p. 242, 243: „Such ideal workhouse must be made a „House of Terror“, and not zu einem Asyl für die Armen, wo sie reich-
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The next two paragraphs constitute the transition to the following section. This workhouse will be realized in a much more terrible form than dreamed up by this bourgeois writer—in the factory.

388:1/o Twelve working-hours daily in the Ideal Workhouse, in the “House of Terror” of 1770! 63 years later, in 1833, when the English Parliament reduced the working-day for children of 13 to 18, in four branches of industry to 12 full hours, the judgment day of English Industry had
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dawned! In 1852, when Louis Bonaparte sought to secure his position with the bourgeoisie by tampering with the legal working-day, the French working people cried out with one voice “the law that limits the working-day to 12 hours is the one good that has remained to us of the legislation of the Republic!”

At Zurich the work of children over 10 is limited to 12 hours; in Aargau in 1862, the work of children between 13 and 16 was reduced from 12 1/2 to 12 hours; in Austria in 1860, for children between 14 and 16, the same reduction was made.

“What a progress,” since 1770! Macaulay would shout “with exultation”!

129 “They especially objected to work beyond

129 „Sie widersetzten sich besonders deshalb eih-
the 12 hours per day, because the law which fixed those hours, is the only good which remains to them of the legislation of the Republic.” (“Rep. of Insp. of Fact.”, 31 st October, 1856, p. 80.) The French Twelve Hours’ Bill of September 5th, 1850, a bourgeois edition of the decree of the Provisional Government of March 2nd, 1848, holds in all workshops without exceptions. Before this law the working-day in France was without definite limit. It lasted in the factories 14, 15, or more hours. See “Des classes ouvrières en France, pendant l’année 1848. Par M. Blanqui.” M. Blanqui the economist, not the Revolutionist, had been entrusted by the Government with an inquiry into the condition of the working-class.

130 Belgium is the model bourgeois state in regard to the regulation of the working-day. Lord Howard of Welden, English Plenipotentiary at
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Brussels, reports to the Foreign Office May 12th, 1862: “M. Rogier, the minister, informed me that children’s labor is limited neither by a general law nor by any local regulations; that the Government, during the last three years, intended in every session to propose a bill on the subject, but always found an insuperable obstacle in the jealous opposition to any legislation in contradiction with the principle of perfect freedom of labor.”

389:1 The “House of Terror” for paupers of which the capitalistic soul of 1770 only dreamed, was realised a few years later in the shape of a gigantic “Workhouse” for the industrial worker himself. It is called the Factory. And the ideal this time fades before the working-class.

293:2 Das „Haus des Schreckens“ für Paupers, wovon die Kapitalseele 1770 noch träumte, erhob sich wenige Jahre später als riesiges „Arbeitshaus“ für die Manufakturarbeiter selbst. Es hieß Fabrik. Und diesmal erblaßte das Ideal vor der Wirklichkeit.

10.6.a. [Industrial Revolution Overturns all Limits of the working-day]

In the centuries before 1766, capital caused a gradual extension of the working day (1) up to the normal maximal bounds (i.e., the labor-time of those workers who had worked less than the norm was made equal to the norm), and (2) to the limits of the natural day of 12 hours during which there is enough daylight. This was a slow process. But since the birth of large-scale industry 1766–1800 a sudden spurt occurred in which all bounds were overturned.
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maximum limit, and then beyond this to the limit of the natural day of 12 hours,\textsuperscript{131} there followed on the birth of machinism and modern industry in the last third of the 18th century, a violent encroachment like that of an avalanche in its intensity and extent.

\textsuperscript{131} It is certainly much to be regretted that any class of persons should toil 12 hours a day, which, including the time for their meals and for going to and returning from their work, amounts, in fact, to 14 of the 24 hours … Without entering into the question of health, no one will hesitate, I think, to admit that, \textit{in a moral point of view, so} entire an absorption of the time of the


\textsuperscript{131} „Es ist sicher sehr bedauerlich, daß irgend- eine Klasse von Personen 12 Stunden täglich sich abplacken muß. Rechnet man die Mahlzeiten zu und die Zeit, um zu und von der Werkstatt zu gehen, so beträgt dies in der Tat 14 von den 24 Tagesstunden … Abgesehen von der Gesundheit, wird niemand, ich hoffe, anstehn zuzugeben, daß vom moralischen Gesichtspunkt eine so gänzli-
working-classes, without intermission, from the early age of 13, and in trades not subject to restriction, much younger, must be extremely prejudicial, and is an evil greatly to be deplored ... For the sake, therefore, of public morals, of bringing up an orderly population, and of giving the great body of the people a reasonable enjoyment of life, it is much to be desired that in all trades some portion of every working-day should be reserved for rest and leisure.” (Leonard Homer in “Reports of Insp. of Fact. for 31st Dec., 1841.”)

All bounds of morals and nature, age and gender, day and night, were broken down. Even the ideas of day and night, of rustic simplicity in the old statutes, became so confused that an English judge, as late as 1860, wahrhaft talmudistischen Scharfsinn aufbieten mußte, um „urteilskräftig“ zu
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1860, needed a quite Talmudic sagacity to explain “judicially” what was day and what was night.\(^{132}\) Capital celebrated its orgies.

\(^{132}\) See “Judgment of Mr. J. H. Otway, Belfast. Hilary Sessions, County Antrim, 1860.”

The working class which, between 1766 and 1800, had been “stunned by the noise and turmoil of the new mode of production,” begins its resistance around 1800. But for the next 30 years it has only nominal success.

390:1 As soon as the working-class, stunned at first by the noise and turmoil of the new system of production, recovered, in some measure, its senses, its resistance began, and first in the native land of machinism, in England. For 30 years, however, the concessions conquered by the workpeople were purely nominal. Parliament passed 5 labor Laws between 1802 and 1833, but

was shrewd enough not to vote a penny for their carrying out, for the requisite officials, etc.\textsuperscript{133} They remained a dead letter.

\textsuperscript{134} Report of Insp. of Fact. 30th April, 1860, p. 50.

\textuparrow The state passes laws which are not enforced. This contradictory activity shows that the state does \textit{not} act here as an agent of the bourgeoisie: it is forced by the proletariat to pass these laws, but due to the power of the capitalists it sabotages them at the same time, by not providing money to enforce them.

\textit{“The fact is, that prior to the Act of 1833, young persons and children were worked all night, all day, or both \textit{ad libitum.”}}\textsuperscript{134}

\textdownarrow In France, the laws were not only not enforced, but they are also distinguished by their number: only one law was passed regarding the working-day in a society which likes to regulate everything:

\textsuperscript{133} It is very characteristic of the regime of

\textsuperscript{133} Sehr charakteristisch ist es für das Regime
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Louis Philippe, the bourgeois king, that the one Factory Act passed during his reign, that of March 22nd 1841, was never put in force. And this law only dealt with child-labor. It fixed 8 hours a day for children between 8 and 12, 12 hours for children between 12 and 16, etc., with many exceptions which allow night-work even for children 8 years old. The supervision and enforcement of this law are, in a country where every mouse is under police administration, left to the good-will of the amis du commerce. Only since 1853, in one single department—the Département du Nord—has a paid government inspector been appointed. Not less characteristic of the development of French society, generally, is the fact, that Louis Philippe’s law stood solitary among the all-embracing mass of French laws, till the Revolution of 1848.


10.6.b. [The Factory Act of 1833]

After 30 years of pretenses and stalling, the factory legislation begins in earnest in 1833:

390:2 A normal working-day for modern industry only dates from the Factory Act of 1833, which included cotton, wool, flax, and silk factories. Nothing is more characteristic of the spirit of capital than the history of the English Factory Acts from 1833 to 1864.

390:3/0 The Act of 1833 declares the ordinary factory working-day to be from half-past five in the morning to half-past eight in the evening and within these limits, a period of 15 hours, it is lawful to employ young persons (i.e., persons between 13 and 18 years of age), at any time of the day, provided no one individual young person


295:3 Das Gesetz von 1833 erklärt, der gewöhnliche Fabrikarbeitstag solle beginnen um halb 6 Uhr morgens und enden halb 9 Uhr abends, und innerhalb dieser Schranken, einer Periode von 15 Stunden, solle es gesetzlich sein, junge Personen (d.h. Personen zwischen 13 und 18 Jahren) zu irgendeiner Zeit des Tags anzuwenden, immer voraus-
should work more than 12 hours in any one day, except in certain cases especially provided for. The 6th section of the Act provided: “That there shall be allowed in the course of every day not less than one and a half hours for meals to every such person restricted as hereinbefore provided.” The employment of children under 9, with exceptions mentioned later was forbidden; the work of children between 9 and 13 was limited to 8 hours a day, night-work, i.e., according to this Act, work between 8:30 p.m. and 5:30 a.m., was forbidden for all persons between 9 and 18.

↑ Note that the working time for adult workers was not regulated! Since children and
adults have to work together, the regulation of child labor contradicts the commitment to leave adult labor unregulated.

391:1–2p The law-makers were so far from wishing to trench on the freedom of capital to exploit adult labor-power, or, as they called it, “the freedom of labor,” that they created a special system in order to prevent the Factory Acts from having such an outrageous consequence.

⇓ The relay system is an attempt to bridge this contradiction:

“The great evil of the factory system as at present conducted,” says the first report of the Central Board of the Commission of June 28th 1833, “has appeared to us to be that it entails the necessity of continuing the labor of children to the utmost length of that of the adults. The only remedy for this evil, short of the limitation of the labor of adults which would, in
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our opinion, create an evil greater than that which is sought to be remedied, appears to be the plan of working double sets of children.”

391:2p Under the name of System of Relays, such a “plan” was therefore carried out, that, e.g., from 5.30 a.m. until 1.30 in the afternoon, one set of children between 9 and 13, and from 1.30 p.m. to 8.30 in the evening another set were “put to,” etc.

391:3/o In order to reward the manufacturers for having, in the most barefaced way, ignored all the Acts as to children’s labor

woraus ein Übel entspringen würde, größer als das, dem vorgebeugt werden soll, scheint der Plan, doppelte Reihen von Kindern zu verwenden."

296:1 Unter dem Namen Relaissystem („System of Relays“; Relay heißt im Englischen wie im Französischen: das Wechseln der Postpferde auf verschiednen Stationen) wurde daher dieser „Plan“ ausgeführt, so daß z.B. von halb 6 Uhr morgens bis halb 2 Uhr nachmittags eine Reihe von Kindern zwischen 9 und 13 Jahren, von halb 2 Uhr nachmittags bis halb 9 Uhr abends eine andre Reihe vorgespannt wird usw.

296:2–3 Zur Belohnung dafür, daß die Herren Fabrikanten alle während der letzten 22 Jahre erlaßnen Gesetze über Kinderarbeit

Passed during the last twenty-two years, the pill was yet further gilded for them. Parliament decreed that after March 1st, 1834, no child under 11, after March 1st 1835, no child under 12, and after March 1st, 1836, no child under 13 was to work more than eight hours in a factory. This “liberalism,” so full of consideration for “capital,” was the more noteworthy as Dr. Farre, Sir A. Carlisle, Sir B. Brodie, Sir C. Bell, Mr. Guthrie, etc., in a word, the most distinguished physicians and surgeons in London, had declared in their evidence before the House of Commons, that there was danger in delay. Dr. Farre expressed himself still more bluntly: “Legislation is necessary for the prevention of death, in any form in aufs frechste ignoriert hatten, ward ihnen jetzt aber auch die Pille vergoldet. Das Parlament bestimmte, daß nach dem 1. März 1834 kein Kind unter 11 Jahren, nach dem 1. März 1835 kein Kind unter 12 Jahren und nach dem 1. März 1836 kein Kind unter 13 Jahren über 8 Stunden in einer Fabrik arbeiten solle! Dieser für das „Kapital“ so schonungsvolle „Liberalismus“ war um so anerkennenswerter, als Dr. Farre, Sir A. Carlisle, Sir B. Brodie, Sir C. Bell, Mr. Guthrie usw., kurz die bedeutendsten physicians und surgeons Londons in ihren Zeugenaussagen vor dem Unterhaus erklärt hatten, daß periculum in mora! Dr. Farre drückte sich noch etwas gröber dahin aus: „Gesetzgebung ist gleich notwendig für die Vorbeugung des Tods in allen Formen,
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which it can be prematurely inflicted, and certainly this (i.e., the factory method) must be viewed as a most cruel mode of inflicting it.”

135 „Legislation is equally necessary for the prevention of death, in any form in which it can be prematurely inflicted, and certainly this must be viewed as a most cruel mode of inflicting it.“

392:1 That same “reformed” Parliament, which in its delicate consideration for the manufacturers, condemned children under 13, for years to come, to 72 hours of work per week in the Factory Hell, on the other hand, in the Emancipation Act, which also administered freedom drop by drop, forbade the planters, from the outset, to work any negro slave more than 45 hours a week.

296:4 Dasselbe „reformierte“ Parlament, das aus Zartsinn für die Herrn Fabrikanten Kinder unter 13 Jahren noch jahrelang in die Hölle 72stündiger Fabrikarbeit per Woche festbannte, verbot dagegen in dem Emanzipationsakt, der auch die Freiheit tropfenweise eingab, von vornherein den Pflanzern, irgend-einen Negersklaven länger als 45 Stunden per Woche abzuarbeiten!

10.6.c. [Efforts to Prevent and Circumvent the 1833 Law]

Marx looks at the development in historical perspective. The 1833 law met lots of resistance: between 1833 and 1836 an unsuccessful last-ditch effort of capital to prevent full implementation of the law, and then it was successfully circumvented and gutted by a new “system of relays.”

But in no wise conciliated, capital now began a noisy agitation that went on for several years.

Alleged content of the agitation is the question: who is a child?

It turned chiefly on the age of those who, under the name of children, were limited to 8 hours’ work, and were subject to a certain amount of compulsory education. According to capitalistic anthropology, the age of childhood ended at 10, or at the outside, at 11.

But the intensity of the discussion was governed by the time schedule when the Factory...
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Acts would take full force:

The more nearly the time approached for the coming into full force of the Factory Act, the fatal year 1836, the more wildly raged the mob of manufacturers. They managed, in fact, to intimidate the government to such an extent that in 1835 it proposed to lower the limit of the age of childhood from 13 to 12.

But the strength of the working class prevented the legislators from caving in:

In the meantime the pressure from without grew more threatening. Courage failed the House of Commons. It refused to throw children of 13 under the Juggernaut Car of capital for more than 8 hours a day, and the Act of 1833 came into full operation. It remained unaltered until June, 1844.
But even with the law in operation the excesses continued—because the “new relais system” made it impossible to enforce these laws.

392:3/o In the ten years during which it regulated factory work, first in part, and then entirely, the official reports of the factory inspectors teem with complaints as to the impossibility of putting the Act into force.

Here are the details why it was impossible to enforce these laws:

As the law of 1833 left it optional with the lords of capital during the 15 hours, from 5.30 a.m. to 8.30 p.m., to make every “young person,” and “every child” begin, break off, resume, or end his 12 or 8 hours at any moment they liked, and also permitted them to assign to different persons, different times for meals, these gentlemen soon discovered a new “system of relays,” by which...
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the labor-horses were not changed at fixed stations, but were constantly re-harnessed at changing stations.

Herrn bald ein neues „Relaissystem“ aus, wohnach die Arbeitspferde nicht an bestimmten Stationen gewechselt, sondern an wechselnden Stationen stets wieder von neuem vorge-spannt werden.

⇓ This loophole made the whole factory act mute.

We do not pause longer on the beauty of this system, as we shall have to return to it later. But this much is clear at the first glance: that this system annulled the whole Factory Act, not only in the spirit, but in the letter. How could factory inspectors, with this complex bookkeeping in respect to each individual child or young person, enforce the legally determined work-time and the granting of the legal mealtimes? In a great many of the factories, the old brutalities soon blossomed

Wir verweilen nicht weiter bei der Schönheit dieses Systems, da wir später darauf zurückkommen müssen. So viel ist aber auf den ersten Blick klar, daß es den ganzen Fabrikakt nicht nur seinem Geist, sondern auch seinem Buchstaben nach aufhob. Wie sollten die Fabrikinspektoren bei dieser komplizierten Buchführung über jedes einzelne Kind und jede junge Person die gesetzlich bestimmte Arbeitszeit und die Gewährung der gesetzlichen Mahlzeiten erzwingen? In einem
out again unpunished. In an interview with the Home Secretary (1844), the factory inspectors demonstrated the impossibility of any control under the newly invented relay system.\textsuperscript{136}

\textsuperscript{136} “Rep. of Insp. of Fact.,” 31st October, 1849, p. 6.

\uparrow The relais system will be discussed in greater detail in 403:1/o.

10.6.d. [The Additional Factory Act from 1844]

\downarrow Marx gives four points explaining why the next effort, the additional Factory Act of 1844, was more successful:

In the meantime, however, circumstances had greatly changed.

\downarrow (1) Votes of the Factory laborers depended on 10-hours bill.
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The factory hands, especially since 1838, had made the Ten Hours’ Bill their economic, as they had made the Charter their political, election-cry.

⇓ (2) Part of the factory owners themselves turned to Parliament against the breach of laws by their competitors.

Some of the manufacturers, even, who had managed their factories in conformity with the Act of 1833, overwhelmed Parliament with memorials on the immoral competition of their false brethren whom greater impudence, or more fortunate local circumstances, enabled to break the law.

(3) Political leaders of the capitalist class needed the workers as allies against the landowners in their agitation for the repeal of the corn (tariff) laws (landowners favor corn tariffs which guarantee high returns from agriculture).

Moreover, however much the individual
manufacturer might give the rein to his old lust for gain, the spokesmen and political leaders of the manufacturing class ordered a change of front and of speech towards the workpeople. They had entered upon the contest for the repeal of the Corn Laws, and needed the workers to help them to victory. They promised therefore, not only a double-sized loaf of bread, but the enactment of the Ten Hours’ Bill in the Free-trade millennium.\textsuperscript{137} Thus they still less dared to oppose a measure intended only to make the law of 1833 a reality.

\(\Downarrow\) (4) The land owners unsuccessfully tried to prevent such a coalition by preaching against the “nefarious practices” of the capitalists. Threatened in their holiest interest, the rent
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of land, the Tories thundered with philanthropic indignation against the “nefarious practices”\(^{138}\) of their foes.

\(^{137}\) “Rept. of Insp. of Fact.,” 31st October, 1848, p. 98.

\(^{138}\) Leonard Homer uses the expression “nefarious practices” in his official reports. ("Report of Insp. of Fact.,” 31st October, 1859, p. 7.)

\(\downarrow\) The additional Factory Act from 1844 plugged the loopholes with the “spurious relay system,” further shortened work time for children and, importantly, for the first time included adults—not adult men but adult women.

\(^{393:1/\text{op}}\) This was the origin of the additional Factory Act of June 7th, 1844. It came into effect on September 10th, 1844.

\(\downarrow\) (1) It includes also women, who were placed on the same footing as young persons. This is an important inroad, since previously, the regulation of the working-days of adult persons had been considered an infringement into their “freedom of contracts.”


\(^{1486}\)
It places under protection a new category of workers, viz., the women over 18. They were placed in every respect on the same footing as the young persons, their work-time limited to twelve hours, their night-labor forbidden, etc. For the first time, legislation saw itself compelled to control directly and officially the labor of adults. In the Factory Report of 1844–1845, it is said with irony:

“No instances have come to my knowledge of adult women having expressed any regret at their rights being thus far interfered with.”  

(2) Children’s labor was shortened to 6 1/2 or 7 hours. However here one regressive provision (mentioned by Marx in 395:1): minimum age for children reduced from 9 to 8 “in
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order to get an additional supply of factory children.”

In order to get rid of the abuses of the “spurious relay system” it was practically prohibited to spread the working-day out for children and young persons.

394:0p The working time of children under 13 was reduced to 6 1/2, and in certain circumstances to 7 hours a day.\textsuperscript{140}

\textsuperscript{140} The Act allows children to be employed for 10 hours if they do not work day after day, but only on alternate days. In the main, this clause remained inoperative.

394:1 To get rid of the abuses of the “spurious relay system,” the law established besides others the following important regulations:

“That the hours of work of children and young persons shall be reckoned from the time when any child or young person shall begin to work

298:3 Die Arbeit von Kindern unter 13 Jahren wurde auf 6 1/2 und, unter gewissen Bedingungen, 7 Stunden täglich reduziert.\textsuperscript{140}

\textsuperscript{140} Der Akt erlaubt, Kinder 10 Stunden anzuwenden, wenn sie nicht Tag nach Tag, sondern nur einen Tag über den andern arbeiten. Im ganzen blieb diese Klausel wirkungslos.

298:4–299:2 Um die Mißbräuche des falschen „Relaisystems“ zu beseitigen, traf das Gesetz u.a. folgende wichtige Detailbestimmungen:

„Der Arbeitstag für Kinder und junge Personen ist von der Zeit an zu zählen, wo irgendein Kind oder eine junge Person des Morgens in der Fa-
in the morning.”

So that if \( A \), e.g., begins work at 8 in the morning, and \( B \) at 10, \( B \)’s work-day must nevertheless end at the same hour as \( A \)’s.

“The time shall be regulated by a public clock,” for example, the nearest railway clock, by which the factory clock is to be set. The occupier is to hang up a “legible” printed notice stating the hours for the beginning and ending of work and the times allowed for the several meals.

\[\text{But shift work is still possible:}\]

Children beginning work before 12 noon may not be again employed after 1 p.m. The afternoon shift must therefore consist of other children than those employed in the morning.

brik zu arbeiten anfängt.“

So daß, wenn \( A \) z.B. um 8 Uhr morgens die Arbeit beginnt und \( B \) um 10 Uhr, der Arbeits-tag dennoch für \( B \) zur selben Stunde enden muß wie für \( A \). Der Anfang des Arbeitstags soll angezeigt werden durch eine öffentliche Uhr, z.B. die nächste Eisenbahn Uhr, wohin die Fabrikglocke zu richten. Der Fabrikant hat eine großgedruckte Notiz in der Fabrik aufzuhängen, worin Anfang, Ende, Pausen des Arbeitstags angegeben sind.

Kinder, die ihre Arbeit des Vormittags vor 12 Uhr beginnen, dürfen nicht wieder nach 1 Uhr mittags verwandt werden. Die Nachmittagsreihe muß also aus andren Kindern bestehen als die Vormittagsreihe.
Very detailed regulations concerning the meal times, but the manufacturers still tried to get around them, see 398:3p.

Of the hour and a half for meal-times, “one hour thereof at the least shall be given before three of the clock in the afternoon . . . and at the same period of the day. No child or young person shall be employed more than five hours before 1 p.m. without an interval for meal-time of at least 30 minutes. No child or young person [or female] shall be employed or allowed to remain in any room in which any manufacturing process is then [i.e., at mealtimes] carried on,” etc.

Die 1 1/2 Stunden für Mahlzeit müssen allen beschützten Arbeitern zu denselben Tagesperioden eingeräumt werden, eine Stunde wenigstens vor 3 Uhr nachmittags. Kinder oder junge Personen dürfen nicht länger als 5 Stunden vor 1 Uhr mittags verwandt werden, ohne eine mindestens halbstündige Pause für Mahlzeit. Kinder, junge Personen oder Frauenzimmer dürfen während keiner Mahlzeit in einer Fabrikstube bleiben, worin irgendein Arbeitsprozeß vorgeht usw.

Interesting theoretical comment: Parliamentary laws not invented or derived from some abstract set of human rights, but the content of these laws gradually emerged from the nature of the mode of production (Marx calls them “natural laws of the modern mode of production”). Their formulation and official recognition is the effect of a long class struggle.
394:2/o It has been seen that these minutiae, which, with military uniformity, regulate by stroke of the clock the times, limits, pauses of the work were not at all the products of Parliamentary fancy. They developed gradually out of circumstances as natural laws of the modern mode of production. Their formulation, official recognition, and proclamation by the State, were the result of a long struggle of classes.

An apparently unintended consequence (since it was no longer possible to have young persons and children around for 15 hours) was also the working-day for adult workers was, for all practical matters, shortened to 12 hours.

One of their first consequences was that in practice the working-day of the adult males in factories became subject to the same limit.


Eine ihrer nächsten Folgen war, daß die Praxis auch den Arbeitstag der erwachsenen männlichen Fabrikarbeiter denselben Schran-
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...itations, since in most processes of production the co-operation of the children, young persons, and women is indispensable. On the whole, therefore, during the period from 1844 to 1847, the 12 hours’ working-day became general and uniform in all branches of industry under the Factory Act.

At the end, Marx mentions the one regressive provision of the Act:

395:1 The manufacturers, however, did not allow this “progress” without a compensating “retrogression.” At their instigation the House of Commons reduced the minimum age for exploitable children from 9 to 8, in order to assure that additional supply of factory children which is due to capitalists, according to divine and human law.141


141 “As a reduction in their hours of work would cause a larger number (of children) to be employed, it was thought that the additional supply of children from 8 to 9 years of age would meet the increased demand” (l.c., p. 13).

Under this law, the working day for children was limited to 7 hours, and that for adults to 12 hours. But the basis was laid to reach the proclaimed goal of the period, the 10-hour working day.

10.6.e. [Failed Attempts to Prevent the 1848 Ten-Hour Law]

In 1846/47, several movements came together making possible a great leap forward in factory legislation.

395:2 The years 1846–47 are epoch-making in the economic history of England.

Corn laws repealed
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The Repeal of the Corn Laws, and of the duties on cotton and other raw material; Free-trade proclaimed as the guiding star of legislation; in a word, the arrival of the millennium.

§ Climax of Chartist movement.

On the other hand, in the same years, the Chartist movement and the 10 hours’ agitation reached their highest point.

§ Tories angry at the manufacturers because of the repeal of the Corn Laws, allied with the Chartists.

They found allies in the Tories panting for revenge.

§ Why did the Free-traders not keep their word?

Despite the fanatical opposition of the army of perjured Free-traders, with Bright and Cobden at their head, the Ten Hours’ Bill, Widerruf der Korngesetze, die Einfuhrzölle auf Baumwolle und andre Rohmaterialien abgeschafft, der Freihandel zum Leitstern der Gesetzgebung erklärt! Kurz, das tausendjährige Reich brach an.

Andrerseits erreichten in denselben Jahren Chartistenbewegung und Zehnstundenagitation ihren Höhepunkt.

Sie fanden Bundesgenossen in den rachschnaubenden Tories.

Trotz des fanatischen Widerstands des wortbrüchigen Freihandelsheers mit Brigt und Cobden an der Spitze ging die so lang er-
struggled for so long, went through Parliament.

Therefore the law of 1847 was enacted.

It shortens the working-day of young persons and female laborers to 11 hours in 1847 and 10 hours in 1848.

395:3 The new Factory Act of June 8th, 1847, enacted that on July 1st, 1847, there should be a preliminary shortening of the working-day for “young persons” (from 13 to 18), and all females to 11 hours, but that on May 1st, 1848, there should be a definite limitation of the working-day to 10 hours. In other respects, the Act only amended and completed the Acts of 1833 and 1844.

This progress was so fast that capital strongly resisted. This resistance has two prongs. The present subsection discusses what Marx calls the “preliminary” campaign, in which capital tried to prevent the full enactment of the 10-hour bill in 1848, and the next subsection discusses their attempts to repeal the Act after its enactment.
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395:4/o Capital now entered upon a preliminary campaign in order to hinder the Act from coming into full force on May 1st, 1848. And the workers themselves, allegedly wisened up by experience, were to help in the destruction of their own work.

How were they able to enlist the workers to fight against their interests?

⇓ (1) Favorable exterior circumstances: crisis of 1846/47:

The moment was cleverly chosen.

“It must be remembered, too, that there has been more than two years of great suffering (in consequence of the terrible crisis of 1846–47) among the factory operatives, from many mills having worked short time, and many being altogether closed. A considerable number of the operatives must therefore be in very narrow circumstances many, it is to be feared, in debt; so that it might fairly have been pre-

300:3–4 Das Kapital unternahm einen vorläufigen Feldzug, um die volle Ausführung des Akts am 1. Mai 1848 zu verhindern. Und zwar sollten die Arbeiter selbst, angeblich durch die Erfahrung gewitzigt, ihr eignes Werk wieder zerstören helfen.

Der Augenblick war geschickt gewählt.

„Man muß sich erinnern, daß infolge der furchtbaren Krise von 1846/1847 großes Leid unter den Fabrikarbeitern vorherrschte, da viele Fabriken nur für kurze Zeit gearbeitet, andere ganz stillgestanden hatten. Eine beträchtliche Anzahl der Arbeiter befand sich daher in drückendster Lage, viele in Schulden. Man konnte daher mit ziemlicher Gewißheit annehmen, daß sie die längere Arbeitszeit vorziehn

sumed that at the present time they would prefer working the longer time, in order to make up for past losses, perhaps to pay off debts, or get their furniture out of pawn, or replace that sold, or to get a new supply of clothes for themselves and their families.”


(2) Cut in wages after repeal of the Corn Laws:

396:1/o The manufacturers tried to aggravate the natural effect of these circumstances by a general reduction of wages by 10%. This was done so to say, to celebrate the inauguration of the new Free-trade era. Then followed a further reduction of 8 1/3% as soon as the working-day was shortened to 11, and a reduction of double that amount as

würden, um die vergangenen Verluste gutzumachen, vielleicht Schulden abzuzahlen oder ihre Möbel aus dem Pfandhaus zu holen oder verkaufte Habseligkeiten zu ersetzen oder neue Kleidungsstücke sich selbst und ihren Familien zu verschaffen.“


300:5/o Die Herrn Fabrikanten suchten die natürliche Wirkung dieser Umstände zu steigern durch eine allgemeine Lohnherabsetzung von 10%. Dies geschah sozusagen zur Einweihungsfeier der neuen Freihandelsära. Dann folgte weitere Herabsetzung um 8 1/3%, sobald der Arbeitstag auf 11, und um das Doppelte, sobald er definitiv auf 10 Stunden
soon as it was finally shortened to 10 hours. Wherever, therefore, circumstances allowed it, a reduction of wages of at least 25% took place.143

143 “I found that men who had been getting 10 sh. a week, had had 1 s. taken off for a reduction in the rate of 10 per cent, and 1 s. 6 d. off the remaining 9s. for the reduction in time, together 2s. 6d., and notwithstanding this, many of them said they would rather work 10 hours.” l.c.

\[ \text{Capitalists tried to use these favorable circumstances to enlist the workers in their propaganda against the Ten Hour Bill. But they didn’t succeed:} \]

Under such favourably prepared conditions the agitation among the factory workers for the repeal of the Act of 1847 was begun. Neither lies, bribery, nor threats were spared in this attempt. But all was in vain.


Petitions: petitioners testified that they were forced.

Concerning the half-dozen petitions in which workpeople were made to complain of “their oppression by the Act,” the petitioners themselves declared under oral examination, that their signatures had been extorted from them. “They felt themselves oppressed, but not exactly by the Factory Act.”

144 “Though I signed it [the petition], I said at the time I was putting my hand to a wrong thing.’ ‘Then why did you put your hand to it?’ ‘Because I should have been turned off if I had refused.’ Whence it would appear that this petitioner felt himself ‘oppressed,’ but not exactly by the Factory Act.” l.c., p. 102.

Press campaign to denounce the factory inspectors:

144 „Als ich die Petition unterzeichnete, erklärte ich zugleich, ich tue damit etwas Schlechtes.—Warum habt ihr sie denn unterzeichnet?—Weil man mich im Weigerungsfalle auf das Pflaster geworfen hätte.—Der Bittsteller fühlte sich in der Tat „unterdrückt“, aber nicht grade durch den Fabrikakt.“ (l.c. p. 102.)
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But if the manufacturers did not succeed in making the workpeople speak as they wished, they themselves shrieked all the louder in press and Parliament in the name of the workpeople. They denounced the Factory Inspectors as a kind of revolutionary commissioners like those of the French National Convention ruthlessly sacrificing the unhappy factory workers to their humanitarian crotchet. This manoeuvre also failed. Factory Inspector Leonard Homer conducted in his own person, and through his sub-inspectors, many examinations of witnesses in the factories of Lancashire. About 70% of the workpeople examined declared in favour of 10 hours, a much smaller percentage in favour of 11, and an alto-

Wenn es aber den Fabrikanten nicht gelang, die Arbeiter in ihrem Sinn sprechen zu machen, schrien sie selbst nur um so lauter in Presse und Parlament im Namen der Arbeiter. Sie denunzierten die Fabrikinspektoren als eine Art Konventskommissäre, die ihrer Weltverbesserungsgrille den unglücklichen Arbeiter unbarmerzig aufopferten. Auch dies Manöver schlug fehl. Fabrikinspektor Leonard Horner stellte in eigner Person und durch seine Unterinspektoren zahlreiche Zeugenverhöre in den Fabriken Lancashires an. Ungefähr 70% der verhörten Arbeiter erklärt sich für 10 Stunden, eine viel geringere Prozentzahl für 11 und eine ganz unbedeutende Minorität für die alten 12 Stunden.

together insignificant minority for the old 12 hours.\(^{145}\)

\(^{145}\) p. 17, l.c. In Mr. Homer’s district 10,270 adult male laborers were thus examined in 181 factories. Their evidence is to be found in the appendix to the Factory Reports for the half-year ending October 1848. These examinations furnish valuable material in other connexions also.

\[\downarrow\] They forced the workers to work longer and then expected them to say it was voluntary:

397:1 Another “friendly” dodge was to make the adult males work 12 to 15 hours, and then to blazon abroad this fact as the best proof of what the proletariat desired in its heart of hearts. But the “ruthless” Factory Inspector Leonard Homer was again to the fore. The majority of the “over-times” declared:


301:1–2 Ein andres „gütliches“ Manöver war, die erwachsnen männlichen Arbeiter 12 bis 15 Stunden arbeiten zu lassen und dann diese Tatsache für den besten Ausdruck der proletarischen Herzenswünsche zu erklären. Aber der „unbarmherzige“ Fabrikinspektor Leonard Horner war wieder an Ort und Stelle. Die meisten „Überstündigen“ sagten aus,
“They would much prefer working ten hours for less wages, but that they had no choice; that so many were out of employment (so many spinners getting very low wages by having to work as piecers, being unable to do better), that if they refused to work the longer time, others would immediately get their places, so that it was a question with them of agreeing to work the longer time, or of being thrown out of employment altogether.”

" sie würden es bei weitem vorziehn, 10 Stunden für geringren Arbeitslohn zu arbeiten, aber sie hätten keine Wahl; so viele von ihnen seien arbeitslos, so viele Spinner gezwungen, als bloße piecers zu arbeiten, daß, wenn sie die längere Arbeitszeit verweigerten, andre sofort ihre Stellen einnehmen würden, so daß die Frage so für sie stehe: entweder die längere Zeit arbeiten oder auf dem Pflaster liegen." 146

146 l.c. See the evidence collected by Leonard Homer himself, Nos. 69, 70, 71, 72, 92, 93, and that collected by Sub-Inspector A., Nos. 51, 52, 58, 59, 62, 70, of the Appendix. One manufacturer, too, tells the plain truth. See No. 14, and No. 265, l.c.

146 l.c. Siehe die von Leonard Horner selbst gesammelten Aussagen Nr. 69, 70, 71, 72, 92, 93 und die von Subinspektor A. gesammelten Nr. 51, 52, 58, 59, 62, 70 des „Appendix“. Ein Fabrikant schenkte selbst klaren Wein ein. Siehe Nr. 14 nach Nr. 265 l.c.

10.6.f. [Victorious Revolt of Capital against 10 Hours Bill]

397:2/o The preliminary campaign of capital thus came to grief, and the Ten Hours’ Act came into force May 1st, 1848. But the further development of the exterior circumstances created the conditions for a backlash:

1. Fiasco of Chartist Party. But meanwhile the fiasco of the Chartist party whose leaders were imprisoned, and whose organisation was dismembered, had shaken the confidence of the English working-class in its own strength.

2. Defeat of June insurrection in Paris. Soon after this the June insurrection in Paris and its bloody suppression united, in England as on the Continent, all fractions of the ruling classes, landlords and capitalists, landlords and capitalists, landlords and capitalists, landlords and capitalists, landlords and capitalists, landlords and capitalists, landlords and capitalists.
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stock-exchange wolves and shop-keepers, Protectionists and Freetraders, government and opposition, priests and freethinkers, young whores and old nuns, under the common cry for the salvation of Property, Religion, the Family and Society.

⇓ (3) General anti-working-class sentiments:

The working-class was everywhere proclaimed, placed under a ban, under a virtual law of suspects.

⇓ These circumstances allowed a victorious open revolt of the capitalists against the 10 hours bill and the other legislative regulation of the working-day.

The manufacturers had no need any longer to restrain themselves. They broke out in open revolt not only against the Ten Hours’ Act, but against the whole of the legisla-

eigentümer und Kapitalisten, Börsenwölfe und Krämer, Protektionisten und Freihändler, Regierung und Opposition, Pfaffen und Freigeister, junge Huren und alte Nonnen, unter dem gemeinschaftlichen Ruf zur Rettung des Eigentums, der Religion, der Familie, der Gesellschaft!

Die Arbeiterklasse wurde überall verfemt, in den Bann getan, unter das „loi des suspects“ gestellt.

Der Herrn Fabrikanten brauchten sich also nicht zu genieren. Sie brachen in offne Revolte aus nicht nur wider das Zehnstundengesetz, sondern wider die ganze Gesetzgebung,

tion that since 1833 had aimed at restricting in some measure the “free” exploitation of labor-power. It was a pro-slavery rebellion in miniature, carried on for over two years with a cynical recklessness, a terrorist energy all the cheaper because the rebel capitalist risked nothing except the skin of his “hands.”

Achilles heel of the exising legislation is that (1) male adults are not regulated, and (2) the legal day during which the work had to be performed was still 15 hours.

398:1 To understand that which follows we must remember that the Factory Acts of 1833, 1844, and 1847 were all three in force so far as the one did not amend the other: that not one of these limited the working-day of the male worker over 18, and that since 1833 the 15 hours from 5.30 a.m.

welche seit 1833 die „freie“ Aussaugung der Arbeitskraft einigermaßen zu zügeln suchte. Es war eine Proslavery Rebellion in Miniatur, während mehr als zwei Jahren durchgeührt mit zynischer Rücksichtslosigkeit, mit terroristischer Energie, beide um so wohlfeiler, als der rebellische Kapitalist nichts riskierte außer der Haut Arbeiter.

302:2 Zum Verständnis des Nachfolgenden muß man sich erinnern, daß die Fabrikakte von 1833, 1844 und 1847 alle drei in Rechtskraft, soweit der eine nicht den anderen amendiert; daß keiner derselben den Arbeitstag des männlichen Arbeiters über 18 Jahre beschränkt und daß seit 1833 die fünf-
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to 8.30 p.m. had remained the legal “day,” within the limits of which at first the 12, and later the 10 hours’ labor of young persons and women had to be performed under the prescribed conditions.

(1) In order to take advantage of this, factory owners discharge many women and children and re-institute night labor for men.

398:2 The manufacturers began by here and there discharging a part of, in many cases half of the young persons and women employed by them, and then, for the adult males, restoring the almost obsolete night-work. The Ten Hours’ Act, they cried, leaves no other alternative.\(^{147}\)

302:3 Die Fabrikanten begannen hie und da mit Entlassung eines Teils, manchmal der Hälfte, der von ihnen beschäftigten jungen Personen und Arbeiterinnen und stellten dagegen die fast verschollne Nachtarbeit unter den Erwachsenen wieder her. Das Zehnstundengesetz, riefen sie, lasse ihnen keine andre Alternative!\(^{147}\)

\(^{147}\) Reports, etc., for 31st October, 1848, pp. 133, 1506
133, 134.

(2) Meal times were now given outside the 10-hour day:

398:3p Their second step dealt with the legal pauses for meals. Let us hear the Factory Inspectors.

"Since the restriction of the hours of work to ten, the factory occupiers maintain, although they have not yet practically gone the whole length, that supposing the hours of work to be from 9 a.m. to 7 p.m. they fulfil the provisions of the statutes by allowing an hour before 9 a.m. and half an hour after 7 p.m. [for meals]. In some cases they now allow an hour, or half an hour for dinner, insisting at the same time, that they are not bound to allow any part of the hour and a half in the course of the factory working-day." 148

134.

302:4–303:0 Der zweite Schritt bezog sich auf die gesetzlichen Pausen für Mahlzeiten. Hören wir die Fabrikinspektoren.

„Seit der Beschränkung der Arbeitsstunden auf 10 behaupten die Fabrikanten, obgleich sie praktisch ihre Ansicht noch nicht bis zur letzten Konsequenz durchführen, daß, wenn z.B. von 9 Uhr morgens bis 7 Uhr abends gearbeitet wird, sie den gesetzlichen Vorschriften genug tun, indem sie eine Stunde für Mahlzeit vor 9 Uhr morgens und eine halbe Stunde nach 7 Uhr abends, also 1 1/2 Stunden für Mahlzeiten geben. In einigen Fällen erlauben sie jetzt eine halbe oder ganze Stunde für Mittagessen, bestehen aber zugleich darauf, sie seien durchaus nicht verpflichtet, irgendeinen Teil der 1 1/2
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The manufacturers maintained therefore that the scrupulously strict provisions of the Act of 1844 with regard to meal-times only gave the operatives permission to eat and drink before coming into, and after leaving the factory—i.e., at home. And why should not the workpeople eat their dinner before 9 in the morning? The crown lawyers, however, decided that the prescribed meal-times

“must be in the interval during the working-hours, and that it will not be lawful to work for 10 hours continuously, from 9 a.m. to 7 p.m.,

without any interval.\textsuperscript{149}

\textsuperscript{149} Reports, etc., for 31st October, 1848, p. 130.

(3) The real revolt begins with the stretching-out of the work times for the children:

\textsuperscript{303:3} Nach diesen gemütlichen Demonstrationen leitete das Kapital seine Revolte ein durch einen Schritt, der dem Buchstaben des Gesetzes von 1844 entsprach, also legal war.

\textsuperscript{303:4–304:0} Das Gesetz von 1844 verbot allerdings, Kinder von 8 bis 13 Jahren, die vor 12 Uhr vormittags beschäftigt würden, wieder nach 1 Uhr mittags zu beschäftigen. Aber es regelte in keiner Weise die 6 1/2stündige Arbeit der Kinder, deren Arbeitszeit um 12 Uhr vormittags oder später beginnen könnte.

\textsuperscript{399:1} After these pleasant demonstrations, Capital preluded its revolt by a step which agreed with the letter of the law of 1844, and was therefore legal.

\textsuperscript{399:2} The Act of 1844 certainly prohibited the employment after 1 p.m. of such children, from 8 to 13, as had been employed before noon. But it did not regulate in any way the 6 1/2 hours’ work of the children whose work-time began at 12 midday or later. Children of 8 might, if they began

\textsuperscript{149} „Reports etc. for 31st Oct. 1848“, p. 130.
work at noon, be employed from 12 to 1, 1 hour; from 2 to 4 in the afternoon, 2 hours; from 5 to 8.30 in the evening, 3 1/2 hours; in all, the legal 6 1/2 hours. Or better still. In order to make their work coincide with that of the adult male laborers up to 8.30 p.m., the manufacturers only had to give them no work till 2 in the afternoon, they could then keep them in the factory without intermission till 8.30 in the evening.

“And it is now expressly admitted that the practice exists in England from the desire of mill-owners to have their machinery at work for more than 10 hours a-day, to keep the chil-

begann! Achtjährige Kinder konnten daher, wenn sie die Arbeit um 12 Uhr vormittags begannen, von 12 bis 1 Uhr verwandt werden, 1 Stunde; von 2 Uhr bis 4 Uhr nachmittags, 2 Stunden, und von 5 Uhr bis halb 9 Uhr abends, 3 1/2 Stunden; alles in allem die gesetzlichen 6 1/2 Stunden! Oder noch besser. Um ihre Verwendung der Arbeit erwachsener männlicher Arbeiter bis halb 9 Uhr abends anzupassen, brauchten ihnen die Fabrikanten kein Werk zu geben vor 2 Uhr nachmittags und konnten sie dann ununterbrochen in der Fabrik halten bis halb 9 Uhr abends!

„Und es wird jetzt ausdrücklich zugestanden, daß neuerdings infolge der Fabrikantengier, ihre Maschinerie länger als 10 Stunden laufen zu lassen, sich die Praxis in England eingeschlie-

dren at work with male adults after all the young persons and women have left, and until 8.30 p.m. if the factory-owners choose.”

150 Reports, etc., l.c., p. 142.

399:2 Workmen and factory inspectors protested on hygienic and moral grounds, but Capital answered:

“Meine Taten auf mein Haupt! Mein Recht verlang’ ich!
Die Buße und Verpfändung meines Scheins!”

399:3/o In fact, according to statistics laid before the House of Commons on July 26th, 1850, in spite of all protests, on July 15th, 1850, 3,742 children were subjected to this “practice” in 257 factories.

151
(4) Another trick: children’s breaks in the afternoons were not regulated.

Still, this was not enough. The lynx eye of Capital discovered that the Act of 1844 did not allow 5 hours’ work before mid-day without a pause of at least 30 minutes for refreshment, but prescribed nothing of the kind for work after mid-day. Therefore, it claimed and obtained the enjoyment not only of making children of 8 drudge without intermission from 2 to 8.30 p.m., but also of making them hunger during that time.

“Ay, his heart.
So says the bond.”

Footnote 152 has an important remark:

The nature of capital remains the same

in its developed as in its undeveloped form. In the code which the influence of the slave-owners, shortly before the outbreak of the American Civil War, imposed on the territory of New Mexico, it is said that the laborer, in as much as the capitalist has bought his labor-power, “is his (the capitalist’s) money.” The same view was current among the Roman patricians. The money they had advanced to the plebeian debtor had been transformed via the means of subsistence into the flesh and blood of the debtor. This “flesh and blood” were, therefore, “their money.” Hence, the Shylock-law of the Ten Tables. Linguet’s hypothesis that the patrician creditors from time to time prepared, beyond the Tiber, banquets of debtors’ flesh, may remain as undecided as that of Daumer on the Christian Euchanst.

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(5) From following the Laws to the letter to open efforts to abolish the Laws:

400:1/o This Shylock-clinging to the letter of the law of 1844, so far as it regulated children’s labor, was but to lead up to an open revolt against the same law, so far as it regulated the labor of “young persons and women.” It will be remembered that the abolition of the “false relay system” was the chief aim and object of that law. The masters began their revolt with the simple declaration that the sections of the Act of 1844 which prohibited the \textit{ad libitum} use of young persons and women in such short fractions of the day of 15 hours as the employer chose, were

“comparatively harmless” so long as the work-time was fixed at 12 hours. But under the Ten Hours’ Act they were a “grievous hardship.”¹⁵³

¹⁵³ Reports, etc., for 31st Oct., 1848, p. 133.

They informed the inspectors in the coolest manner that they should place themselves above the letter of the law, and re-introduce the old system on their own account.¹⁵⁴

They were acting in the interests of the ill-advised operatives themselves,

“in order to be able to pay them higher wages.”

“This was the only possible plan by which to maintain, under the Ten Hours’ Act, the industrial supremacy of Great Britain.”¹⁵⁵ “Perhaps it may be a little difficult to detect irreg-

„vergleichungsweise harmlose (comparatively harmless) geblieben, solange die Arbeitszeit auf 12 Stunden eingeschränkt war. Unter dem Zehnstundengesetz seien sie eine unerträgliche Unbill (hardship)“.¹⁵³

¹⁵³ „Report etc. for 31st Oct. 1848“, p. 133.

305:2–3 Sie zeigten daher den Inspektoren in der kühlsten Weise an, daß sie sich über den Buchstaben des Gesetzes hinwegsetzen und das alte System auf eigne Faust wieder einführen würden.¹⁵⁴ Es geschehe im Interesse der übelberatnen Arbeiter selbst,

„um ihnen höhere Löhne zahlen zu können“. „Es sei der einzig mögliche Plan, um unter dem Zehnstundengesetz die industrielle Suprematie Großbritanniens zu erhalten.“¹⁵⁵ „Es möge schwer sein, Unregelmäßigkeiten unter dem Re-
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ularities under the relay system; but what of that? Is the great manufacturing interest of this country to be treated as a secondary matter in order to save some little trouble to Inspectors and Sub-Inspectors of Factories?"\(^{156}\)

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\(^{154}\) Thus, among others, Philanthropist Ashworth to Leonard Horner, in a disgusting Quaker letter. (Reports, etc., April, 1849, p. 4.)

\(^{155}\) Reports etc. for 31st Oct. 1848, p. 138.

\(^{156}\) l.c., p. 140.

(6) **Storm of petitions by the factory-owners against suits of the Factory Inspectors.**

401:1 All these shifts naturally were of no avail. The Factory Inspectors appealed to the Law Courts. But soon such a cloud of dust in the way of petitions from the masters overwhelmed the Home Secretary, Sir laissystem zu entdecken, aber was heiße das? (what of that?) Soll das große Fabrikinteresse dieses Landes als ein sekundäres Ding behandelt werden, um den Fabrikinspektoren und Subinspektoren ein bißchen mehr Mühe (some little trouble) zu sparen?\(^{156}\)

\(^{154}\) So unter anden Philanthrop Ashworth in einem quäkerhaft widrigen Brief an Leonard Horner. „Rep. Apr. 1849“, p. 4.)

\(^{155}\) „Reports etc. for 31st Oct. 1848“, p. 138.

\(^{156}\) l.c. p. 140.

305:2 Alle diese Flausen halfen natürlich nichts. Die Fabrikinspektoren schritten gerichtlich ein. Bald aber überschüttete eine solche Staubwolke von Fabrikantenpetitionen den Minister des Innern, Sir George Grey, daß
George Grey, that in a circular of August 5th, 1848, he recommends the inspectors not to lay informations against mill-owners for a breach of the letter of the Act, or for employment of young persons by relays in cases in which there is no reason to believe that such young persons have been actually employed for a longer period than that sanctioned by law.

At least in Scotland, these petitions were successful:

Hereupon, Factory Inspector J. Stuart allowed the so-called relay system during the 15 hours of the factory day throughout Scotland, where it soon flourished again as of old. The English Factory Inspectors, on the other hand, declared that the Home Secretary had no power dictatorially to suspend
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the law, and continued their legal proceedings against the pro-slavery rebellion.

(7) The courts were a farce, blurring the distinction between legal and illegal:

401:2/o But what was the good of summoning the capitalists when the Courts in this case the country magistrates—Cobbett’s “Great Unpaid”—acquitted them? In these tribunals, the masters sat in judgment on themselves An example. One Eskrigge, cotton-spinner, of the firm of Kershaw, Leese, & Co., had laid before the Factory Inspector of his district the scheme of a relay system intended for his mill. Receiving a refusal, he at first kept quiet. A few months later, an individual named Robinson, also a cotton-spinner, and if not his Man Friday, Suspensions der Gesetze, und fuhren mit gerichtlicher Prozedur wider die Proslavery-Rebellen fort.

at all events related to Eskrigge, appeared
before the borough magistrates of Stockport
on a charge of introducing the identical plan
of relays invented by Eskrigge. Four Just-
tices sat, among them three cottonspinners,
at their head this same inevitable Eskrigge.
Eskrigge acquitted Robinson, and now was
of opinion that what was right for Robinson
was fair for Eskrigge. Supported by his own
legal decision, he introduced the system at
once into his own factory.\textsuperscript{158} Of course, the
composition of this tribunal was in itself a
violation of the law.\textsuperscript{159}

These judicial farces, exclaims Inspector How-
ell, “urgently call for a remedy—either that
the law should be so altered as to be made to
die nicht der Freitag, so jedenfalls der Verwand-
te des Eskrigge, vor den Borough Justices
zu Stockport, wegen Einführung des iden-
tischen, von Eskrigge ausgeheckten Relais-
plans. Es saßen 4 Richter, darunter 3 Baum-
wollspinner, an ihrer Spitze derselbe unver-
meidliche Eskrigge. Eskrigge sprach den Robin-
son frei und erklärte nun, was dem Robin-
son recht, sei dem Eskrigge billig. Auf seine
eigne rechtskräftige Entscheidung gestützt,
führte er sofort das System in seiner eignen
Fabrik ein.\textsuperscript{158} Allerdings war schon die Zu-
sammensetzung dieser Gerichte eine offne
Verletzung des Gesetzes.\textsuperscript{159}

„Diese Art gerichtlicher Farcen“, ruft Inspek-
tor Howell aus, „schreien nach einem Heilmit-
tel … entweder paßt das Gesetz diesen Urteils-

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conform to these decisions, or that it should be administered by a less fallible tribunal, whose decisions would conform to the law . . . when these cases are brought forward. I long for a stipendiary magistrate.”

Diese ‘county magistrates’, the ‘great unpaid’, as William Cobbett described them, are unpaid judges chosen from the most eminent people in each county. They constitute in fact the patrimonial jurisdiction of the ruling classes.

Reports, etc., for 30th April, 1849, pp. 21, 22. Cf like examples ibid., pp. 4, 5.

By I. and II. William IV., ch. 24, s. 10, known as Sir John Wobhouse’s Factory Act, it was forbidden to any owner of a cotton-spinning or weaving mill, or the father, son, or brother of such owner, to act as Justice of the Peace in any inquiries that concerned the Factory Act.
(8) Therefore even Leonard Horner says that due to the relay system the Factory Acts are unenforçable:

402:1p The crown lawyers declared the masters’ interpretation of the Act of 1848 absurd. But the Saviours of Society would not allow themselves to be turned from their purpose. Leonard Homer reports,

“Having endeavoured to enforce the Act … by ten prosecutions in seven magisterial divisions, and having been supported by the magistrates in one case only . . . I considered it useless to prosecute more for this evasion of the law. That part of the Act of 1848 which was framed for securing uniformity in the hours of work, . . . is thus no longer in force in my district (Lancashire). Neither have the sub-

306:2–307:0 Die Kronjuristen erklärten die Fabrikanten-Interpretation des Aktes von 1848 für abgeschmackt, aber die Gesell-
schaftsretter ließen sich nicht beirren.

„Nachdem ich“, berichtet Leonard Horner, „durch 10 Verfolgungen in 7 verschiedenen Ge-

richtsbezirken versucht habe, das Gesetz zu er-
zwingen und nur in einem Fall von den Magi-

straten unterstützt wurde, . . . halte ich weitere

Verfolgung wegen Umgehung des Gesetzes für

nützlos. Der Teil des Akts, der verfaßt wurde,

um Uniformität in den Arbeitsstunden zu schaf-

fen, . . . existiert nicht mehr in Lancashire. Auch
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inspectors or myself any means of satisfying ourselves, when we inspect a mill working by shifts, that the young persons and women are not working more than 10 hours a-day . . . In a return of the 30th April, . . . of millowners working by shifts, the number amounts to 114, and has been for some time rapidly increasing. In general, the time of working the mill is extended to 13 1/2 hours’ from 6 a.m. to 7 1/2 p.m., . . . in some in stances it amounts to 15 hours, from 5 1/2 a.m. to 8 1/2 p.m.”161

161 Reports, etc., for 30th April, 1849, p. 5.

402:1p/o Already, in December, 1848, Leonard Horner had a list of 65 manufacturers and 29 overlookers who unanimously declared that no system of supervision could, under this relay system, prevent enormous over-work.162 Now, the same besitze ich mit meinen Unteragenten durchaus kein Mittel, uns zu versichern, daß Fabriken, wo sog. Relaissystem herrschte, junge Personen und Frauenzimmer nicht über 10 Stunden beschäftigen . . . Ende April 1849 arbeiteten schon 114 Fabriken in meinem Distrikt nach dieser Methode, und ihre Anzahl nimmt in der letzten Zeit reißend zu. Im allgemeinen arbeiten sie jetzt 13 1/2 Stunden, von 6 Uhr morgens bis halb 8 Uhr abends; in einigen Fällen 15 Stunden von halb 6 Uhr morgens bis halb 9 Uhr abends.“161

161 „Reports etc. for 30th April 1849“, p. 5.

307:1–2 Schon Dezember 1848 besaß Leonard Horner eine Liste von 65 Fabrikanten und 29 Fabrikaufsehern, die einstimmig erklärtten, kein System der Oberaufsicht könne unter diesem Relaissystem die extensivste Überarbeit verhindern.162 Bald wurden die-

children and young persons were shifted from the spinning-room to the weaving-room, now, during 15 hours, from one factory to another. How was it possible to control a system which,

“under the guise of relays, is some one of the many plans for shuffling ‘the hands’ about in endless variety, and shifting the hours of work and of rest for different individuals throughout the day, so that you may never have one complete set of hands working together in the same room at the same time.”

“welches das Wort Ablösung mißbraucht, um die Hände in endloser Mannigfaltigkeit wie Karten durcheinanderzumischen und die Stunden der Arbeit und der Rast für die verschiedenen Individuen täglich so zu verschieben, daß ein und dasselbe vollständige Assortiment von Händen niemals an demselben Platze zur selben Zeit zusammenwirkt“!

(9) More detailed look at the relay system:

162 Reports, etc., for 31st October, 1849, p. 6.
163 Reports, etc., for 30th April, 1849, p. 21.
164 Reports, etc., for 31st October, 1848, p. 95.
403:1/o But altogether independently of actual over-work, this so-called relay system was an offspring of capitalistic fantasy, such as Fourier, in his humorous sketches of “Courses Seances,” has never surpassed, except that the “attraction of labor” was changed into the attraction of capital. Look, for example, at those schemes of the masters which the “respectable” press praised as models of “what a reasonable degree of care and method can accomplish.” The personnel of the workpeople was sometimes divided into from 12 to 14 categories, which themselves constantly changed and recharged their constituent parts. During the 15 hours of the factory day, capital dragged in the laborer now for 30 minutes, now for

307:3/o Aber ganz abgesehen von wirklicher Überarbeitung, war dies sog. Relais- system eine Ausgeburt der Kapitalphantasie, wie sie Fourier in seinen humoristischen Skizzen der „courtes séances“ nie übertritten hat, nur daß die Attraktion der Arbeit verwandelt war in die Attraktion des Kapitals. Man sehe sich jene Fabrikantenschemas an, welche die gute Presse pries als Muster von dem, „was ein vernünftiger Grad von Sorgfalt und Methode ausrichten kann“ (what a reasonable degree of care and method can accomplish“). Das Arbeiterpersonal wurde manchmal in 12 bis 15 Kategorien verteilt, die selbst wieder ihre Bestandteile beständig wechselten. Während der fünfzehnständigen Periode des Fabriktags zog das Kapital den
an hour, and then pushed him out again, to drag him into the factory and to thrust him out afresh, hounding him hither and thither, in scattered shreds of time, without ever losing hold of him until the full 10 hours’ work was done.

\[\downarrow\text{Comparison with stage.}\]

As on the stage, the same persons had to appear in turns in the different scenes of the different acts. But as an actor during the whole course of the play belongs to the stage, so the operatives, during 15 hours, belonged to the factory, without reckoning the time for going and coming.

\[\downarrow\text{What did the workers do in the (unpaid) long breaks during the day?}\]

Arbeiter jetzt für 30 Minuten, jetzt für eine Stunde an und stieß ihn dann wieder ab, um ihn von neuem in die Fabrik zu ziehn und aus der Fabrik zu stoßen, ihn hin und her hetzend in zerstreuten Zeitfetzen, ohne je den Halt auf ihn zu verlieren, bis die zehnstündige Arbeit vollgemaakt.

\[\downarrow\text{Wie auf der Bühne hatten dieselben Personen abwechselnd in den verschiedenen Szenen der verschiedenen Akte aufzutreten. Aber wie ein Schauspieler während der ganzen Dauer des Dramas der Bühne gehört, so gehörten die Arbeiter jetzt während 15 Stunden der Fabrik, nicht eingerechnet die Zeit, um von und zu ihr zu gehn.}\]
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Thus the hours of rest were turned into hours of enforced idleness, which drove the youths to the pot-house, and the girls to the brothel. At every new trick that the capitalist, from day to day, hit upon for keeping his machinery going 12 or 15 hours without increasing the number of his hands, the worker had to swallow his meals now in this fragment of time, now in that.

Manufacturers steal from the laborers, contradicting the propaganda against the corn laws.

At the time of the 10 hours’ agitation, the masters cried out that the working mob petitioned in the hope of obtaining 12 hours’ wages for 10 hours’ work. Now they reversed the medal. They paid 10 hours’ wages for 15 hours’ work.
wages for 12 or 15 hours’ lordship over labor-power.\textsuperscript{165} This was the gist of the matter, this the masters’ interpretation of the 10 hours’ law! These were the same uncuous Free-traders, perspiring with the love of humanity, who for full 10 years, during the Anti-Corn Law agitation, had preached to the operatives, by a reckoning of pounds, shillings, and pence, that with free importation of corn, and with the means possessed by English industry, 10 hours’ labor would be quite enough to enrich the capitalists.\textsuperscript{166}

\textsuperscript{165} See Reports, etc., for 30th April, 1849, p. 6, and the detailed explanation of the “shifting system,” by Factory Inspectors Howell and Saunders, in “Reports, etc., for 31st October, 1848.” See also the petition to the Queen from the clergy.

\textsuperscript{166} Siehe „Reports etc. for 30th April 1849“, p. 6, und die weitläufige Auseinandersetzung des „shifting system“ durch die Fabrikinspektoren Howell und Saunders in „Reports etc. for 31st Oct. 1848“. Siehe auch die Petition der Geistlichkeit
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of Ashton and vicinity, in the spring of 1849, against the shift system.”

166 Cf. for example, ‘The Factory Question and the Ten Hours’ Bill’, By R. H. Greg, 1837.

Victory: court declares Factory Act meaningless:

404:1/o This revolt of capital, after two years was at last crowned with victory by a decision of one of the four highest Courts of Justice in England, the Court of Exchequer, which in a case brought before it on February 8th, 1850, decided that the manufacturers were certainly acting against the sense of the Act of 1844, but that this Act itself contained certain words that rendered it meaningless. “By this decision, the Ten Hours’ Act was abolished.”167 A crowd of masters, who until then had been afraid of using the

von Ashton und Nachbarschaft, Frühling 1849, an die Königin, gegen das „shift system“.


308:1 Die zweijährige Kapitalrevolte wurde endlich gekrönt durch den Urteilsspruch eines der vier höchsten Gerichtshöfe von England, des Court of Exchequer, der in einem vor ihn gebrachten Fall am 8. Februar 1850 entschied, daß die Fabrikanten zwar wieder den Sinn des Akts von 1844 handelten, dieser Akt selbst aber gewisse Worte enthielt, die ihn sinnlos machten. „Mit dieser Entscheidung war das Zehnstundengesetz abgeschafft.“167 Eine Masse Fabrikanten, die bisher noch das Relaißsystem für junge Personen

relay system for young persons and women, now took it up heart and soul. 168

167 F. Engels: ‘The English Ten Hours’ Bill.’ (In the “Neue Rheinische Zeitung. Politisch-ökonomische Revue.” Edited by K. Marx. April number, 1850, p. 13.) The same “high” Court of Justice discovered, during the American Civil War, a verbal ambiguity which exactly reversed the meaning of the law against the arming of pirate ships.

168 Rep., etc., for 30th April, 1850.

and Arbeiterinnen gescheut, griffen nun mit beiden Händen zu. 168


168 „Rep. etc. for 30th April 1850.“

10.6.g. [Growing Resistance of the Proletariat]

⇓ This victory turned working class resistance from passive to active:

405:1 But on this apparently decisive victory of capital, followed at once a revulsion. The workpeople had hitherto offered a pas-

309:1–3 Mit diesem scheinbar definitiven Sieg des Kapitals trat aber sofort ein Um- schlag ein. Die Arbeiter hatten bisher pas-
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sive, although inflexible and unremitting resistance. They now protested in Lancashire and Yorkshire in threatening meetings. The pretended Ten Hours’ Act was thus simple humbug, parliamentary cheating, had never existed! The Factory Inspectors urgently warned the Government that the antagonism of classes had arrived at an incredible tension.

♭ Even some capitalists dissatisfied. Small capitalists do not have enough workers for the relay system.

Some of the masters themselves murmured:

“On account of the contradictory decisions of the magistrates, a condition of things altogether abnormal and anarchical obtains. One law holds in Yorkshire, another in Lancashire, one law in one parish of Lancashire, another in its immediate neighbourhood. The manu-
facturer in large towns could evade the law, the manufacturer in country districts could not find the people necessary for the relay system, still less for the shifting of hands from one factory to another,” etc.

And equal exploitation of labor-power by all capitalists is the first human right of capital.

↑ “Human right” is a pun. It does not mean the right of capital as a human being, but the rights to exploit the human proletarians claimed by capital.

↓ Compromise in the additional Factory Act of 1850; working time for young persons and women lengthened during the week but shortened on Saturdays so that the average is 10 hours. All work must go on between 6 am and 6 pm, which meant the end of the relais system. The drawbacks of this law will be discussed shortly!

405:2 Under these circumstances a compromise between masters and men was effected that received the seal of Parliament in the additional Factory Act of August 5th,
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1850. The working-day for “young persons and women,” was raised from 10 to 10 1/2 hours for the first five days of the week, and shortened to 7 1/2 on the Saturday. The work was to go on between 6 a.m. and 6 p.m., with pauses of not less than 1 1/2 hours for meal-times, these meal-times to be allowed at one and the same time for all, and conformably to the conditions of 1844. By this an end was put to the relay system once for all. For children’s labor, the Act of 1844 remained in force.

169 In winter, from 7 a.m. to 7 p.m. may be substituted.

170 “The present law (of 1850) was a compromise whereby the employed surrendered the benefit of the Ten Hours’ Act for the advantage of


169 Im Winter kann die Periode zwischen 7 Uhr morgens und 7 Uhr abends an die Stellen treten.

170 „Das gegenwärtige Gesetz“ (von 1850) „war ein Kompromiß, bei dem die Arbeiter auf den Segen des Zehnstundengesetzes für den Vorteil eines
one uniform period for the commencement and termination of the labor of those whose labor is restricted.” (Reports, etc., for 30th April, 1852, p. 14.)

⇓ Exception for silk weavers:

405:3/oo One set of masters, this time as before, secured to itself special seigneurial rights over the children of the proletariat. These were the silk manufacturers. In 1833 they had howled out in threatening fashion, “if the liberty of working children of any age for 10 hours a day were taken away, it would stop their works.” It would be impossible for them to buy a sufficient number of children over 13. They extorted the privilege they desired. The pretext was shown on subsequent investigation to be a deliberate

309:5–311:1 Eine Fabrikantenkategorie sicherte sich diesmal, wie früher, besondere Seigneurialrechte auf Proletarierkinder. Es waren dies die Seidenfabrikanten. Im Jahr 1833 hatten sie drohend geheult, „wenn man ihnen die Freiheit raube, Kinder jedes Alters täglich 10 Stunden abzurackern, setze man ihre Fabriken still“ („if the liberty of working children of any age for 10 hours a day was taken away, it should stop their works“). Es sei ihnen unmöglich, eine hinreichende Anzahl von Kindern über 13 Jahren zu kau-
lie. It did not, however, prevent them, during 10 years, from spinning silk 10 hours a day out of the blood of little children who had to be placed upon stools for the performance of their work.\textsuperscript{172} The Act of 1844 certainly “robbed” them of the “liberty” of employing children under 11 longer than 6 1/2 hours a day. But it secured to them, on the other hand, the privilege of working children between 11 and 13, 10 hours a day, and of annulling in their case the education made compulsory for all other factory children. This time the pretext was

“the delicate texture of the fabric in which they were employed, requiring a lightness of touch,
only to be acquired by their early introduction to these factories.”\(^{173}\)

The children were slaughtered out-and-out for the sake of their delicate fingers, as in Southern Russia the horned cattle for the sake of their hide and tallow. At length, in 1850, the privilege granted in 1844, was limited to the departments of silk-twisting and silk-winding. But here, to make amends to capital bereft of its “freedom,” the worktime for children from 11 to 13 was raised from 10 to 10 1/2 hours. Pretext: “Labor in silk mills was lighter than in mills for other fabrics, and less likely in other respects also to be prejudicial to health.”\(^{174}\) Official medical inquiries proved afterwards that, on the contrary,

die Fabrik zu sichern.”\(^{173}\)

Der delikaten Finger wegen wurden die Kinder ganz geschlachtet, wie Hornvieh in Südrußand wegen Haut und Talg. Endlich, 1850, wurde das 1844 eingeräumte Privilegium auf die Departements der Seidenzwirnerei und Seidenhaspelei beschränkt, hier aber, zum Schadenersatz des seiner „Freiheit“ be- raubten Kapitals, die Arbeitszeit für Kinder von 11 bis 13 Jahren von 10 auf 10 1/2 Stunden erhöht. Vorwand: „Die Arbeit sei leichter in Seidenfabriken als in den andren Fabriken und in keiner Weise so nachteilig für die Gesundheit.“\(^{174}\) Offizielle ärztliche Untersuchung bewies hinterher, daß umgekehrt
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“the average death-rate is exceedingly high in the silk districts and amongst the female part of the population is higher even than it is in the cotton districts of Lancashire.”

Despite the protests of the Factory Inspector, renewed every 6 months, the mischief continues to this hour.

171 Reports, etc., for Sept., 1844, p. 13.
172 l.c.

„die durchschnittliche Sterblichkeitsrate in den Seidendistrikten ausnahmsweise hoch und unter dem weiblichen Teil der Bevölkerung selbst höher ist als in den Baumwolldistrikten von Lancashire“.

Trotz der halbjährlich wiederholten Proteste der Fabrikinspektoren dauert der Unfug bis zur Stunde fort.

171 „Reports etc. for 30th Sept. 1844“, p. 13.
172 l.c.
173 „The delicate texture of the fabric in which they were employed requiring a lightness of touch, only to be acquired by their early introduction to these factories.“ „Rep. etc. for 31st Oct. 1846“, p. 20.)

175 l.c., p. 27. On the whole the working pop-

175 l.c. p. 27. Im allgemeinen hat sich die dem
ulation, subject to the Factory Act, has greatly improved physically. All medical testimony agrees on this point, and personal observation at different times has convinced me of it. Nevertheless, and exclusive of the terrible death-rate of children in the first years of their life, the official reports of Dr. Greenhow show the unfavourable health condition of the manufacturing districts as compared with “agricultural districts of normal health.” As evidence, take the following table from his 1861 report:

176 It is well known with what reluctance the English “Free-traders,” gave up the protective duty on the silk manufacture. Instead of the protection against French importation, the absence of protection to English factory children now senes their turn.

Fabrikgesetz unterworfene Arbeiterbevölkerung physisch sehr verbessert. Alle ärztlichen Zeugnisse stimmen darin überein und eigne persönliche Anschauung zu verschiednen Perioden hat mich davon überzeugt. Dennoch, und abgesehen von der ungeheuren Sterblichkeitsrate der Kinder in den ersten Lebensjahren, zeigen die offiziellen Berichte des Dr. Greenhow den ungünstigen Gesundheitszustand der Fabrikdistrikte, verglichen mit „Agrikulturdistrikten von normaler Gesundheit“. Zum Beweis u.a. folgende Tabelle aus seinem Bericht von 1861:

176 Man weiß, wie widerstrebend die englischen „Freihändler“ dem Schutzzoll für Seidenmanufaktur entsagten. Statt des Schutzes gegen französische Einfuhr dient nun die Schutzlosigkeit englischer Fabrikkinder.
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It was an anomaly, perhaps an oversight, in the Factory Acts that children could be used within the limits of a longer working-day than women. The factory owners intended to use this anomaly in order to lengthen the time for male adults back to 15 hours. But it became clear that this would meet fierce resistance of the male workers; therefore the act of 1853 closed this loophole.

The Act of 1850 changed the 15 hours’ time from 6 a.m. to 8.30 p.m., into the 12 hours from 6 a.m. to 6 p.m. for “young persons and women” only. It did not, therefore, affect children who could always be employed for half an hour before and 2 1/2 hours after this period, provided the whole of their labor did not exceed 6 1/2 hours. Whilst the bill was under discussion, the Factory Inspectors laid before Parliament statistics of the infamous abuses due to this anomaly. To no purpose.

In the background lurked the intention of screwing up, during prosperous years, the working-day of adult males to 15 hours by the aid of the children. The experience of the three following years showed that such an attempt must come to grief against the resistance of the adult male operatives.\textsuperscript{177} The Act of 1850 was therefore finally completed in 1853 by forbidding the “employment of children in the morning before and in the evening after young persons and women.”

\begin{itemize}
\item This meant that the factory acts regulated the labor times of all workers.
\end{itemize}

Henceforth with a few exceptions the Factory Act of 1850 regulated the working-day of all workers in the branches of industry.
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that come under it.\footnote{178} Since the passing of the first Factory Act half a century had elapsed.\footnote{179}

\footnote{177} Reports etc. for 30th April 1853, p. 30.

\footnote{177} „Reports etc. for 30th April 1853“, p. 30.

Footnote 178 shows how the male adult workers fought for a limitation of their working hours:

\footnote{178} During 1859 and 1860, the zenith years of the English cotton industry, some manufacturers tried, by the decoy bait of higher wages for over-time, to reconcile the adult male operatives to an extension of the working-day. The hand-mule spinners and self-actor mincers put an end to the experiment by a petition to their employers in which they say, “Plainly speaking, our lives are to us a burthen; and, while we are confined to the mills \textit{nearly two days a week more} than the other operatives of the country, we feel like helots in the land, and that we are perpetuating
a system injurious to ourselves and future generations ... This, therefore, is to give you most respectful notice that when we commence work again after the Christmas and New Year’s holidays, we shall work 60 hours per week, and no more, or from six to six, with one hour and a half out.” (Reports, etc., for 30th April, 1860, p. 30.)

179 On the means that the wording of this Act afforded for its violation cf. the Parliamentary Return “Factories Regulation Act” (6th August, 1859), and in it Leonard Homer’s “Suggestions for amending the Factory Acts to enable the Inspectors to prevent illegal working, now becoming very prevalent.”

179 Über die Mittel, die die Fassung dieses Gesetzes für seinen Bruch gewährt, cf. den Parliamentary Return „Factories Regulation Acts“ (9. August 1859) und darin Leonard Horners „Suggestions for Amending the Factory Acts to enable the Inspectors to prevent illegal working, now becoming very prevalent“.


wir uns gleich Heloten im Lande und werfen uns selbst vor, ein System zu verewigen, das uns selbst und unsre Nachkommen physisch und moralisch beschädigt ... Daher geben wir hier mit respektvolle Notiz, daß wir von Neujahrstag an keine Minute mehr als 60 Stunden wöchentlich, von 6 Uhr bis 6 Uhr, mit Abzug der gesetzlichen Pausen von 1 1/2 Stunden, arbeiten werden.“ „Reports etc. for 30th April 1860“, p. 30.)
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10.6.h. [“Wonderful Development” 1853–1860]

The only remaining limitation preventing a general regulation of the working-day consisted in the fact that the factory acts applied only for a few selected industries.

“Printworks’ Act of 1845” (i.e., 8 years before the 1853 laws which Marx is presently discussing) had been the first attempt to extend factory legislation beyond the industries for which it was originally intended.

Factory legislation for the first time went beyond its original sphere in the “Printworks’ Act of 1845.” The displeasure with which capital received this new “extravagance” speaks through every line of the Act.

In the machinery chapter, Marx will say more about the contradiction between the necessity to pass the legislation, and the reluctance to apply it.

It limits the working-day for children from 8 to 13, and for women to 16 hours, between 6 a.m. and 10 p.m., without any legal pause.
for meal-times. It allows males over 13 to be worked at will day and night.\(^{180}\) It is a Parliamentary abortion.\(^{181}\)

\(^{180}\) “Children of the age of 8 years and upwards, have, indeed, been employed from 6 a.m. to 9 p.m. during the last half year in my district.” (Reports, etc., for 31st October, 1857, p. 39.)

\(^{181}\) “The Printworks’ Act is admitted to be a failure both with reference to its educational and protective provisions.” (Reports, etc., for 31st October, 1862, p. 52.)

↑ This first attempt to extend the factory acts to other industries had therefore been a failure. ↓ But the 1853 victory of the factory acts in the original industries, which are the industries most characteristic of the capitalist mode of production, constituted a victory of
“the principle,” opening the door to a “wonderful development” not only of the welfare of the working class but of the entire capitalist mode of production 1853–1860.

However, the principle had triumphed with its victory in those great branches of industry which form the most characteristic creation of the modern mode of production. Their wonderful development from 1853 to 1860, hand-in-hand with the physical and moral regeneration of the factory workers, struck the most purblind.

Which principle? In his 1864 “Inaugural Address to the First International” Marx said that the Ten Hours’ Bill in England

was not only a great practical success; it was the victory of a principle; it was the first time that in broad daylight the political economy of the middle class succumbed to the political economy of the working class.

Marx mentions the political economy of the working class also in his Preface, 91; this

is the reason why he put so much emphasis on the working-day. In chapter Fifteen, 635:1, Marx also mentions that despite its inevitability as a protective measure for the working class the factory legislation sharpens the contradictions inherent in the capitalist mode of production.

↓ The general benefits of the factory legislation were so obvious that even the capitalists, who had originally fought it tooth and nail, now bragged about it:

The masters from whom the legal limitation and regulation had been wrung step by step after a civil war of half a century, themselves referred ostentatiously to the contrast with the branches of exploitation still “free.”\(^1\)82

\(^1\)82 Thus, e.g., E. Potter in a letter to the *Times* of March 24th, 1863. The *Times* reminded him of the manufacturers’ revolt against the Ten Hours’ Bill.

After their defeat, the capitalists did not admit that they ever had fought against this pro-
gressive legislation, but tried to even get credit for it.

After the laws were achieved through class struggle, the political economists suddenly got the enlightenment that such laws were a necessity:

The Pharisees of “Political Economy” now proclaimed the discernment of the necessity of a legally fixed working-day as a characteristic new discovery of their “science.”

Thus, among others, Mr. W. Newmarch, collaborator and editor of Tooke’s “History of Prices.” Is it a scientific advance to make cowardly concessions to public opinion?

Also the resistance of the capitalists weakened. Once the laws were an actuality, they no longer seemed so outrageous.

It will be easily understood that after the factory magnates had resigned themselves and become reconciled to the inevitable,
the power of resistance of capital gradually weakened, whilst at the same time the power of attack of the working-class grew with the number of its allies in the classes of society not immediately interested in the question. Hence the comparatively rapid advance since 1860.

**Expansion of this legislation into other industries.**

409:1/oo The dye-works and bleachworks all came under the Factory Act of 1850 in 1860;\(^{184}\) lace and stocking manufactures in 1861.

**The footnote shows that they tried to repeat the same tricks which were also tried in the cotton factories:**

\(^{184}\) The Act passed in 1860, determined that, in regard to dye and bleachworks, the working-day should be fixed on August 1st, 1861, pro-


313:1/oo Die Färberereien und Bleichereien\(^{184}\) wurden 1860, die Spitzenfabriken und Strumpfwirkereien 1861 dem Fabrikakt von 1850 unterworfen.

\(^{184}\) Der 1860 erlaßte Akt über Bleichereien und Färberereien bestimmt, daß der Arbeitstag am 1. August 1861 vorläufig auf 12, am 1. August 1862 de-
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visionally at 12 hours, and definitely on August 1st, 1862, at 10 hours, i.e., at 10 1/2 hours for ordinary days, and 7 1/2 for Saturday. Now, when the fatal year, 1862, came, the old farce was repeated. Besides, the manufacturers petitioned Parliament to allow the employment of young persons and women for 12 hours during one year longer. “In the existing condition of the trade (the time of the cotton famine), it was greatly to the advantage of the operatives to work 12 hours per day, and make wages when they could.” A bill to this effect had been brought in, “and it was mainly due to the action of the operative bleachers in Scotland that the bill was abandoned.” (Reports, etc., for 31st October, 1862, pp. 14–15.) Thus defeated by the very workpeople, in whose name it pretended to speak. Capital discovered, with the help of lawyer spectacles, that the Act of 1860, drawn up, like all the Acts of Parlia-
ment for the “protection of labor,” in equivocal phrases, gave them a pretext to exclude from its working the calenderers and finishers. English jurisprudence, ever the faithful servant of capital, sanctioned in the Court of Common Pleas this piece of petitfogging. “The operatives have been greatly disappointed . . . they have complained of over-work, and it is greatly to be regretted that the clear intention of the legislature should have failed by reason of a faulty definition.” (l.c., p. 18.)

The Children’s Employment Commission caused regulation of many industries.

In consequence of the first report of the Commission on the employment of children (1863) the same fate was shared by the manufacturers of all earthenwares (not merely pottery), Lucifer-matches, percussion-caps, cartridges, carpets, fustian-cutting, and many
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processes included under the name of “finishing.” In the year 1863 bleaching in the open air\textsuperscript{185} and baking were placed under special Acts, by which, in the former case, the labor of young persons and women during the night-time (from 8 in the evening to 6 in the morning), and in the latter, the employment of journeymen bakers under 18, between 9 in the evening and 5 in the morning were forbidden.

\textsuperscript{185} The “open-air bleachers” had evaded the law of 1860, by means of the lie that no women worked at it in the night. The lie was exposed by the Factory Inspectors, and at the same time Parliament was, by petitions from the operatives, bereft of its notions as to the cool meadow-

\textsuperscript{185} Die „Bleicher in offner Luft“ hatten sich dem Gesetz von 1860 über „Bleicherei“ durch die Lüge entzogen, daß sie keine Weiber des Nachts verarbeiteten. Die Lüge wurde von den Fabrik-inspektoren aufgedeckt, zugleich aber das Parlament durch Arbeiterpetitionen seiner wiesenduf-
fragrance, in which bleaching in the open-air was reported to take place. In this aerial bleaching, drying-rooms were used at temperatures of from 90° to 100° Fahrenheit, in which the work was done for the most part by girls. “Cooling” is the technical expression for their occasional escape from the drying-rooms into the fresh air. “Fifteen girls in stoves. Heat from 80° to 90° for linens, and 100° and upwards for cambrics. Twelve girls ironing and doing-up in a small room about 10 feet square, in the centre of which is a close stove. The girls stand round the stove, which throws out a terrific heat, and dries the cambrics rapidly for the ironers. The hours of work for these hands are unlimited. If busy, they work till 9 or 12 at night for successive nights.” (Reports, etc., for 31st October, 1862, p. 56.) A medical man states: “No special hours are allowed for cooling, but if the temperature gets too high, or the
workers’ hands get soiled from perspiration, they are allowed to go out for a few minutes … My experience, which is considerable, in treating the diseases of stove workers, compels me to express the opinion that their sanitary condition is by no means so high as that of the operatives in a spinning factory (and Capital, in its memorials to Parliament, had painted them as floridly healthy after the manner of Rubens.) The diseases most observable amongst them are phthisis, bronchitis, irregularity of uterine functions, hysteria in its most aggravated forms, and rheumatism. All of these, I believe, are either directly or indirectly induced by the impure, overheated air of the apartments in which the hands are employed and the want of sufficient comfortable clothing to protect them from the cold, damp atmosphere, in winter, when going to their homes.” (l.c., pp. 56–57.)
Despite these horrible conditions, the 1863 law remained ineffectual.

The Factory Inspectors remarked on the supplementary law of 1860, torn from these open-air bleachers: “The Act has not only failed to afford that protection to the workers which it appears to offer, but contains a clause . . . apparently so worded that, unless persons are detected working after 8 o’clock at night they appear to come under no protective provisions at all, and if they do so work the mode of proof is so doubtful that a conviction can scarcely follow.” (l.c., p. 52.) “To all intents and purposes, therefore, as an Act for any benevolent or educational purpose, it is a failure; since it can scarcely be called benevolent to permit, which is tantamount to compelling, women and children to work 14 hours a day with or without meals, as the case may be, and perhaps for longer hours than these,
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without limit as to age, without reference to sex, and without regard to the social habits of the families of the neighbourhood, in which such works (bleaching and dyeing) are situated.” (Reports, etc., for 30th April, 1863, p. 40.)

We shall return to the later proposals of the same Commission, which threatened to deprive of their “freedom” all the important branches of English Industry, with the exception of agriculture, mines, and the means of transport.\textsuperscript{185a}

\textsuperscript{185a} Note to the 2nd Ed. Since 1866, when I wrote the above passages, a reaction has again set in.

\textsuperscript{185a} Note zur 2. Ausg. Seit 1866, wo ich das im Text Befindliche schrieb, ist wieder eine Reaktion eingetreten.
10.7. The Struggle around the Normal Working-Day. Effect of the English Factory Acts on Other Countries

This section discusses not only the geographical dispersal of the Factory Acts, but also their generalization to other industries after they were first introduced as exceptional legislation in the cotton industry.

411:1 The reader will bear in mind that the production of surplus-value, or the extraction of surplus-labor, is the specific end and aim, the sum and substance, of capitalist production, quite apart from any changes in the mode of production, which may arise from the subordination of labor to capital.

315:1 Der Leser erinnert sich, daß die Produktion von Mehrwert oder die Extraktion von Mehrarbeit den spezifischen Inhalt und Zweck der kapitalistischen Produktion bildet, abgesehen von jedweder aus der Unterordnung der Arbeit unter das Kapital etwa entspringenden Umgestaltung der Produktionsweise selbst.

↑ Marx has made a similar remark in footnote 152 to paragraph 399:3/0. The transforma-
tion of the mode of production itself is not the purpose. The capitalist does not care whether it occurs or not, he only cares about his profits. Why do we therefore discuss this transformation of production here in such detail? There is also another point where the present discussion seems atypical:

He will remember that as far as we have at present gone only the independent laborer, and therefore only the laborer legally qualified to act for himself, enters as a vendor of a commodity into a contract with the capitalist. If, therefore, in our historical sketch, on the one hand, modern industry, on the other, the labor of those who are physically and legally minors, play important parts, the former was to us only a special department, and the latter only a specially striking example of labor exploitation. Without, however, anticipating the subsequent development of Er erinnert sich, daß auf dem bisher entwickelten Standpunkt nur der selbständige und daher gesetzlich mündige Arbeiter als Warenverkäufer mit dem Kapitalisten kontrahiert. Wenn also in unserer historischen Skizze einerseits die moderne Industrie eine Hauptrolle spielt, andererseits die Arbeit physisch und rechtlich Unmündiger, so galt uns die eine nur als besondere Sphäre, die andre nur als besonders schlagendes Beispiel der Arbeitsaussaugung. Ohne jedoch der späten Entwicklung vorzugreifen, folgt aus dem bloßen Zusammenhang der geschichtlichen Tat-
our inquiry, from the mere connexion of the historic facts before us it follows:

(1) Factory legislation started as exceptional legislation, restricted to textile production, where machinery was used first. This machinery changed the social relations of the producers (child labor). This made excesses possible which required social control.

411:2/o Erstens: In den durch Wasser, Dampf und Maschinerie zunächst revolutionierten Industrien, in diesen ersten Schöpfungen der modernen Produktionsweise, den Baumwolle-, Wolle-, Flachs-, Seide-Spinnereien und Webereien wird der Trieb des Kapitals nach maß- und rücksichtsloser Verlängerung des Arbeitstags zuerst befriedigt. Die veränderte materielle Produktionsweise und die ihr entsprechend veränderten sozialen Verhältnisse der Produzenten\(^\text{186}\) schaffen erst die maßlose Ausschreitung und rufen dann
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situation to this, called forth a control on the part of Society which legally limits, regulates, and makes uniform the working-day and its pauses.

Interesting formulation: the excesses of the capitalists call forth social control. The conflict is here not seen as one between the capitalist class and the working class, but as one between capitalist agents who (driven by competition) commit excesses which require social control. Similar formulation also in the machinery chapter, 533:1.

186 “The conduct of each of these classes (capitalists and workmen) has been the result of the relative situation in which they have been placed.” (Reports, etc., for 31st October, 1848, p. 113.)

Reasons why this legislation lost its exceptional character.

This control appears, therefore, during the first half of the nineteenth century simply as exceptional legislation.187 As soon as this

187 „Das Verhalten jeder dieser Klassen“ (Kapitalisten und Arbeiter) „war das Ergebnis der jeweiligen Situation, in die sie versetzt worden waren.“ (Reports etc. for 31st Oct. 1848, p. 113.)

Diese Kontrolle erscheint daher während der ersten Hälfte des 19. Jahrhunderts bloß als Ausnahmegesetzgebung.187 Sobald sie das
10.7. Effect of English Factory Acts on Other Countries

primitive dominion of the new mode of production was conquered, it was found that, in the meantime, not only had many other branches of production been made to adopt the same factory system, but that manufactures with more or less obsolete methods, such as potteries, glass-making, etc., that old-fashioned handicrafts, like baking, and, finally, even that the so-called domestic industries, such as nail-making, had long since fallen as completely under capitalist exploitation as the factories themselves. Legislation was, therefore, compelled to gradually get rid of its exceptional character, or where, as in England, it proceeds after the manner of the Roman Casuists, to declare any house in which work was done

Urgebiet der neuen Produktionsweise erobert hatte, fand sich, daß unterdessen nicht nur viele andre Produktionszweige in das eigentliche Fabrikregime eingetreten, sondern daß Manufakturen mit mehr oder minder verj¨ahrter Betriebsweise, wie T¨opfereien, Glasereien usw., daß altmodische Handwerke, wie die B¨ackerei, und endlich selbst die zerstreute sog. Hausarbeit, wie N¨agelmacherei usw., seit lange der kapitalistischen Exploitation ebensosehr verfallen waren als die Fabrik. Die Gesetzgebung ward daher gezwungen, ihren Ausnahmecharakter allm¨ahlich abzustreifen, oder, wo sie r¨omisch kasuistisch verf¨ahrt, wie in England, irgendein Haus, worin man arbeitet, nach Belieben f¨ur eine Fabrik (factory) zu erkl¨aren.
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to be a factory. 189

187 "The employments, placed under restriction, were connected with the manufacture of textile fabrics by the aid of steam or water-power. There were two conditions to which an employment must be subject to cause it to be inspected, viz., the use of steam or waterpower, and the manufacture of certain specified fibers." (Reports, etc., for 31st October, 1864, p. 8.)

188 On the condition of so-called domestic industries, specially valuable materials are to be found in the latest reports of the Children’s Employment Commission.

189 "The Acts of last Session (1864) ... embrace a diversity of occupations, the customs in which differ greatly, and the use of mechanical power to give motion to machinery is no longer

187 „Die Verrichtungen, die unter die Einschränkung fielen, waren mit der Herstellung von Textilerzeugnissen mit Hilfe von Dampf- oder Wasserkraft verbunden. Zwei Bedingungen mußte eine Arbeitstätigkeit erfüllen, damit sie unter den Schutz der Fabrikinspektion fiel, nämlich die Anwendung von Dampf- oder Wasserkraft und die Verarbeitung bestimmter spezifizierter Faserstoffe.“ („Reports etc. for 31st October 1864“, p. 8.)

188 Über den Zustand dieser sogenannten häuslichen Industrie äußerst reichhaltiges Material in den letzten Berichten der „Children’s Employment Commission“.

189 „Die Gesetze der letzten Sitzungsperiode“ (1864) „... umfassen Beschäftigungszweige verschiedener Art, in denen sehr verschiedene Gewohnheiten herrschen, und die Verwendung mechani-
one of the elements necessary, as formerly, to constitute, in legal phrase, a ‘Factory.’” (Reports, etc., for 31st October, 1864, p. 8.)

Secondly: As soon as capitalism has reached a certain maturity, the worker is defeated without being able to put up any resistance if he tries to fight back by himself. From this, Marx concludes that the struggle turns into a class struggle. More about that in the famous very last paragraph of this chapter 415:2/o. The class character of these struggles also implies that the struggle of the English working class benefits the working classes in the other countries as well. Marx also mentions another fact which can be considered a consequence of the struggles of the English working class: the English theoreticians also took on capital.

412:1/o Second. The history of the regulation of the working-day in certain branches of production, and the struggle still going on in others in regard to this regulation, prove conclusively that the iso-
lated laborer, the laborer as “free” vendor of his labor-power, when capitalist production has once attained a certain stage, succumbs without any power of resistance. The creation of a normal working-day is, therefore, the product of a protracted civil war, more or less dissembled, between the capitalist class and the working-class.

Not only is the cotton industry the original area of the specific capitalist mode of production, but England is also its home country. As the contest takes place in the arena of modern industry, it first breaks out in the home of that industry—England. ¹⁹⁰

In contrast to England, the footnote tells about backwards Belgium:

Belgium, the paradise of Continental Liberalism, shows no trace of this movement. Even in the coal and metal mines laborers of both
sexes, and all ages, are consumed, in perfect “freedom” at any period and through any length of time. Of every 1,000 persons employed there, 733 are men, 88 women, 135 boys, and 44 girls under 16; in the blast furnaces, etc., of every 1,000, 668 are men, 149 women, 98 boys, and 85 girls under 16. Add to this the low wages for the enormous exploitation of mature and immature labor-power. The average daily pay for a man is 2s. 8d., for a woman, 1s. 8d., for a boy, 1s. 2 1/2d. As a result, Belgium had in 1863, as compared with 1850, nearly doubled both the amount and the value of its exports of coal, iron, etc.

The English factory workers were the champions, not only of the English, but of the modern working-class generally, as their


Die englischen Fabrikarbeiter waren die Preisfechter nicht nur der englischen, sondern der modernen Arbeiterklasse überhaupt, wie
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Theoreticians were the first to throw down the gauntlet to the theory of capital.\textsuperscript{191} The footnote brings an example for a theoretician throwing the gauntlet: Robert Owen, soon after 1810, not only maintained the necessity of a limitation of the working-day in theory, but actually introduced the 10 hours’ day into his factory at New Lanark. This was laughed at as a communistic Utopia; so were his “Combination of children’s education with productive labor” and the Co-operative Societies of workingmen first called into being by him. Today, the first Utopia is a Factory Act, the second figures as an official phrase in all Factory Acts, the third is already being used as a cloak for reactionary humbug.

But the main text continues with a counterexample, a scientist defining capital:
Hence, the philosopher of the Factory, Ure, denounces as an ineffable disgrace to the English working-class that they inscribed “the slavery of the Factory Acts” on the banner which they bore against capital, manfully striving for “perfect freedom of labor.”\(^\text{192}\)


France: later than England, legislation gained not in a protracted hidden civil war but at one stroke in the February revolution. However it is weaker, 12 not 10 hours.

413:1/o France limps slowly behind England. The February revolution was necessary to bring into the world the 12 hours’ law,\(^\text{193}\) which is much more deficient than its English original.

Der Fabrikphilosoph Ure denunziert es daher als unauslöschliche Schmach der englischen Arbeiterklasse, daß sie „die Sklaverei der Fabrikakte“ auf ihre Fahne schrieb gegenüber dem Kapital, das männlich für „vollkommene Freiheit der Arbeit“ stritt.\(^\text{192}\)


317:1/o Frankreich hinkt langsam hinter England her. Es bedarf der Februarrevolution zur Geburt des Zwölfstundengesetzes,\(^\text{193}\) das viel mangelhafter ist als sein englisches Original.
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In the Compte Rendu of the International Statistical Congress at Paris, 1855, it is stated: “The French law, which limits the length of daily labor in factories and workshops to 12 hours, does not confine this work to definite fixed hours. Only for children’s labor the work-time is prescribed as between 5 a.m. and 9 p.m. Therefore, some of the masters use the right which this fatal silence gives them to keep their works going, without intermission, day in, day out, possibly with the exception of Sunday. For this purpose they use two different sets of workers, of whom neither is in the workshop more than 12 hours at a time, but the work of the establishment lasts day and night. The law is satisfied, but is humanity?”

Besides “the destructive influence or night-labor on the human organism,” stress is also laid upon “the fatal influence of the association of the two sexes by night in the same badly-lighted work-

In dem Compte Rendu des „Internationa- len Statistischen Kongresses zu Paris, 1855“, heißt es u.a.: „Das französische Gesetz, das die Dauer der täglichen Arbeit in Fabriken und Werkstätten auf 12 Stunden beschränkt, begrenzt diese Arbeit nicht innerhalb bestimmter fixer Stunden“ (Zeitperioden), „indem nur für die Kinderarbeit die Periode zwischen 5 Uhr vormittags und 9 Uhr abends vorgeschrieben ist. Daher bedient sich ein Teil der Fabrikanten des Rechts, welches ihnen dies verhängnisvolle Schweigen gibt, um tagaus, tagein, vielleicht mit Ausnahme der Sonntage, ohne Unterbrechung arbeiten zu lassen. Sie wenden dazu zwei verschiedene Arbeiterreihen an, von denen keine mehr als 12 Stunden in der Werkstätte zubringt, aber das Werk des Etablissements dauert Tag und Nacht. Das Gesetz ist befriedigt, aber ist es die Humanität ebenfalls?“ Außer dem „zerstörenden Einfluß der Nachtarbeit auf
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French method has the advantage that the laws are enacted for all workshops and all workers. (1) Introduced everywhere at same time.

For all that, the French revolutionary method has its specific advantages. It once for all commands the same limit to the working-day in all shops and factories without distinction, whilst English legislation reluctantly yields to the pressure of circumstances, now on this point, now on that, and is getting lost in a hopelessly bewildering tangle of contradictory enactments.¹⁹⁴

Footnote 194 gives examples of this legislative tangle in England:

den menschlichen Organismus“, wird auch „der fatale Einfluß der nächtlichen Assoziation beider Geschlechter in denselben trüb erleuchteten Werkstätten“ betont.

trotzdem macht die französische revolutionäre Methode auch ihre eigentümlichen Vorzüge geltend. Mit einem Schlag diktiet sie allen Ateliers und Fabriken ohne Unterschied dieselbe Schranke des Arbeitstags, während die englische Gesetzgebung bald an diesem Punkt, bald an jenem, dem Druck der Verhältnisse widerwillig weicht und auf dem besten Weg ist, einen neuen juristischen Rat-tenkö nig auszubrüten.¹⁹⁴
“For instance, there is within my district one occupier who, within the same curtilage, is at the same time a bleacher and dyer under the Bleaching and Dyeing Works Act, a printer under the Print Works Act, and a finisher under the Factory Act.” (Report of Mr. Baker, in Reports, lic., for October 31st, 1861, p. 20.) After enumerating the different provisions of these Acts, and the complications arising from them, Mr. Baker says: “It will hence appear that it must be very difficult to secure the execution of these three Acts of Parliament where the occupier chooses to evade the law.” But what is assured to the lawyers by this is law-suits.

(2) Second advantage of French method: it is valid for everybody, not only children and women.

On the other hand, the French law proclaims as a principle that which in England was
only won in the name of children, minors, and women, and has been only recently for the first time claimed as a general right.\footnote{195}

Footnote 195 gives evidence that this generalization is also starting in England:

Thus the Factory Inspectors at last venture to say: “These objections (of capital to the legal limitation of the working-day) must succumb before the broad principle of the rights of labor. . . There is a time when the master’s right in his workman’s labor ceases, and his time becomes his own, even if there were no exhaustion in the question.” (Reports, 8cc., for 31st Oct., 1862, p. 54.)

USA: the abolition of slavery was necessary before a vital labor movement could develop. Agitation for the Eight Hour Day was “first fruit of Civil War:”

\footnote{414:1/o In the United States of North America, every independent movement of the workers was paralysed so long as slavery was not abolished.}

\footnote{318:1–319:1 In den Vereinigten Staaten von Nordamerika blieb jede selbständige Arbeiterbewegung gelähmt, solange die Skla-}
ery disfigured a part of the Republic. Labor cannot emancipate itself in the white skin where in the black it is branded. But out of the death of slavery a new life at once arose. The first fruit of the Civil War was the eight hours’ agitation, that ran with the seven-leagued boots of the locomotive from the Atlantic to the Pacific, from New England to California.

The fundamental role of the limitation of the working-day for any other achievements of the labor movement is stressed in the following resolutions:

The General Congress of labor at Baltimore (August 16th, 1866) declared:

“The first and great necessity of the present, to free the labor of this country from capitalist slavery, is the passing of a law by which...
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eight hours shall be the normal working-day in all States of the American Union. We are resolved to put forth all our strength until this glorious result is attained.”¹⁹⁶

Footnote 196 gives the text of a resolution by one attending contingent of workers, presumably at the same congress:

¹⁹⁶ “We, the workers of Dunkirk, declare that the length of time of labor required under the present system is too great, and that, far from leaving the worker time for rest and education, it plunges him into a condition of servitude but little better than slavery. That is why we decide that 8 hours are enough for a working-day, and ought to be legally recognised as enough; why we call to our help that powerful lever, the press; ... and why we shall consider all those that refuse us this help as enemies of the reform of labor and of the
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rights of the laborer.” (Resolution of the Working Men of Dunkirk, New York State, 1866.)

But similar statements also in Europe:

414:1p/o At the same time (the beginning of September 1866), the Congress of the International Working Men’s Association at Geneva, on the proposition of the London General Council, resolved that “the limitation of the working-day is a preliminary condition without which all further attempts at improvement and emancipation must prove abortive … The Congress proposes eight hours as the legal limit of the working-day.”

↓ Limitation of working-day necessary before further progress can be made.
415:1/o Thus the movement of the working-class on both sides of the Atlantic, that had grown instinctively out of the conditions of production themselves, endorsed the words of the English Factory Inspector, R. J. Saunders:

Further steps towards a reformation of society can never be carried out with any hope of success, unless the hours of labor be limited, and the prescribed limit strictly enforced.\(^{197}\)

\(^{197}\) Reports, etc., for Oct., 1848, p. 112.

\(\downarrow\) In order to understand why the shortening of the working-day is so important, we must answer the following question: why do the workers, who are selling their labor-power voluntarily, have to be prevented by law from selling too much of it?

415:2/o It must be acknowledged that our laborer comes out of the process of produc-

319:2–3 So besiegelt die auf beiden Seiten des Atlantischen Meers instinktiv aus den Produktionsverhältnissen selbst erwachsene Arbeiterbewegung den Ausspruch des englischen Fabrikinspektors R. J. Saunders:

Weitere Schritte zur Reform der Gesellschaft sind niemals mit irgendeiner Aussicht auf Erfolg durchzuführen, wenn nicht zuvor der Arbeitstag beschränkt und seine vorgeschriebene Schranke strikt erzwungen wird.“\(^{197}\)

\(^{197}\) „Reports etc. for 31st Oct. 1848“, p. 112.

319:4/o Man muß gestehn, daß unser Arbeiter anders aus dem Produktionsprozeß
tion other than he entered. In the market he stood as owner of the commodity “labor-power” face to face with other owners of commodities, dealer against dealer. The contract by which he sold to the capitalist his labor-power proved, so to say, in black and white that he disposed of himself freely. The bargain concluded, it is discovered that he was no “free agent,” that the time for which he is free to sell his labor-power is the time for which he is forced to sell it,\(^{198}\) that in fact the vampire will not lose its hold on him “so long as there is a muscle, a nerve, a drop of blood to be exploited.”\(^{199}\)

The change of the worker has two components. First of all, the labor-time which he is free to sell turns out to be the time which he is forced to sell. This transformation will be
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discussed in more detail in chapter Twenty-Three, see 716:1.

Footnote 198 already gives the transition to a second kind of change among the workers: in order to defend themselves against the onslaught of capital, the workers can no longer act as atomistic individuals but must band their heads together in order to act as a class.

198 "The proceedings (the manoeuvres of capital, e.g., from 1848–50) have afforded, moreover, incontrovertible proof of the fallacy of the assertion so often advanced, that operatives need no protection, but may be considered as free agents in the disposal of the only property which they possess—the labor of their hands and the sweat of their brows." (Reports, etc., for April 30th, 1850, p. 45.) "Free labor (if so it may be termed) even in a free country, requires the strong arm of the law to protect it." (Reports, etc., for October 31st, 1864, p. 34.) "To permit, which is tantamount to compelling . . . to work 14 hours a day with or without meals,” etc. (Repts., etc.,
for April 30th, 1863, p. 40.)

199 Friedrich Engels, l.c., p. 5.

Here is now this other change not only in the footnote but in the main text:

For “protection” against “the serpent of their agonies,” the laborers must band together and, as a class, compel the passing of a law, an all-powerful social barrier that shall prevent the very workers from selling, by voluntary contract with capital, themselves and their families into slavery and death.200

This is the Moore-Aveling translation with the exception of the word “band together,” where Moore-Aveling has “put together.” “Put together” suggests that they have to consult with each other; “band together” means they have to give up their individual action and act as a group. Fowkes does not say “other than he entered” but “looking different.” This leaves it open...
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whether there is a real change or not.

“Zusammenrotten” is a rather drastic formulation which the usual translations do not capture. People are forced to make some fundamental changes in the ways they relate to each other, in order to be able to make their suffering bearable.

Footnote 200 documents that also in the Factory Reports the workers were deemed to need “protection”:

200 The 10 Hours’ Act has, in the branches of industry that come under it, “put an end to the premature decrepitude of the former long-hour workers.” (Reports, etc., for 31st Oct., 1859, p. 47.) “Capital (in factories) can never be employed in keeping the machinery in motion beyond a limited time, without certain injury to the health and morals of the laborers employed; and they are not in a position to protect themselves.” (l.c., p. 8)

This is the birth of something new, but much less celebrated than the Human Rights:
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In place of the ornate catalogue of the “inalienable rights of man” comes the modest Magna Charta of a legally limited working-day, which shall make clear “when the time which the worker sells is ended, and when his own begins.” Quantum mutatus ab illo!

⇑ This is a reference to the end of chapter Six, 280:1, where we go from the sphere of circulation, the kingdom of human rights, to the sphere of production.

“Einen noch größeren Vorteil bedeutet es, daß endlich klar unterschieden wird zwischen der Zeit, die dem Arbeiter selbst und der, die seinem Unternehmer gehört. Der Arbeiter weiß nun, wann die Zeit, die er verkauft, beendet ist und seine eigene beginnt, und da er dies vorher genau weiß, kann er über seine eigenen Minuten für seine eigenen Zwecke im voraus verfügen.“ (l.c. p. 52.) „Indem sie“ (die Fabrikgesetze) sie zu Herrn ihrer eigenen
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ing them to the eventual possession of political power” (l.c., p. 47).

Influence of the proletariat not only good for capital but also for the capitalists.

With suppressed irony, and in very well weighed words, the Factory Inspectors hint that the actual law also frees the capitalist from some of the brutality natural to a man who is a mere embodiment of capital, and that it has given him time for a little “culture.” “Formerly the master had no time for anything but money; the servant had no time for anything but labor” (l.c., p. 48).

About footnote 201 see also Foner [Fon47, p. 279].
Part IV. The Production of Relative Surplus-Value
12. The Concept of Relative Surplus-Value

12.1. [Introduction of Relative Surplus-Value]

As in chapter Ten, Marx represents the working day as a two-part interval $a—b—c$, $a—b$ representing the necessary and $b—c$ the surplus labor:

429:1 That portion of the working day which produces a mere equivalent for the value of the labor-power paid by the capitalist has so far been treated as a constant mag-
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Under given conditions of production at a given stage in the economic development of society, it is indeed constant. Beyond this necessary labor-time, the worker continued to work for 2, 3, 4, 6, etc. hours. The rate of surplus-value and the length of the working day depended on the length of this extension. Although the necessary labor-time was constant, the total working day was variable.

⇑ Until now, the assumptions were: necessary labor constant, total day variable. The variability of the total day was the subject of chapter Ten, see 341:1. ⇦ Now Marx makes the assumption that the total day is constant. This was the situation after passage of the Ten Hour Bills.

Now suppose a working day with a given length and division between necessary labor and surplus labor. Let the whole line...
AC, A———B–C, represent, for example, a working day of 12 hours; the section AB 10 hours of necessary labor, and the section BC 2 hours of surplus labor.

The fixation of the work day to ten hours did not mean the end of capitalism. As before, capitalists are cutting costs and/or increasing output in order to increase their profits. And they still seem to succeed. But how are they doing it? As we know, profits can rise only if the unpaid labor of the laborers rises. The question before us is therefore:

How can the production of surplus-value be increased, i.e. how can surplus labor be prolonged, without any prolongation, or independently of any prolongation, of the line AC?

Marx’s little geometric model a——b–c of the division of the working-day suggests a simple answer to this question: simply push b to the left.

429:2/o Although the boundaries of the working day, A and C, are given, it would
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It seems possible to lengthen the line $BC$ (other than by extending it beyond its end point $C$, which is also the end of the working day $AC$) by pushing back its starting point $B$ in the direction of $A$.

But can this solution, which uses the laws of geometry in our little interval, be implemented in the economy itself of which the interval is only an image? In order to get away from the geometric model and to look at the economy itself, Marx constructs a concrete example in which all numerical quantities are known:

Assume that $B'B$ in the line $A——B’-B–C$ is equal to half of $BC$, or to 1 hour’s labor-time. If now, in the 12-hour working day $AC$, point $B$ is moved to $B'$, then $BC$ becomes $B'C$, the surplus labor increases by one half, from 2 hours to 3 hours, although the working day remains 12 hours as before.

↑ The shift from $B$ to $B'$ therefore did increase the surplus-value. This is consistent with
our experience of capitalism still thriving after the passage of the ten-hour laws. But what are the implications of this shift for the necessary labor?

This extension of the surplus labor-time from $BC$ to $B'C$, from 2 hours to 3 hours, is however evidently impossible without a simultaneous contraction of the necessary labor-time from $AB$ to $AB'$, from 10 hours to 9 hours. The prolongation of surplus labor would be accompanied by an equal shortening of necessary labor. A portion of the labor-time previously consumed, in effect, for the worker’s own benefit, would be converted into labor-time expended for the capitalist. It would not be the length of the working day that changes, but its division into necessary labor-time and surplus labor-time.

Diese Ausdehnung der Mehrarbeit von $bc$ auf $b'c$, von 2 auf 3 Stunden, ist aber offenbar unmöglich ohne gleichzeitige Zusammenziehung der notwendigen Arbeit von $ab$ auf $ab'$, von 10 auf 9 Stunden. Der Verlängerung der Mehrarbeit entspräche die Verkürzung der notwendigen Arbeit, oder ein Teil der Arbeitszeit, die der Arbeiter bisher in der Tat für sich selbst verbraucht, verwandelt sich in Arbeitszeit für den Kapitalisten. Was verändert, wäre nicht die Länge des Arbeitstags, sondern seine Teilung in notwendige Arbeit und Mehrarbeit.
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Fowkes (Moore-Aveling): “The prolongation of (the) surplus labor would correspond to a shortening of (the) necessary labor.” But Marx has it exactly the other way round: “To the prolongation of surplus labor would correspond a shortening of necessary labor.” In the translation used here, “the prolongation of surplus labor would be accompanied by an equal shortening of necessary labor.”

↑ The implication for the necessary labor is that it has become shorter. ↓ But this does not seem possible!

In my translation of Marx’s numerical examples that follow, the English currency used by Marx was converted into a decimal currency (dollars), so that it is easier for the reader to follow the math.

430:1/o On the other hand, the magnitude of surplus labor is evidently given when the length of the working day and the value of labor-power are given. The value of labor-power, i.e. the labor-time necessary to produce labor-power, determines the labor-time necessary for the reproduction of the value of labor-power. If 1 hour of work is repre-

332:1/o Andrerseits ist die Größe der Mehrarbeit offenbar selbst gegeben mit gegebener Größe des Arbeitstags und gegebenem Wert der Arbeitskraft. Der Wert der Arbeitskraft, d.h. die zu ihrer Produktion erheischte Arbeitszeit, bestimmt die zur Reproduktion ihres Werts notwendige Arbeitszeit. Stellt sich eine Arbeitsstunde in einem Goldquan-
presented in 12 cents, and the value of a day’s labor-power is $1.20, the worker must work 10 hours every day in order to replace the value paid by capital for his labor-power, or to produce an equivalent for the value of the means of subsistence he needs to consume every day. Given the value of these means of subsistence, the value of his labor-power can be calculated;\(^1\) and given the value of his labor-power, the length of his necessary labor-time can be calculated. The duration of the surplus labor, however, is arrived at by subtracting the necessary labor-time from the total working day: 10 from 12 leaves 2, and it is not evident how, under the given conditions, the surplus labor could possibly be prolonged beyond 2 hours.

tum von einem halben Shilling oder 6 d. dar, und beträgt der Tageswert der Arbeitskraft 5 sh., so muß der Arbeiter täglich 10 Stunden arbeiten, um den ihm vom Kapital gezahlten Tageswert seiner Arbeitskraft zu ersetzen oder ein Äquivalent für den Wert seiner notwendigen täglichen Lebensmittel zu produzieren. Mit dem Wert dieser Lebensmittel ist der Wert seiner Arbeitskraft,\(^1\) mit dem Wert seiner Arbeitskraft ist die Größe seiner notwendigen Arbeitszeit gegeben. Die Größe der Mehrarbeit aber wird erhalten durch Subtraktion der notwendigen Arbeitszeit vom Gesamtarbeitstag. Zehn Stunden subtrahiert von zwölf lassen zwei, und es ist nicht abzusehn, wie die Mehrarbeit unter den gegebenen Bedingungen über zwei Stunden hinaus ver-
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Footnote 1 stresses through the voices of many economists that the value of labor-power is given, which contradicts our implication of a shorter necessary labor.

1 The value of his average daily wages is determined by what the worker needs ‘so as to live, labor, and generate’ [Pet91, p. 64]. ‘The price of labor is always constituted of the price of necessaries ... Whenever ... the laboring man’s wages will not, suitably to his low rank and station, as a laboring man, support such a family as is often the lot of many of them to have’, he is not receiving the proper wages [Van34, p. 15]. ‘The simple worker, who possesses nothing but his arms and his industriousness, has nothing unless he manages to sell his labor to others ... In every kind of labor, it must happen, and it does in fact happen, that the wage of the worker is limited to what he needs to secure his own subsistence’ (Turgot, Re-
12.1. [Introduction]

We are at an impasse. The capitalist wants to change the division of the working-day into necessary and surplus-labor in his favor. He not only wants it, he seems to be successful at it. Capitalism is thriving, profits are growing, despite the limits on the working-day. But from the argument given it seems that the laws of economics do not permit this.

As in the other impasse situations, the resolution consists in opening up the inquiry, by bringing in things which were until now not considered. But this time, the resolution will not be given in one step but in two steps. First, Marx asks: can these continued profits be explained by the capitalists violating the law of value?

Of course, the capitalist could, instead of $1.20, pay the worker $1.08 or even less. 9 hours’ labor-time would be sufficient to reproduce this value of $1.08; and conse-

However, the capitalist might pay the worker $1.08 or even less. 9 hours of labor would be enough to reproduce this value of $1.08; and conse-

The price of the necessaries of life is, in fact, the cost of producing labor’ [Mal15, p. 48, Note]

‘Der Preis der Subsistenzmittel ist in der Tat gleich den Kosten der Produktion der Arbeit.’ [Mal15, p. 48, Note]
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quently 3 hours of surplus labor, instead of 2, would accrue to the capitalist. The surplus-value would rise from 24 cents to 36 cents. This result, however, could be attained only by depressing the wage of the worker below the value of his labor-power. With the $1.08, which he produces in 9 hours, he commands one-tenth less of the means of subsistence than before, and consequently the reproduction of his labor-power can take place only in a stunted way. The surplus labor would in this case be prolonged only by transgressing its normal limits; its domain would be extended only by a usurpation of part of the domain of necessary labor-time.

Marx does not say here that it is impossible to shorten the necessary labor by lengthen-
ing the surplus labor. It is possible and happens often. Nevertheless Marx will not discuss it here.

Despite the important part which this method plays in practice, we are barred from considering it here by our assumption, that all commodities, including labor-power, are bought and sold at their full values.

Not only are we barred from considering this case by our assumptions, but this case can only allow a short-term boost in profits which will however create problems for the capitalist system later on, since it undermines and stunts the development of the working-class. But capitalism is genuinely thriving in the long run, therefore deviations of the price of labor-power from its value cannot be the explanation. Therefore only one possible explanation remains:

Once we assume this, the labor-time necessary for the production of labor-power, or for the reproduction of its value, cannot be

Trotz der wichtigen Rolle, welche diese Methode in der wirklichen Bewegung des Arbeitslohnes spielt, ist sie hier ausgeschlossen durch die Voraussetzung, daß die Waren, also auch die Arbeitskraft, zu ihrem vollen Wert gekauft und verkauft werden.

Dies einmal unterstellt, kann die zur Produktion der Arbeitskraft oder zur Reproduktion ihres Werts notwendige Arbeitszeit nicht
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lessened by a fall in the worker’s wages below the value of his labor-power, but only by a fall in this value itself.

Next, Marx remarks that the transition just made is a reversal of cause and effect. If the capitalist depresses the price of labor-power below its value in order to increase his surplus-value, then the necessary labor decreases because the surplus labor increases. On the other hand, if the value of labor-power falls, then the surplus labor increases because the necessary labor decreases.

With the length of the working day as a given, the prolongation of the surplus labor must originate in the shortening of the necessary labor-time, instead of the latter arising from the former.
Fowkes Translation: “Given the length of the working-day, the prolongation of the surplus labor must of necessity originate in the curtailment of the necessary labor-time; the latter cannot arise from the former.” The translator seems to have forgotten the context in which Marx makes this statement. There is nothing in the German of which “of necessity” is the translation. Furthermore, since the verb in the first half of the sentence is “must,” I am assuming the implied verb in the second half of the sentences is “must not” (instead of “cannot”), meaning: it is possible but our assumptions prohibit consideration of this case. I wrote “with the length of the working day as a given” instead of “if the length of the working day is given,” because I wanted to indicate that this is an assumption which has always been in the background, and which must therefore be added to the assumption of prices equal values, instead of taking its place.

In terms of our numerical example, the following must therefore be the case:

In our example, the value of labor-power must go through a decline of one-tenth, in order to shorten the necessary labor-time by one-tenth, i.e. from 10 hours to 9, and therefore to lengthen the surplus labor from 2 hours to 3.

In unsrem Beispiel muß der Wert der Arbeitskraft wirklich um 1/10 sinken, damit die notwendige Arbeitszeit um 1/10 abnehme, von 10 auf 9 Stunden, und daher die Mehrarbeit sich von 2 auf 3 Stunden verlängre.
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The “wirklich” represents a real process brought about by the cumulative effect of productivity changes (instead of just the wishful thinking of the capitalist, or his ability to cut wages because of superior market power). I tried to render this in the translation by saying: must go through a decline.

Now the second step in the way out out the above impasse: in order for this to be possible, an additional new point has to be brought in, namely, changes in productivity:

431:1/o A fall of this kind in the value of labor-power implies, however, that the same means of subsistence formerly produced in 10 hours can now be produced in 9 hours. But this is impossible without an increase in the productivity of labor.

An increase in productivity is therefore the solution of the dilemma. Note that Marx writes here: “the same means of subsistence,” i.e., he makes the assumption that real wages remain constant.

For example, suppose a cobbler, with a given set of tools, makes one pair of boots in one working day of 12 hours. If he is to...
make two pairs in the same time, the productivity of his labor must be double; and this cannot happen without an alteration in his tools and/or work method. Hence the conditions of production of his labor, i.e. his mode of production, hence the labor process itself, must be revolutionized. By an increase in the productive power of labor, we mean an alteration in the labor process of such a kind as to shorten the labor-time socially required for the production of a commodity, therefore to endow a given quantity of labor with the power of producing a greater quantity of use-value.²

zwei Paar Stiefel machen, so muß sich die Produktivkraft seiner Arbeit verdoppeln, und sie kann sich nicht verdoppeln ohne eine Änderung in seinen Arbeitsmitteln oder seiner Arbeitsmethode oder beiden zugleich. Es muß daher eine Revolution in den Produktionsbedingungen seiner Arbeit eintreten, d.h. in seiner Produktionsweise und daher im Arbeitsprozeß selbst. Unter Erhöhung der Produktivkraft der Arbeit verstehn wir hier überhaupt eine Veränderung im Arbeitsprozeß, wodurch die zur Produktion einer Ware gesellschaftlich erheischte Arbeitszeit verkürzt wird, ein kleines Quantum Arbeit also die Kraft erwirbt, ein größres Quantum Gebrauchswert zu produzieren.²
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“Productive power” is a better translation of “Produktivkraft” than the usual “productive force.”

2 ‘When the crafts assume a more perfect form, this means nothing other than the discovery of new ways of making a product with fewer people, or (which is the same thing) in a shorter time, than previously’ [Gal03, pp. 158–9] ‘Economies in the cost of production can only be economies in the quantity of labor employed in production’ (Sismondi, Études, Vol. I, p. 22).

Capitalism must therefore change its mode of production for this kind of exploitation to be possible. For the production of surplus-value in the form considered until now, we have assumed that the mode of production was given and only the duration of the labor process was prolonged. But when surplus-

2 „Wenn die Gewerbe sich vervollkommnen, so bedeutet das nichts andres als die Entdeckung neuer Wege, auf denen ein Produkt mit weniger Menschen oder (was das selbe ist) in kürzrer Zeit als vorher verfertigt werden kann.“ [Gal03, pp. 158–9] „Die Ersparnis an den Kosten der Produktion kann nichts anderes sein als Ersparnis an der zur Produktion angewandten Arbeitsmenge.“ (Sismondi, „Études etc.“, t. I, p. 22.)

Während also bei der Produktion des Mehrwerts in der bisher betrachteten Form die Produktionsweise als gegeben unterstellt war, genügt es für die Produktion von Mehrwert durch Verwandlung notwendiger Arbeit
value has to be produced by the conversion of necessary labor into surplus labor, it by no means suffices for capital to take over the labor process in its historically transmitted or given shape. The technical and social conditions of the labor process and consequently the mode of production itself must be revolutionized if the productivity of labor is to be increased, by this the value of labor-power to be lowered, and the portion of the working day necessary for the reproduction of that value to be shortened.

If capitalism revolutionizes its own presuppositions, this clinches its character as a self-acting force: it no longer depends on conditions provided to it from the outside. One can also consider this as a transition from quantity into quality: capital, which so far was only interested in a quantitative expansion of value, achieves this not merely by a quantitative ex-
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...tension of the working day, but by the qualitative revolutionizing of the production process.

432:1 I call that surplus-value which is produced by the lengthening of the working day, absolute surplus-value. In contrast to this, I call that surplus-value which arises from the shortening of the necessary labor-time, and from the corresponding alteration in the respective lengths of the two components of the working day, relative surplus-value.

The introduction of this new kind of surplus-value is concluded by giving it a name, “relative” because it is an increase in the gap between capitalist and laborer. These are not so much two kinds of surplus-value as two mechanisms to gain surplus-value.

This ends the first third of this chapter, and the chapter title “Concept of Relative Surplus-Value” apparently refers only to this first third of the chapter.
12.2. [From Productivity to Relative Surplus-Value]

We have seen that under the given conditions (constant working day and all commodities are sold at their values), the only possibility for the capitalists to increase surplus-value is a rise in the productivity of the production of the workers’ means of consumption. Next Marx verifies whether such a rise, if it occurs, indeed has this effect. Marx conducts this investigation in form of a dialog: he introduces doubts why surplus-value may not rise noticeably and then answers these doubts.

432:2 In order to lower the value of labor-power, the rise in the productivity of labor must seize upon those branches of industry whose products determine the value of labor-power, and consequently either belong to the category of normal means of subsistence, or are capable of replacing them.

We just read the first doubt: it looks as if only few branches of industry can affect the value of labor-power through increasing productivity. Reply: But the value of a commodity is determined
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not only by the quantity of labor which gives it its final form, but also by the quantity of labor contained in the instruments by which it has been produced. For instance, the value of a pair of boots depends not only on the labor of the cobbler, but also on the value of the leather, wax, thread, etc. Hence a fall in the value of labor-power is also brought about by an increase in the productivity of labor, and by a corresponding cheapening of commodities, in those industries which supply the instruments of labor and the material for labor, i.e. the physical elements of constant capital which are required for producing the means of subsistence.

This increases the scope drastically, but there are still some branches left which are not affected.
But an increase in the productivity of labor in those branches of industry which supply neither the necessary means of subsistence nor the means by which they are produced leaves the value of labor-power undisturbed.

Marx’s second doubt is: the cheapening of one single kind of use-value can only have a negligible impact on wages.

The cheapening of the commodity, of course, causes only a corresponding fall in the value of labor-power, a fall proportional to the extent to which that commodity enters into the reproduction of labor-power. Shirts, for instance, are a necessary means of subsistence, but only one out of many. Their cheapening merely reduces the expenses of the worker for shirts.

In Produktionszweigen dagegen, die weder notwendige Lebensmittel liefern noch Produktionsmittel zu ihrer Herstellung, läßt die erhöhte Produktivkraft den Wert der Arbeitskraft unberührt.

Die verwohlfeilerte Ware senkt natürlich den Wert da Arbeitskraft nur proportio, d.h. nur im Verhältnis, worin sie in die Reproduktion der Arbeitskraft eingeht. Hemden z.B. sind ein notwendiges Lebensmittel, aber nur eins von vielen. Ihre Verwohlfeilung vermindert bloß die Ausgabe des Arbeiters für Hemden.
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This last sentence is missing in the Fowkes translation.

Again this doubt can be answered:
The total sum of the necessary means of subsistence, however, consists of various commodities, each the product of a distinct industry; and the value of each of those commodities enters as a component part into the value of labor-power. The latter value decreases with the decrease of the labor-time necessary for its reproduction. The total decrease of necessary labor-time is equal to the sum of all the different reductions in labor-time which have occurred in those various distinct branches of production.

The flow of the argument might have been a little smoother if Marx had reversed the order of these two objections as follows: First objection: the cheapening of a single article of

Die Gesamtsumme der notwendigen Lebensmittel besteht jedoch nur aus verschiedenen Waren, lauter Produkten besonderer Industrien, und der Wert jeder solchen Ware bildet stets einen aliquoten Teil vom Wert der Arbeitskraft. Dieser Wert nimmt ab mit der zu seiner Reproduktion notwendigen Arbeitszeit, deren Gesamtverkürzung gleich der Summe ihrer Verkürzungen in allen jenen besonderen Produktionszweigen ist.
consumption can only have a negligible effect. Answer: workers’ consumption covers more than one article. This answer, then, leads to the next objection: even if one looks at all means of consumption together, only a small part of the economy is devoted to workers’ means of consumption. This can again be refuted, but not entirely. Also those industries count which enter the workers’ means of consumption indirectly, but there are indeed industries which enter workers’ consumption neither directly nor indirectly.

Perhaps Marx brought his two objections in the “wrong” order because he wanted a smooth transition to the next issue: since this is an aggregate effect, negligible in the individual case, it cannot be the motivation of the individual capitalist. The rest of the paragraph discusses this important cleavage between surface and core.

We treat this general result here as if it were the immediate result and the immediate aim in each individual case. This sentence says three things:

• The reduction in the value of labor-power is a *general* result, i.e., it comes not from the cheapening of shirts, but from the cheapening of many means of subsistence.
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- It is not always the *immediate result* of each individual case. This means, even if shirts become cheaper, this does not always mean immediately that the value of labor-power declines.

- And it is not always the *immediate aim* of each individual case, i.e., the shirt manufacturer may have had quite different aims than lowering the value of labor-power.

This last point is elaborated in the next sentence, and a laconic answer is given: what matters is not the capitalists’ intentions, but what matters is what they actually do:

When an individual capitalist cheapens shirts, for instance, by increasing the productivity of labor, he by no means necessarily aims to reduce the value of labor-power and in this way shorten the necessary labor-time. But he contributes towards increasing the general rate of surplus-value only in so far as his actions ultimately contribute to the reduction in the value of labor-power.\(^3\)

Wenn ein einzelner Kapitalist durch Steigerung der Produktivkraft der Arbeit z.B. Hemden verwohlfeilert, schwebt ihm keineswegs notwendig der Zweck vor, den Wert der Arbeitskraft und daher die notwendige Arbeitszeit pro tanto zu senken, aber nur soweit er schließlich zu diesem Resultat beiträgt, trägt er bei zur Erhöhung der allgemeinen Rate des Mehrwerts.\(^3\)
Capitalists invariably increase productivity, and they may have various motivations to do so: gain extra surplus-value if they are the first ones, keep up with the competitors if they are followers, get machines which controls their laborers better, or respond to labor struggles, etc. Whatever their motivation, the *effect* of their actions will only then be a durable increase in surplus-value if it leads to a cheapening of the workers’ means of subsistence. Ramsay, in the footnote, stresses this:

> ‘Let us suppose . . . the products . . . of the manufacturer are doubled by improvement in machinery . . . he will be able to clothe his workmen by means of a smaller proportion of the entire return . . . and thus his profit will be raised. But in no other way will it (ultimately) be influenced’. [Ram36, pp. 168–9]

> „Wenn der Fabrikant durch Verbesserung der Maschinerie seine Produkte verdoppelt . . . gewinnt er (schließlich) bloß, sofern er dadurch befähigt wird, den Arbeiter wohlfeiler zu kleiden . . . und so ein kleinerer Teil des Gesamtertrags auf den Arbeiter fällt.“ [Ram36, pp. 168–9]

At the present point, Marx does not elaborate how the actions which lead to a cheapening of the laborer’s means of subsistence may be motivated. Instead, he gives a general methodological remark, which is one of the few comments about his methodology one can find in *Capital*.

The general and necessary tendencies of | Die allgemeinen und notwendigen Tenden-
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capital must be distinguished from their forms of appearance.

12.3. [Individual Motivation for Innovation]

The last remaining question is: if the capitalists’ motivation for introduction of technical innovations in the production of the workers’ means of consumption is not the relative surplus-value, what then is their motivation? To answer this, Marx has to go into the sphere of competition. He introduces this with a famous general passage about “competition.” By the laws of “competition” Marx means the laws governing the surface interaction of individual capitals. Any activity by which an individual capitalist tries to best take advantage of market forces is an act of “competition.” Superior competitive skills can increase profits for individual capitalist firms, but Marx is not interested at this point in the differences between individual firms. The more important effect of competition, i.e., of the efforts of all market participants to beat out their competitors, is that these competitive pressures force everyone to act in such a way that the laws of “capital in general” are implemented.
433:1 This is not the place to investigate how the immanent laws of capitalist production manifest themselves in the external movement of the individual capitals, assert themselves as the necessities of competition, and therefore enter into the consciousness of the capitalist as his or her driving motives.

335:1 Die Art und Weise, wie die immanenten Gesetze der kapitalistischen Produktion in der äußern Bewegung der Kapitale erscheinen, sich als Zwangsgesetze der Konkurrenz geltend machen und daher als treibende Motive dem individuellen Kapitalisten zum Bewußtsein kommen, ist jetzt nicht zu betrachten, …

In the German, “individual” is an attribute to “Kapitalisten”; in my translation it is an attribute to “capitals.” I don’t think this changes the meaning but it makes the formulation clearer.

This is an interesting formulation: the competitive motivation of the capitalist is not really his own motivation, but this is how he experiences his subjugation to the laws of capital.

Marx’s *Capital* is only one of several books about the political economy which Marx had planned to write. In one of his other books he wanted to discuss the “sphere of competition,” but he never had time to write this book. Without going into this specialized study, Marx can only make very general remarks here about competition:
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But this much is clear from the beginning: a scientific analysis of competition is possible only after the inner nature of capital has been understood, just as the apparent motions of the heavenly bodies can be understood only by someone who is acquainted with their real motions—which are not perceptible to the senses.

This is an argument against empiricism. We first must grasp the inner nature of capital before we can understand the surface phenomena generated by the competition of the economic agents. This is why the book *Capital* itself contains only occasional references to the sphere of competition, when this is necessary for a better understanding of the laws of “capital in general.” We are in such a situation right now.

Nevertheless, for the understanding of the production of relative surplus-value, and only on the basis of the results already achieved, we may add the following.
Marx makes here a brief digression into the sphere of competition because he has not yet explained how individual capitalists are motivated to create relative surplus-value.

If 1 hour’s labor is embodied in 12 cents, a value of $1.44 will be produced in a working day of 12 hours. Suppose that with labor of the currently prevailing productive power, twelve articles are produced in these 12 hours. Let the value of the means of production used up in each article be 12 cents. Under these circumstances, each article costs 24 cents: 12 cents for the value of the means of production, and 12 cents for the value newly added in working with those means.

By the way, the use of the word “costs” is misleading here. Marx is not adding here the labor costs but the value created by that labor. This is the situation before the change in productivity. Now assume productivity changes:
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Now let some one capitalist contrive to double the productivity of labor, and to produce twenty-four instead of twelve articles in the course of a working day of 12 hours. The value of the means of production remaining the same, the value of each article will fall to 18 cents, made up of 12 cents for the value of the means of production and 6 cents for the value newly added by the labor. Even though the productivity of labor has doubled, the day’s labor creates no more new value than before, namely, $1.44. However it is now spread over twice as many articles. Each article now has embodied in it $1/24th of the new value instead of $1/12th, 6 cents instead of 12 cents; or, what amounts to the same thing, only half an hour of labor-time,
In this example there is a huge change in productivity, but the same amount of labor is performed as before, therefore the total value newly produced in this production process does not increase. Since more pieces are produced, the value of every piece falls. This is a dilemma. The capitalist increases productivity because he wants to get more surplus-value, but all he managed to do is produce more products, more wealth. The value produced remains the same.

Marx takes a closer look. By the assumption of this example, only one capitalist is producing more efficiently; all the others still use the old production method. In order to deal with this situation, Marx introduces the concept of the innovator’s “individual value” of the commodity, which is a category from the “sphere of competition.” The value calculation which Marx just made will eventually be relevant for all capitalists, when all producers have introduced the new production method; but right now it is only correct for the innovator’s individual value:

The individual value of these articles is now below their social value; in other words,
the concept of relative surplus-value, they have cost less labor-time than the great bulk of the same articles produced under the average social conditions. Each article costs, on an average, 24 cents, and represents 2 hours of social labor; but under the altered mode of production it costs only 18 cents, or contains only 1 1/2 hours’ labor. The effective value of a commodity, however, is not its individual but its social value; i.e., its value is not measured by the labor-time that the article actually costs the producer in this individual case, but by the labor-time socially required for its production.

What are the implications of this gap between individual and social value for the price of the commodity? If we assume that this is just one producer among many, who does not have an influence on the market, then the price remains unchanged. This makes it necessary for
Marx to introduce another new concept, that of extra surplus-value:

If, therefore, the capitalist who applies the new method sells his commodity at its social value of 24 cents, he sells it for 6 cents above its individual value, and thus he realizes an extra surplus-value of 6 cents.

Can the capitalist therefore just keep his innovation secret, pretend that he is still using the same production methods as the others, and merrily rake in the extra surplus-value? Well, there is one problem with this. He has now greater output and must see to it that this output is sold:

On the other hand, the working day of 12 hours is now represented, for him, by twenty-four articles instead of twelve. Hence, in order to sell the product of one working day, he needs double the demand than before, i.e. the market must become twice as extensive. Other things being equal, the
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capitalist’s commodities can only command a more extensive market if their prices are reduced. He will therefore sell them above their individual but below their social value, say at 20 cents each. By this means he still squeezes an extra surplus-value of 2 cents out of each.

Important: the innovator has to lower the price to get room in the market for his increased output. Despite this price cut, he still sells the products above their individual values and therefore still makes an extra surplus-value:

This increase of surplus-value for the capitalist takes place whether or not his commodities belong to the class of necessary means of subsistence, and therefore enter the determination of the general value of labor-power. Whether or not this latter condition is satisfied, therefore, the motive ex-

Marktraum durch Kontraktion ihrer Preise. Er wird sie daher über ihrem individuellen, aber unter ihrem gesellschaftlichen Wert verkaufen, sage zu 10 d. das Stück. So schlägt er an jedem einzelnen Stück immer noch einen Extramehrwert von 1 d. heraus.

Diese Steigerung des Mehrwerts findet für ihn statt, ob oder ob nicht seine Ware dem Umkreis der notwendigen Lebensmittel angehört und daher bestimmend in den allgemeinen Wert der Arbeitskraft eingegangen. Vom letztren Umstand abgesehen, existiert also für jeden einzelnen Kapitalisten das Motiv, die
ists for every individual capitalist to cheapen his commodities by increasing the productivity of labor.

This answers the question why capitalists innovate. We see that everyone has the incentive to innovate in order to gain extra surplus-value, not only those capitalists whose products enter the value of labor-power. And everybody’s extra surplus-value is only temporary, over time it will be competed away again. But for those who produce the workers’ means of consumption, this extra surplus-value does not entirely disappear but is reborn as relative surplus-value.

This raises the question: what is the source of this extra surplus-value? Marx argues that extra surplus-value, just like relative surplus-value comes from a shortening of the necessary labor. But in the case of extra surplus-value the value produced per hour by the innovating firm rises above the value produced per hour by the other firms.

435:1/o Nevertheless, even in this case, the increased production of surplus-value arises from the shortening of the necessary labor-time and the corresponding prolonga-
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Marx is about to give a somewhat long-winded argument to support this non-obvious point. But first he sticks footnote 3a in, in which Cazenove comes to the same conclusion as Marx, although he seems to employ a rather simple-minded argument. Marx’s development in the main text will fill in the missing links, by which Cazenove’s argument can be viewed as a short form of Marx’s own argument.

3a ‘A man’s profit does not depend upon his command of the produce of other men’s labor, but upon his command of labor itself. If he can sell his goods at a higher price, while his workmen’s wages remain unaltered, he is clearly benefited … A smaller proportion of what he produces is sufficient to put that labor into motion, and a larger proportion consequently remains for himself.’ ([J. Cazenove,] *Outlines of Political Economy*, London 1832. pp. 49, 50.)

3a „Der Profit eines Menschen hängt nicht ab von seinem Kommando über das Produkt der Arbeit anderer, sondern von seinem Kommando über Arbeit selbst. Wenn er seine Waren zu einem höheren Preis verkaufen kann, während die Löhne seiner Arbeiter unverändert bleiben, so zieht er augenscheinlich Gewinn daraus … Ein kleinerer Teil dessen, was er produziert, reicht hin, jene Arbeit in Bewegung zu setzen, und demzufolge verbleibt ihm ein größerer Teil.“ ([J. Cazenove,] „Outlines of Polit. Econ.“, London 1832. p. 49, 50.)
With this footnote Marx is not trying to argue that the laborer working with the new machines creates more surplus-value because the capitalist can use a smaller portion of the product to pay his wages. The causality goes the opposite direction: since the labor working with the new machine is converted into potentiated labor, the capitalist is able to replace the value of labor-power with a smaller portion of the value of the daily product. (This last sentence is an almost literal quote from the machinery chapter, 530:1.)

The support of the claim that the laborer working with the new machine creates more value per hour than the average worker is not given in the footnote, but in the main text. For this argument, Marx needs a quantitative accounting of the social mass of surplus-value:

Let the necessary labor-time amount to 10 hours, i.e. the value of a day’s labor-power to $1.20, and the surplus labor-time to 2 hours, i.e. the daily surplus-value to 24 cents.

This was before the change in productivity, or under the average conditions. Remember that 12 cents represent 1 hour of labor. But for the one capitalist with the superior technology things look different:
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But our capitalist produces 24 articles now, which he sells at 20 cents each, making $4.80 in all. Since the value of the means of production is $2.88, 14 2/5 of these articles merely replace the constant capital advanced. The labor of the 12 hour working day is represented by the remaining 9 3/5 articles. Since the price of the labor-power is $1.20, 6 articles represent the necessary labor-time, and 3 3/5 articles the surplus labor. The ratio of necessary labor to surplus labor, which under average social conditions was 5:1, has now fallen to 5:3.

This is the calculation hinted at in footnote 3a, which measures everything in unit of the final product. It can also be measured in money:

We may arrive at the same result in the fol-
lowing way. The value of the product of the working day of 12 hours is $4.80. Of this sum, $2.88 represent the value of the means of production, a value that merely re-appears in the finished product. There remain $1.92, which are the expression in money of the value newly created during the working day. This sum is greater than the sum in which average social labor of the same kind is expressed: 12 hours of the latter labor are expressed by only $1.44. The exceptionally productive labor has the effect of potentiated labor; it creates in equal periods of time greater values than the labor of the same kind conforming with the social average.

Marx makes the same point also in the machinery chapter 530:1. In both places he uses
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the expression “potentiated labor,” i.e., labor made more potent, an expression which was first introduced in 134:3/o. The reason why different laborers produce different amounts of value in one hour is again the same: One labor-power is not exactly like any other. The potentiated labor of the laborer servicing the new machine produces a value of $1.92 per day, i.e., 16 cents per hour, instead of the normal 12 cents.

Fowkes translates “potenziert” with “intensified,” which is blatantly wrong.

Once we know how much value has been produced, the implications for surplus-value follow immediately:

But our capitalist still continues to pay as before only $1.20 as the daily value of labor-power. Hence, instead of 10 hours, the worker now needs to work for only 7 1/2 hours in order to reproduce this value. His surplus labor therefore grows by 2 1/2 hours, and the surplus-value he produces increases from 24 cents to 72 cents. Hence the capital-

Aber unser Kapitalist zahlt nach wie vor nur 5 sh. für den Tageswert der Arbeitskraft. Der Arbeiter bedarf daher, statt früher 10, jetzt nur noch 7 1/2 Stunden zur Reproduktion dieses Werts. Seine Mehrarbeit wächst daher um 2 1/2 Stunden, der von ihm produzierte Mehrwert von 1 auf 3 sh. Der Kapitalist, der die verbesserte Produktionsweise anwendet, eig-
12.3. [Individual Motivation]

ist who applies the improved method of production appropriates and devotes to surplus labor a greater portion of the working day than the other capitalists in the same business. He does individually what capital itself does as a whole when producing relative surplus-value.

There is a numerical discrepancy between the German and the English text, 7 1/2 versus 7 1/5 and 2 1/2 versus 2 4/5. But nowhere a remark why this is so. The German is right, and I took those numbers also into my translation.

The above is an argument that the competitive mechanism is connected with its ultimate result after all; it is the same result which was aimed for on an individual plane—and was lost again, as will be seen in the next sentence:

On the other hand, however, this extra surplus-value disappears as soon as the new method of production is generalized, for Andrerseits aber verschwindet jener Extra-mehrwert, sobald die neue Produktionsweise sich verallgemeinert und damit die Dif-
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then the difference between the individual value of the cheapened commodity and its social value vanishes. The same law of the determination of value by labor-time, which makes itself felt to the individual capitalist who applies the new method of production by compelling him to sell his goods under their social value, this same law, acting as a coercive law of competition, forces his competitors to adopt the new method.\(^4\)

It was already discussed above that the innovator himself had to lower the price to get more room in the market. This stirs up competition and forces the others to follow suit. The footnote leaves no doubt that this is what is meant:

\(^4\) ‘If my neighbour by doing much with little labor, can sell cheap, I must contrive to sell as cheap as he. So that every art, trade, or engine, doing work with labor of fewer hands, and

ferenz zwischen dem individuellen Wert der wohlfeiler produzierten Waren und ihrem gesellschaftlichen Wert verschwindet. Dasselbe Gesetz der Wertbestimmung durch die Arbeitszeit, das dem Kapitalisten mit der neuen Methode in der Form fühlbar wird, daß er seine Ware unter ihrem gesellschaftlichen Wert verkaufen muß, treibt seine Mitbewerber als Zwangsgesetz der Konkurrenz zur Einführung der neuen Produktionsweise.\(^4\)

\(^4\) „Wenn mein Nachbar billig verkaufen kann, indem er mit wenig Arbeit viel herstellt, muß ich danach trachten, ebenso billig wie er zu verkaufen. So erzeugt jede Kunst, jedes Verfahren oder jede
consequently cheaper, begets in others a kind of necessity and emulation, either of using the same art, trade, or engine, or of inventing something like it, that every man may be upon the square, that no man may be able to undersell his neighbour’ (The Advantages of the East-India Trade to England, London, 1720, p. 67).

Does this mean that this increase in productivity has no lasting effect on value relations?

The general rate of surplus-value is therefore ultimately affected by the whole process only when the increase in the productivity of labor has seized upon those branches of production and cheapened those commodities that contribute towards the necessary means of subsistence, and are therefore elements of the value of labor-

Maschine, die mit der Arbeit von weniger Händen und infolgedessen billiger arbeitet, bei andren eine Art Zwang und einen Wettbewerb, entweder dieselbe Kunst, dasselbe Verfahren oder dieselbe Maschine anzuwenden, oder etwas Ähnliches zu erfinden, damit alle auf gleichem Stand seien und keiner seinen Nachbar unterbieten könne.“ („The Advantages of the East-India Trade to England“. Lond. 1720, p. 67.)

Die allgemeine Rate des Mehrwerts wird also durch den ganzen Prozeß schließlich nur berührt, wenn die Erhöhung der Produktivkraft der Arbeit Produktionszweige ergriffen, also Waren verwohlfeilert hat, die in den Kreis der notwendigen Lebensmittel eingehn, daher Elemente des Werts der Arbeitskraft bilden.
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Here one sees how the individual capitalists are motivated to produce relative surplus-value. Their motivation usually focuses on extra surplus-value only. This does increase their profits, but this benefit will usually be only short-lived and the extra surplus-value will be competed away again. In those cases, however, in which competition lowers the price of wage goods, this extra surplus-value does not disappear but becomes relative surplus-value benefiting all capitalists.

Marx no longer spins on his quantitative example to substantiate this last claim. Here is a proposed extension of his calculations, which shows that also quantitatively the extra surplus-value is equal to the relative surplus value arising later when the value has equalized.

As in Marx’s example, one working hour produces 12 cents. The working day is 12 hours, therefore one man-day of labor produces a value of $1.44. The year has 300 working days, therefore 1 man year of labor produces a value of $432.

The hourly wage is 10 cents, therefore the hourly surplus-value is 2 cents. The daily wage is $1.20, therefore the daily surplus-value is 24 cents. The annual wage is $360, therefore the annual surplus-value is $72.

Look at the whole society, say a big city. It has 60,000 productive workers with their fam-
12.3. [Individual Motivation]

... ilies. During the year they produce a value of $60,000 \times 432 = 25,920,000$. Their wages during the year are $60,000 \times 360 = 21,600,000$. And the surplus-value in one year is $4,320,000$.

Now let us go to shirt manufacturing. In the manufactures, every shirt requires one man hour of labor and 12 cents worth of materials etc. Assuming this is the socially necessary labor, the value of the shirt is 24 cents, which splits up in 12 cents constant capital + 10 cents variable capital + 2 cents surplus-value. Assume there are two shirt manufacturers in the city with 25 workers each. Then every manufacturer produces $300 \times 12 \times 25 = 90,000$ shirts per year. These 180,000 shirts together are sufficient for every worker to buy for himself and his family 3 shirts per year.

To produce his shirts, each capitalist needs a constant capital of $90,000 \times 12 \text{ cents} = 10,800$, wages of $9000$, and gets a surplus-value of $1,800$ per year. The value of the 90,000 shirts is $21,600$.

Now assume the following situation. One of the two capitalists improves his production method so that he needs only $1/2$ hours of work for every shirt. The second capitalist learns that and starts to produce something other than shirts in his factory. The first capitalist works with as many laborers as before, producing twice as many shirts.

Now let us look at three different scenarios. First assume that the socially necessary
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production method and the value of the shirts is still the old one. This capitalist now needs
twice as much constant capital as before, namely $21,600 worth per year, and has twice
the sales as before, namely, $43,200. That means, the new value produced by his 25 men is
$21,600, which is twice as much as before, or $10,800 more than before. “The exceptionally
productive labor has the effect of potentiated labor” (435:1/0). Since the wages for the 25
men are still the same as before, namely, $9000, the surplus-value soared for this capitalist
from $1,800 to $12,600 per year. This is an increase in the surplus-value by $10,800. Since
we assumed that the surplus-value of all other capitalists is still the same as before, the
total value produced in our city rises from $25,920,000 to $25,930,800. The total sum of
wages is still the same as before, namely, $21,600,000, and the total sum of surplus-value is
$25,920,000 + $10,800 − $21,600,000 = $4,330,800.

Second szenario: in order to avert the threat of re-entry by the other manufacturer, the
unique manufacturer sells the shirts for 20 cents, this is 4 cents below the value before,
but still 2 cents above the individual value of the shirt manufacturer. The total sales of the
shirt manufacturer are now $36,000, of which $21,600 are constant capital and $14,400 is
newly created value. He still creates, with his 25 workers, $3,600 more value per year than
before the changes in productiveness, i.e., the labor of his workers still counts as multiplied
labor. But now, also the value of the labor-power goes down: for the three shirts which every workers buys every year, he needs no longer 72 cents but only 60 cents, i.e., he saves 12 cents per year. Assuming the value of the labor-power is determined by the value of the necessary means of subsistence, it also goes down 12 cents per year, from $360 to $359.88. The total wage sum goes down by $60,000 \times 12 \text{ cents} = $7,200. The total surplus-value is now $25,920,000 + $3,600 - ($21,600,000 - $7,200) = $4,330,800, which is the same as before.

Third scenario: the social value of the shirts falls to the level of the individual values of our manufacturer: he has to sell his shirts for 18 cents, which is 12 cents for constant capital, and 6 cents for 1/2 hour of labor. The total value produced in the city is back down where it was before. The wages fall once more by another 6 cents per year, i.e., the total wage sum falls by another $3,600 and is therefore $21,600,000 - $7,200 - $3,600 = $21,600,000 - $10,800. The total surplus-value is $25,920,000 - ($21,600,000 - $10,800) = $4,330,800 which is, again, the same as before.

The total amount of surplus-value is therefore the same in all three scenarios, only the distribution of the surplus-value is different. In the first scenario, only the capitalist who applied the exceptional productivity enjoyed this surplus-value, and in the third it is shared
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equally by all capitalists. “He does individually what capital itself does as a whole when producing relative surplus-value.” (435:1/0).

12.4. [Value and Productivity]

The last third of the chapter is an essay about the paradox that capitalists, who are only interested in the value-aspect of their products, nevertheless continually strive to decrease the exchange-values of their commodities. If a capitalist introduces more productive machinery, his motives are often to undercut competition, expand production to make more profits. Whatever the case, it is self-understood that he uses all the advantages of the improved machinery for himself and leaves the worker where he or she is. Thus the machinery increases the gap between capitalist and laborer, i.e., the relative surplus-value.

436:1/0 The value of commodities stands in inverse ratio to the productivity of labor. So, too, does the value of labor-power, since it depends on the values of commodities. Relative surplus-value, however, is directly

338:1 Der Wert der Waren steht in umgekehrtem Verhältnis zur Produktivkraft der Arbeit. Ebenso, weil durch Warenwerte bestimmt, der Wert der Arbeitskraft. Dagegen steht der relative Mehrwert in direktem
proportional to the productive power of labor. It rises and falls together with it.

Now Marx makes an assumption which colors everything he is going to say: the value of money, in terms of labor-time, is fixed:

The value of money being assumed to be constant, an average social working day of 12 hours always produces the same new value, $1.44, no matter how this sum may be apportioned between surplus-value and wages. But if, as a result of an increase in productivity, there is a fall in the value of the means of subsistence, and the daily value of labor-power is thereby reduced from $1.20 to 72 cents, the surplus-value will increase from 24 cents to 72 cents. 10 hours were necessary for the reproduction of the value
of the labor-power; now only 6 are required. 4 hours have been set free, and can be annexed to the domain of surplus labor.

Interesting insight about competition which has practical implications for labor struggles: these 4 hours are up for grabs! Workers can fight for them too.

Capital therefore has an immanent drive, and a constant tendency, towards increasing the productivity of labor, in order to cheapen commodities and, by cheapening commodities, to cheapen the worker himself.5

There are two statements in this sentence. (1) cheapening of the commodities implies cheapening of the laborer, and (2) hence capital has the immanent tendency to raise the productivity of labor. Footnote 5 concentrates on statement (1) only. Statement (2) is an interesting issue from the theory of competition. The present chapter gives only some isolated remarks about it but cannot give a full and systematic development of the issue.

5 “In welchem Verhältnis immer die Ausgaben eines Arbeiters verringert werden, in glei-
12.4. [Value and Productivity]

his wages be diminished, if the restraints on industry are at the same time taken off’ [Ano53, p. 7] ‘The interest of trade requires, that corn and all provisions should be as cheap as possible; for whatever makes them dear, must make labor dear also … in all countries, where industry is not restrained, the price of provisions must affect the price of labor. This will always be diminished when the necessaries of life grow cheaper’ [Ano53, p. 3] ‘Wages are decreased in the same proportion as the powers of production increase. Machinery, it is true, cheapens the necessaries of life, but it also cheapens the laborer’ [Ano34, p. 27]

437:1 The absolute value of a commodity is, in itself, of no interest to the capitalist

chem Verhältnis wird auch sein Lohn verringert, wenn die Einschränkungen der Industrie gleichzeitig aufgehoben werden. [Ano53, p. 7] „Das Interesse der Industrie erfordert, daß Korn und alle Lebensmittel so billig wie möglich sind; was immer sie verteuert, muß auch die Arbeit verteuern … in allen Ländern, in denen die Industrie keinen Einschränkungen unterliegt, muß der Preis der Lebensmittel auf den Preis der Arbeit einwirken. Dieser wird stets herabgesetzt werden, wenn die notwendigen Lebensmittel billiger werden.“ [Ano53, p. 3] Die Löhne werden im selben Verhältnis gesenkt, in dem die Produktionskräfte anwachsen. Die Maschine verbilligt zwar die notwendigen Lebensmittel, aber sie verbilligt außerdem auch den Arbeiter.“ [Ano34, p. 27]

338:2/o Der absolute Wert der Ware ist dem Kapitalisten, der sie produziert, an und
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who produces it. All that interests him is
the surplus-value present in it, which can be
realized by sale. Realization of the surplus-
value necessarily carries with it the replace-
ment of the value advanced. Now, since rel-
ative surplus-value increases in direct pro-
portion to the development of the produc-
tivity of labor, while the value of commodi-
ties stands in precisely the opposite rela-
tion to the growth of productivity; since the
same process both cheapens commodities
and augments the surplus-value contained
in them, we have here the solution of the
following riddle: Why does the capitalist,
whose sole concern is to produce exchange-
value, continually strive to bring down the
exchange-value of commodities? One of
für sich gleichgültig. Ihn interessiert nur der
in ihr steckende und im Verkauf realisier-
bare Mehrwert. Realisierung von Mehrwert
schließt von selbst Ersatz des vorgeschoßnen
Werts ein. Da nun der relative Mehrwert in
direktem Verhältnis zur Entwicklung der Pro-
duktivkraft der Arbeit wächst, während der
Wert der Waren in umgekehrtem Verhältnis
zur selben Entwicklung fällt, da also dersel-
be identische Prozeß die Waren verwohltre-
lert und den in ihnen enthaltenen Mehrwert
steigert, löst sich das Rätsel, daß der Ka-
pitalist, dem es nur um die Produktion von
Tauschwert zu tun ist, den Tauschwert der
Waren beständig zu senken strebt, ein Wi-
derspruch, womit einer der Gründer der po-
itischen Ökonomie, Quesnay, seine Gegner
the founders of political economy, Quesnay, used to torment his opponents with this question, and they could find no answer to it.

‘You acknowledge,’ he says, that the more one can reduce the expenses and costs of labor in the manufacture of industrial products, without injury to production, the more advantageous is that reduction, because it diminishes the price of the finished article. And yet you believe that the production of wealth, which arises from the labor of the craftsmen, consists in the augmentation of the exchange-value of their products.

Footnote 6 brings the French text:

6 “Ils conviennent que plus on peut, sans préjudice, épargner de frais ou de travaux dispendieux dans la fabrication des ouvrages des artisans.

„Ihr gebt zu“, sagt Quesnay, „daß, je mehr man, ohne Nachteil für die Produktion, Kosten oder kostspielige Arbeiten in der Fabrikation industrieller Produkte ersparen kann, desto vorteilhaft der diese Ersparung, weil sie den Preis des Machwerks vermindert. Und trotzdem glaubt ihr, daß die Produktion des Reichtums, der aus den Arbeiten der Industriellen herkommt, in der Vermehrung des Tauschwerths ihres Machwerks besteht.“

6 „Ils conviennent que plus on peut, sans préjudice, épargner de frais ou de travaux dispendieux dans la fabrication des ouvrages des artisans,
12. Concept of Relative Surplus-Value

Artisans, plus cette épargne est profitable par la diminution des prix de ces ouvrages. Cependant ils croient que la production de richesse qui résulte des travaux des artisans consiste dans l’augmentation de la valeur vénale de leurs ouvrages.” (Quesnay, *Dialogues sur le Commerce et sur les Travaux des Artisans*, pp. 188, 189.)

437:2/º The shortening of the working day, therefore, is by no means what is aimed at in capitalist production, when labor is economized by increasing its productivity. It is only the shortening of the labor-time necessary for the production of a definite quantity of commodities that is aimed at. The fact that the worker, when the productivity of his labor has been increased, produces say ten times as many commodities as

339:2/º Ökonomie der Arbeit durch Entwicklung der Produktivkraft der Arbeit bezieht in der kapitalistischen Produktion also deuchas nicht Verkürzung des Arbeitstags. Sie bezieht nur Verkürzung der für Produktion eines bestimmten Warenquantums notwendigen Arbeitszeit. Daß der Arbeiter bei gesteigerter Produktivkraft seiner Arbeit in einer Stunde z.B. 10mal mehr Ware als früher produziert, also für jedes Stück
before, and thus spends one-tenth as much labor-time on each, by no means prevents him from continuing to work 12 hours as before, nor from producing in those 12 hours 1,200 articles instead of 120. Indeed, his working day may simultaneously be prolonged, so as to make him produce say 1,400 articles in 14 hours. Therefore in the treatises of economists of the stamp of MacCulloch, Ure, Senior and the like, we may read on one page that the worker owes a debt of gratitude to capital for developing his productivity, because the necessary labor-time is thereby shortened, and on the next page that he must prove his gratitude by working in future for 15 hours instead of 10. The objective of the development of the produc-
12. Concept of Relative Surplus-Value

tivity of labor within the context of capitalist production is the shortening of that part of the working day in which the worker must work for himself, and the lengthening, thereby, of the other part of the day, in which he is free to work for nothing for the capitalist.

Sometimes, the capitalists even have the gall to say: since we have invested so much in expensive machinery, now everyone must show up on time.

7 ‘These speculators, who are so economical of the labor of the workers they would have to pay’ (J. N. Bidaut, Du monopole qui s’établit dans les arts industriels et le commerce, Paris, 1828, p. 13). ‘The employer will be always on the stretch to economise time and labor’ (Dugald Stewart, Lectures on Political Economy, in Works, ed. by Sir W. Hamilton, Vol. 8, Edinburgh, 1855, p. 318). ‘Their’ (the capitalists’)

Teil des Arbeitstags, den der Arbeiter für sich selbst arbeiten muß, zu verkürzen, um grade dadurch den anderen Teil des Arbeitstags, den er für den Kapitalisten umsonst arbeiten kann, zu verlängern.

‘interest is that the productive powers of the laborers they employ should be the greatest possible. On promoting that power their attention is fixed and almost exclusively fixed’ (R. Jones, op. cit., Lecture III [p. 38]).

How far this result can also be attained without cheapening commodities will appear from the following chapters, where we examine the particular methods of producing relative surplus-value.

Produktivkräfte der Arbeiter, die sie beschäftigen, so groß wie möglich seien. Diese Kraft zu steigern, darauf ist ihre Aufmerksamkeit, und zwar fast ausschließlich gerichtet.“ (R. Jones, l.c., Lecture III.)

Wieweit dies Resultat auch ohne Verwohlfei-terung der Waren erreichbar, wird sich zei-
gen in den besonderen Produktionsmethoden des relativen Mehrwerts, zu deren Betrach-
tung wir jetzt übergehn.
13. Co-Operation

This and the following chapters are discussing the *specific capitalist mode of production*. The previous modes of production did not put much emphasis on technical progress. In the Middle Ages, inventors were sometimes beheaded, because their inventions threatened the established social order. Capitalism, by contrast, is extremely dynamic and innovative. Marx explains in this chapter how capitalism came to be so innovative. The root cause of these innovations, according to Marx, is the simple fact that capitalism forces many workers to work together (co-operate).
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode of Production]

Originally, capital introduced co-operation for reasons that were not technological. Each capitalist had to employ many workers in order to produce enough surplus value that he can live from it and still accumulate part of it.

Even without a change in the traditional technologies, this extension of production is already the cause of some “modifications.” They will be discussed in what is called here section 13.1.

13.1.a. [Implications of the Employment of Many Laborers by the Same Capital]

439:1 Capitalist production in fact only begins, as we have seen, when each in-
13. Co-Operation

dividual capital simultaneously employs a comparatively large number of workers, and when, as a result, the labor-process is carried on on an extensive scale, and yields relatively large quantities of products.

“As we have seen” apparently refers to 422:2/423.

A large number of workers working together, at the same time, in one place (or, if you like, in the same field of labor), in order to produce the same sort of commodity under the command of the same capitalist, constitutes, historically and conceptually, the point of departure of capitalist production.

If one thinks of capitalist production, one thinks of one capitalist employing many workers to produce a large quantity of the same product. This simple image is, according to Marx, historically and conceptually the point of departure of capitalist production.

 selbe individuelle Kapital eine größere Anzahl Arbeiter gleichzeitig beschäftigt, der Arbeitsprozeß also seinen Umfang erweitert und Produkt auf größerer quantitativer Stufenleiter liefert.

Das Wirken einer größern Arbeiteranzahl zur selben Zeit, in demselben Raum (oder, wenn man will, auf demselben Arbeitsfeld), zur Produktion derselben Waren sorte, unter dem Kommando desselben Kapitalisten, bildet historisch und begrifflich den Ausgangspunkt der kapitalistischen Produktion.

1640
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode]

image does not specify that the workers co-operate. All they have to do is act in the same “field of labor.” ⇓ And indeed, initially the workers did not co-operate, they simply used the same methods they had previously used as independent craftsmen.

With regard to the mode of production itself, manufactories can hardly be distinguished, in their earliest stages, from the handicraft trades of the guilds, except by the greater number of workers simultaneously employed by the same capital. The workshop of the master craftsman is only enlarged.

⇑ “Manufactories” are establishments based on hand work and division of labor. The historical fact that at the beginning, technology did not change qualitatively but only quantitatively, is supporting evidence for Marx’s claim that the reason for this co-operation was the necessity to add enough workers together so that the sum of their surplus-values can sustain a capitalist. There is no qualitative change in production yet. ⇩ And the nature of value does not seem to require such qualitative change, since value is additive.
13. Co-Operation

439:2 At first, then, the difference is purely quantitative. We have shown that the surplus-value produced by a given capital is equal to the surplus-value produced by each worker multiplied by the number of workers simultaneously employed. The number of workers does not in itself affect the rate of surplus-value or the degree of exploitation of labor-power and, with regard to the production of commodity-values in general, every qualitative alteration in the labor process seems irrelevant. This follows from the nature of value.


↑ Marx uses here the word “seem,” because this is the conclusion obtained if one follows the direct connections. The qualifier “in and for itself” goes in the same direction; it indicates that the inner nature of the value relations does not cause the rate of surplus-value to be dependent on the number of laborers. If one takes the more roundabout mediations into
account, for example relative surplus-value, then this indifference disappears.

Next Marx introduces a numerical example which will illustrate not only this point here but also other points to be made below.

If a working day of 12 hours is objectified in $1.44, 1,200 working days of 12 hours will be objectified in 1,200 times $1.44. In one case $12 \times 1,200$ working-hours are incorporated in the products, and in the other case 12 working-hours. In the production of value many workers always only count as so many individual workers, and it therefore makes no difference in the value produced whether the 1,200 men work separately or united under the command of one capitalist.
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[Co-Operative Labor is Average Labor]

Although there is no big qualitative change, there are some modifications:

440/o Nevertheless, within certain limits, a modification takes place.

341:2/oo Indes findet doch innerhalb gewisser Grenzen eine Modifikation statt.

Marx will repeat at the end of this paragraph 440/o that the “modifications” listed in this paragraph do not require the workers to actually co-operate; it is only necessary that all workers are working for the same capitalist.

First modification: co-operative labor is average labor. This is pretty obvious, but what makes it exciting is that average labor is exactly the labor that creates value. Marx begins this point with a little digression about the nature of value.

The labor objectified in value is labor of average social quality, i.e., the expenditure of average labor-power.

In Wert vergegenständlichte Arbeit ist Arbeit von gesellschaftlicher Durchschnittsqualität, also die Äußerung einer durchschnittlichen Arbeitskraft.

This is true whether a capitalist has few or many employees. However the definition of the magnitude of value by an average leads to the question how this average exists, and for large capitals, the answer to this question is different than for small ones:
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode]

Any average magnitude, however, always only *exists* as the average of many separate magnitudes all of one kind, but differing as to quantity.

↑ Look at a die. The average of its throws is 3.5; this number does not exist as one of the sides of the die. The same is true for workers. There is no such thing as a Mr. Average.

In every industry, each individual laborer, be he Peter or Paul, differs more or less from the average laborer.

⇓ But one can synthesize the elusive Mr. Average by hiring several workers at the same time:

These individual differences, or “errors” as they are called in mathematics, compensate one another, and vanish, whenever one adds a certain minimum number of workmen together. The celebrated sophist and sycophant, Edmund Burke, goes so far as to

Eine Durchschnittsgröße *existiert* aber immer nur als Durchschnitt vieler verschiedener Größenindividuen derselben Art.

In jedem Industriezweig weicht der individuelle Arbeiter, Peter oder Paul, mehr oder minder vom Durchschnittsarbeiter ab.

⇒ But one can synthesize the elusive Mr. Average by hiring several workers at the same time:

Diese individuellen Abweichungen, welche mathematisch „Fehler“ heißen, kompensieren sich und verschwinden, sobald man eine größere Anzahl Arbeiter zusammennimmt. Der berühmte Sophist und Sykophant Edmund Burke will aus seinen praktischen
make the following assertion, based on his practical observations as a farmer; viz., that "in so small a platoon" as that of five farm laborers, all individual differences in the labor vanish, and that consequently any given five adult farm laborers taken together, will in the same time do as much work as any other five. 8

8 "Unquestionably, there is a good deal of difference between the value of one man’s labor and that of another from strength, dexterity, and honest application. But I am quite sure, from my best observation, that any given five men will, in their total, afford a proportion of labor equal to any other five within the periods of life I have stated; that is, that among such five men there will be one possessing all the qualifications of a

Erfahrungen als Pächter sogar wissen, daß schon „für ein so geringes Peloton“ wie 5 Ackerknechte aller individuelle Unterschied der Arbeit verschwindet, also die ersten besten im Mannesalter befindlichen fünf englischen Ackerknechte zusammengenommen in derselben Zeit grad soviel Arbeit verrichten als beliebige andre fünf englische Ackerknechte. 8

8 „Ohne Frage besteht ein beträchtlicher Unterschied zwischen dem Wert der Arbeit eines Mannes und dem der Arbeit eines andren durch unterschiedliche Kraft, Geschicklichkeit und redlichen Fleiß. Aber ich bin auf Grund meiner sorgfältigen Beobachtung völlig sicher, daß beliebige fünf Mann in ihrer Gesamtheit eine gleiche Menge Arbeit liefern wie fünf andre, die in den erwähnten Lebensperioden stehen. Das heißt, daß sich un-
good workman, one bad, and the other three middling, and approximating to the first, and the last. So that in so small a platoon as that of even five, you will find the full complement of all that five men can earn.” (E. Burke, l.c., pp. 15, 16.) Compare Quetelet on the average individual.

Burke’s claim may be exaggerated but in principle he is right: But, however that may be, it is clear, that the aggregate working-day of a large number of workmen simultaneously employed, divided by the number of these workmen, gives one day of average social labor.

To illustrate this, Marx resumes his earlier example: For example, let the working-day of each individual be 12 hours. Then the aggregate
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working-day of 12 men simultaneously employed consists of 144 hours. The labor of each of the dozen men may deviate more or less from average social labor, each of them requiring a different time for the same operation. Nevertheless, if the working-day of each individual worker is taken to be one-twelfth of the aggregate working-day of 144 hours, it possesses the qualities of an average social working-day.

Marx’s argument here can be broken up into two steps: (a) The individual differences of the 12 workers cancel each other out, therefore the total output is equal to the output of 144 average hours. (b) If each individual worker is considered one twelveth of the group of twelve then it follows that each individual hour of labor is average as well.

Ad (a): By the laws of probability, the standard deviation of the average of 12 independent random variables with equal standard deviation \( s \) is \( 1/\sqrt{12} \) \( s \), i.e., it is less than 1/3 of the standard deviation of each individual variable, but it is not zero. Marx, however, says that the
sample average is equal to the population mean, i.e., its standard deviation is zero. He can only say this if this standard deviation has become so small that it is no longer practically relevant. The differences between different teams of twelve are probably no greater than the differences between the same individual today and tomorrow. The production process must therefore be organized in such a way that such differences do not matter. Another justification for Marx’s assumption that the product of twelve workers is exactly equal to the social average may be that co-operation imposes a rhythm on the workers; they compensate for each other and help each other out.

Ad (b): It would be justified to consider the labor each worker as 1/12th of the total labor in a situation where the joint output cannot be attributed to individual laborers and where the assumption can be made that each worker contributes equally to this joint output. But Marx does not claim here that the contribution of each worker is equal, on the contrary, he stresses that different workers may use different times for equal work processes. The conclusion is therefore counterfactual: Marx only says that each individual working-day has exactly social average quality if each individual working day is considered to be exactly one twelveth of the combined working-day. (The “if” is my own translation; the formulation in the German original does not make it quite as obvious that Marx means it counterfactually. Nevertheless
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I think this is the correct reading of Marx.

⇓ The next sentence says “however” in the sense of: although the above argument was counterfactual, since each individual laborer does not contribute exactly 1/12th of the overall output, this counterfactual outcome is reality for the capitalist in relation with his workers. The capitalist does not receive separate outputs from each worker individually but instead the aggregate output of their joint labor. And if time wages instead of piece wages are paid, the capitalist also does not pay each worker by his or her actual output, but all workers are paid the same hourly wage.

For the capitalist, however, who employs these 12 men, the working-day exists as the aggregate working-day of the whole dozen. Each individual man’s day exists as an aliquot part of the aggregate working-day, no matter whether the 12 men assist one another in their work, or whether the connexion between their operations consists merely in the fact, that the men are all work-

Für den Kapitalisten aber, der ein Dutzend beschäftigt, existiert der Arbeitstag als Gesamtarbeitstag des Dutzend. Der Arbeitstag jedes einzelnen existiert als aliquoter Teil des Gesamtarbeitstags, ganz unabhängig davon, ob die zwölf einander in die Hand arbeiten oder ob der ganze Zusammenhang ihrer Arbeiten nur darin besteht, daß sie für denselben Kapitalisten arbeiten.
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode]

But outside this relation, for instance if the twelve workers work for six different small masters, their individual differences do not cancel out:

But if the 12 men are employed in six pairs, by as many different small masters, it will be quite a matter of chance, whether each of these masters produces the same value, and consequently whether he realises the general rate of surplus-value. Individual deviations would take place.

If my interpretation is correct, then this last sentence should not be translated as “there would be individual differences.” Individual differences also exist among the workers hired by the big capitalist; but for the big capitalist, these differences will not lead to differences in output, while in the case of only two employees they do.
Next Marx discusses a second implication of employing many people together, which is dialectically related to the first. The real definition of an “average worker” is transfactual; the average worker is not defined by his or her speed of output but an average worker is a worker who has no particular differences from any other worker. However capitalist co-operation imposes more stringent conditions on what *counts* as an average worker. If one workman required considerably more time for the production of a commodity than is socially necessary, i.e., if the duration of his individual labor-time deviated considerably from the socially necessary or average labor-time, then his labor would not count as average labor, nor his labor-power as average labor-power. It would either be not saleable at all, or only at something below the average value of labor-power. A fixed minimum of efficiency in all labor is there-

Verbrauchte ein Arbeiter bedeutend mehr Zeit in der Produktion einer Ware, als gesellschaftlich erheischt ist, wiche die für ihn individuell notwendige Arbeitszeit bedeutend ab von der gesellschaftlich notwendigen oder der Durchschnittsarbeitszeit, so gälte seine Arbeit nicht als Durchschnittsarbeits, seine Arbeitskraft nicht als durchschnittliche Arbeitskraft. Sie verkaufte sich gar nicht oder nur unter dem Durchschnittswert der Arbeitskraft. Ein bestimmtes Minimum der Arbeits-

...
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode]

fore assumed, and we shall see, later on, that capitalist production finds ways to measure this minimum.

One might say that, in contrast to Marx’s transfactual definition, capitalism imposes an empiricist conception of the average worker. Why does capitalism do this? Because the social average has now become a tangible quantity, individuals can and therefore will be compared against the group average.

The elimination of the workers below the allowable minimum decreases the variability of the workforce, but it does not make the workforce completely homogeneous. The earlier-mentioned difference between big and small capitalists therefore still exists. Nevertheless, this minimum deviates from the average, although on the other hand the capitalist has to pay the average value of labor-power.

For the small masters in 440/o, this has the following implications: Of the six small masters, one would there-
fore squeeze out more than the average rate of surplus-value, another less. The inequalities would be compensated for the society at large, but not for the individual masters.

The concluding sentence emphasizes the link between capitalism and commodity production in general:

Thus the law of valorization is only fully actualized for the individual producer, if he produces as a capitalist and employs a number of workmen together, whose labor, by its collective nature, is from the outset stamped as average social labor.\(^9\)

The footnote brings a dissenting result from the literature, together with its refutation.

\(^9\) Professor Roscher claims to have discovered that one needlewoman employed by Mrs. Roscher during two days, does more work than

\(^9\) Herr Professor Roscher will entdeckt haben, daß eine Nähmamsell, die während zwei Tagen von der Frau Professorin beschäftigt wird, mehr
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode of Production]

two needlewomen employed together during one day. The learned professor should not study the capitalist process of production in the nursery, nor under circumstances where the principal personage, the capitalist, is wanting.

13.1.b. [Effects of Employing Many Workers on the Same Premises]

Two interlinked points were made so far: the employment of many workers by the same capitalist has the effect that the actual labor-time performed by these workers is equal to the average labor-time, and that those workers performing too far below average are either paid a lower wage or altogether excluded from employment. Both points did not require that the workers work on the same place at the same time; they would also have been valid for workers working in different workshops or at home for the same capitalist.

\[\Downarrow\] If the workers work at the same place and time, additional modifications occur. Even if they do not work together but just work side by side at the same place and time without
13. **Co-Operation**

A change in the mode of their labor, this results in a “revolution” (qualitative change) of the objective conditions of the labor process, namely, an economizing of certain parts of the constant capital.

441:1/o Even without an alteration in the system of working, the simultaneous employment of a large number of laborers effects a revolution in the material conditions of the labor-process. The buildings in which they work, the store-houses for the raw material, the implements and utensils used simultaneously or in turns by the workmen; in short, a portion of the means of production, are now consumed in common.

⇓ This joint consumption of the means of production leads to a less than proportional increase in their costs:

On the one hand, the exchange-value of these means of production is not increased;

Einerseits wird der Tauschswert von Waren, also auch von Produktionsmitteln, durch-
for the exchange-value of a commodity is not raised by its use-value being consumed more thoroughly and to greater advantage. On the other hand, they are used in common, and therefore on a larger scale than before. A room where twenty weavers work at twenty looms must be larger than the room of a single weaver with two assistants. But it costs less labor to build one workshop for twenty persons than to build ten to accommodate two weavers each; thus the value of the means of production that are concentrated for use in common on a large scale does not increase in direct proportion to the expansion and to the increased useful effect of those means.

Each product is therefore produced at a lower cost:
13. Co-Operation

When consumed in common, they give up a smaller part of their value to each single product; partly because the total value they part with is spread over a greater quantity of products, and partly because their value, though absolutely greater, is, having regard to their sphere of action in the process, relatively less than the value of isolated means of production. Owing to this, the value of a part of the constant capital falls, and in proportion to the magnitude of the fall, the total value of the commodity also falls. The effect is the same as if the means of production had cost less.

⇓ In other words, the means of production are socialized before labor itself is:

The economy in their application is entirely

Diese Ökonomie in der Anwendung der Pro-
owing to their being consumed in common by a large number of workmen. Moreover, this character of being necessary conditions of social labor, a character that distinguishes them from the dispersed and relatively more costly means of production of isolated, independent laborers, or small masters, is acquired even when the numerous workmen assembled together do not assist one another, but merely work side by side. A portion of the instruments of labor acquires this social character before the labor-process itself does so.

\[\text{\textbf{This is beneficial for capital on two counts.}}\]

442:1/o Economy in the use of the means of production has to be considered under two aspects. First, as cheapening commodi-

344:1 Die Ökonomie der Produktionsmittel ist überhaupt von doppeltem Gesichtspunkt zu betrachten. Das eine Mal, soweit sie
13. Co-Operation

ties, and thereby bringing about a fall in the value of labor-power. Secondly, as altering the ratio of the surplus-value to the total capital advanced, i.e., to the sum of the values of the constant and variable capital.

Only one of these benefits can be discussed here, the discussion of the other has to wait until volume Three:

The latter aspect will not be considered until we come to the third book, to which, with the object of treating them in their proper connexion, we also relegate many other points that relate to the present question.

The subject-matter must be split up because two different real generative mechanisms are at work. This difference is not only theoretical but it is part of the worker’s everyday experience:

Waren verwohlfeilert und dadurch den Wert der Arbeitskraft senkt. Das andre Mal, soweit sie das Verhältnis des Mehrwerts zum vorgeschoßnen Gesamtkapital, d.h. zur Wertsumme seiner konstanten und variablen Bestandteile, verändert.

Der letztere Punkt wird erst im ersten Abschnitt des Dritten Buchs dieses Werks erörtert, wohin wir des Zusammenhangs wegen auch manches schon hierher Gehörige verweisen.
13.1. [Changes in the Capitalist Production Process which Precede The Specific Capitalist Mode]

The march of our analysis compels this splitting up of the subject-matter, a splitting up that is quite in keeping with the spirit of capitalist production. For since, in this mode of production, the workman finds the instruments of labor existing independently of him as another man’s property, economy in their use appears as a distinct operation, one that does not concern him, and which, therefore, has no connexion with the methods by which his own personal productiveness is increased.

Moore-Abveling had here: the social form of appearance of the economy of constant capital is such that it does not concern the worker, although this economy itself is the effect of the workers’ combined labor.
13. Co-Operation

13.2. [Simple Co-Operation]

From now on Marx talks about co-operation proper, which is qualitatively, not only quantitatively different from the individual labors. He begins with the definition of co-operation:

443:1 When numerous laborers work next to and with each other in accordance with a plan, whether in one and the same process, or in different but connected processes, they are said to co-operate, or to work in co-operation. 10

10 “Confluence of forces.” (Destutt de Tracy, l.c., p. 80.)

Co-operative labor is not just a quantitative change but the creation of something new, Marx calls it a new “social force.”

443:2 Just as the offensive power of a squadron of cavalry, or the defensive power of a regiment of infantry is essentially differ-

344:2 Die Form der Arbeit vieler, die in demselben Produktionsprozeß oder in verschiedenen, aber zusammenhängenden Produktionsprozessen planmäßig neben- und miteinander arbeiten, heißt Kooperation. 10

10 „Concours de forces.“ (Destutt de Tracy, l.c. p. 80.)

345:1 Wie die Angriffskraft einer Kavallerieschwadron oder die Widerstandskraft eines Infanterieregiments wesentlich verschie-
13.2. [Simple Co-Operation]

ent from the sum of the offensive or defensive powers of the individual cavalry or infantry soldiers taken separately, so the sum total of the mechanical forces exerted by isolated workmen differs from the social force that is developed, when many hands take part simultaneously in one and the same undivided operation, such as raising a heavy weight, turning a winch, or removing an obstacle.\(^{11}\)

↑ The formulation “when many hands take part simultaneously in one and the same *undivided* operation” (my emphasis) makes it clear that Marx is talking here about *simple* co-operation. This is the simplest form of co-operation, in which people who do similar things work together (i.e., there is no division of labor). On the one hand Marx discusses this simple co-operation here, on the other he discusses those elements which all co-operative production processes have in common. ↓ Also the Wakefield quote in footnote 11 refers specifically to simple co-operation.
There are numerous operations of so simple a kind as not to admit a division into parts, which cannot be performed without the co-operation of many pairs of hands. I would instance the lifting of a large tree on to a wain . . ., everything, in short, which cannot be done unless a great many pairs of hands help each other in the same undivided employment and at the same time.” (E. G. Wakefield: “A View of the Art of Colonization.” London, 1849, p. 168.)

In such cases the effect of the combined labor could either not be produced at all by isolated individual labor, or it could only be produced by a great expenditure of time, or on a very dwarfed scale. Not only have we here an increase in the productive power of the individual, by means of co-operation,
but the creation of a new power, namely, the collective power of masses.\textsuperscript{11a}

\textsuperscript{11a} “As one man cannot, and ten men must strain to lift a ton of weight, yet 100 men can do it only by the strength of a finger of each of them.” (John Bellers: “Proposals for Raising a Colledge of Industry.” London, 1696, p. 21.)

13.2.a. [Stimulation of Animal Spirits]

Co-operation not only generates a new collective productive power; it also enhances the individual productive powers by stimulating the “animal spirits” of the individual workers.\textsuperscript{443:3/o}

\textsuperscript{443:3/o} Apart from the new power that arises from the fusion of many forces into one single force, mere social contact begets in most industries an emulation and stimulation of the animal spirits that heighten

Produktivkraft, die an und für sich Massenkraft sein muß.\textsuperscript{11a}

\textsuperscript{11a} „Während ein Mann nicht fähig ist, eine Tonnenlast zu heben, und 10 Mann sich dabei anstrengen müssen, können es einhundert Mann aber mit der Kraft nur je eines ihrer Finger tun.“ (John Bellers, „Proposals for raising a colledge of industry“, London 1696, p. 21.)
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the efficiency of each individual workman. Hence it is that a dozen persons working together will, in their collective working-day of 144 hours, produce far more than twelve isolated men each working 12 hours, or than one man who works twelve days in succession. The reason of this is that man is, if not as Aristotle contends, a political, at all events a social animal.

The German word “Wetteifer” means the eagerness to keep up with the others and not to be the slow person on the team, rather than the desire to beat each other out. Moore/Aveling found the apt translation “emulation” (which I also saw in some of the footnotes), while Fowkes uses rivalry, which gives the wrong connotations.
“There is also” (when the same number of men are employed by one farmer on 300 acres, instead of by ten farmers with 30 acres a piece) “an advantage in the proportion of servants, which will not so easily be understood but by practical men; for it is natural to say, as 1 is to 4, so are 3 to 12; but this will not hold good in practice; for in harvest time and many other operations which require that kind of despatch by the throwing many hands together, the work is better and more expeditiously done: f.i. in harvest, 2 drivers, 2 loaders, 2 pitchers, 2 rakers, and the rest at the rick, or in the barn, will despatch double the work that the same number of hands would do if divided into different gangs on different farms.” (“An Inquiry into the Connexion between the Present Price of Provisions and the Size of Farms.” By a Farmer. London, 1773, pp. 7, 8.)
13 Strictly, Aristotle’s definition is that man is by nature a town-citizen. This is quite as characteristic of ancient classical society as Franklin’s definition of man, as a tool-making animal, is characteristic of Yankeedom.

13 Aristoteles’ Definition ist eigentlich die, daß der Mensch von Natur Stadtbürger. Sie ist für das klassische Altertum ebenso charakteristisch als Franklins Definition, daß der Mensch von Natur Instrumentenmacher, für das Yankeetum.

13.2.b. [Implicit Division of Labor in Simple Co-Operation]

Even if everyone does the same, his or her labor may represent a different phase of the labor process itself. Although this is still simple co-operation, it is already the transition to division of labor, which will briefly be mentioned in the next paragraph.

444:1/o Although a number of men may be occupied together at the same time on the same, or the same kind of work, yet the labor of each, as a part of the collective labor, may correspond to a different phase of the labor-process, through all whose phases, in consequence of co-operation, the subject of 346:1 Obgleich viele dasselbe oder Gleichartiges gleichzeitig miteinander verrichten, kann die individuelle Arbeit eines jeden dennoch als Teil der Gesamtarbeit verschiedene Phasen des Arbeitsprozesses selbst darstellen, die der Arbeitsgegenstand, infolge der Kooperation, rascher durchläuft. Z.B. wenn
their labor passes with greater speed. For instance, if a dozen masons place themselves in a row, so as to pass stones from the foot of a ladder to its summit, each of them does the same thing; nevertheless, their separate acts form connected parts of one total operation; they are particular phases, which must be gone through by each stone; and the stones are thus carried up quicker by the 24 hands of the row of men than they could be if each man went separately up and down the ladder with his burden. The object is carried over the same distance in a shorter time. Again, a combination of labor occurs whenever a building, for instance, is taken in hand on different sides simultaneously; although here also the co-operating

Maurer eine Reihe von Händen bilden, um Bausteine vom Fuß eines Gestells bis zu seiner Spitze zu befördern, tut jeder von ihnen dasselbe, aber dennoch bilden die einzelnen Verrichtungen kontinuierliche Teile einer Gesamtverrichtung, besondere Phasen, die jeder Baustein im Arbeitsprozeß durchlaufen muß und wodurch ihn etwa die 24 Hände des Gesamtarbeiters rascher fördern als die zwei Hände jedes einzelnen Arbeiters, der das Gerüst auf- und abstiege. Der Arbeitsgegenstand durchläuft denselben Raum in kürzerer Zeit. Andrerseits findet Kombination der Arbeit statt, wenn ein Bau z.B. von verschiedenen Seiten gleichzeitig angegriffen wird, obgleich die Kooperierenden dasselbe oder Gleichartiges tun. Der kombinierte Ar-
masons are doing the same, or the same kind of work. The 12 masons, in their collective working-day of 144 hours, make much more progress with the building than one mason could make working for 12 days, or 144 hours. The reason is, that a body of men working in concert has hands and eyes both before and behind, and is, to a certain degree, omnipresent. The various parts of the work progress simultaneously.

14 “On doit encore remarquer que cette division partielle de travail peut se faire quand même les ouvriers sont occupés d’une même besogne. Des maçons par exemple, occupés à faire passer de mains en mains des briques à un échafaudage supérieur, font tous la même besogne, et pourtant il existe parmi eux une espèce de division de travail, qui consiste en ce que chacun d’eux


14 „Ferner muß man feststellen, daß diese partielle Arbeitsteilung auch da erfolgen kann, wo die Arbeiter mit einer gleichen Verrichtung beschäftigt sind. Maurer z.B., die Ziegel von Hand zu Hand zu einem höheren Gerüst wandern lassen, tun alle die gleiche Arbeit, und dennnoch existiert unter ihnen eine Art von Arbeitsteilung, die darin besteht, daß jeder von ihnen den Zie-
13.2. [Simple Co-Operation]

This implicit division of labor is an additional factor improving the productivity of simple co-operation.

13.2.c. [Simple Co-Operation Can Lead to Division of Labor]

The subject of the present chapter is co-operation in general, while the next chapter discusses division of labor and the one after that co-operation mediated by machinery. Marx does not want to anticipate these later chapters, therefore the examples in the present chapter are situations in which co-operation occurs without a change in the individual labor-process itself. One benefit of this kind of co-operation is that it allows, if the labor process is complicated, to divide the different operations between different hands. This division of labor will be
13. Co-Operation

discussed in the next chapter, but Marx mentions the potential of division of labor as one of the benefits of simple co-operation already here.

445:1 In the above instances we have laid stress upon the point that the men do the same, or the same kind of work, because this, the most simple form of labor in common, plays a great part in co-operation, even in its most fully developed stage.

Marx explains now, after the fact, why his earlier examples referred to simple co-operation only.

If the work be complicated, then the mere number of the men who co-operate allows to apportion the various operations to different hands, and, consequently, to carry them on simultaneously. The time necessary for the completion of the whole work is thereby shortened.\(^{15}\)

346:2/o Wir betonten, daß die vielen, die einander ergänzen, dasselbe oder Gleichartiges tun, weil diese einfachste Form gemeinsamer Arbeit auch in der ausgebildetsten Gestalt der Kooperation eine große Rolle spielt.

Ist der Arbeitsprozeß kompliziert, so erlaubt die bloße Masse der Zusammenarbeiten den, die verschiedenen Operationen unter verschiedenen Hände zu verteilen, daher gleichzeitig zu verrichten und dadurch die zur Herstellung des Gesamtprodukts nötige Arbeitszeit zu verkürzen.\(^{15}\)
This apportionment to different laborers is called “division of labor,” and Marx will devote the whole chapter Fourteen to it.

13.2.d. [Concentration in Time]

An increase in productivity is not the only benefit of co-operative labor. Co-operation also allows a large amount of labor to be concentrated in a short timespan or on a small area. In
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certain situations, this is very necessary and beneficial even if the productivity per worker is not increased:

445:2/o In many industries, there are critical periods, determined by the nature of the process, during which certain definite results must be obtained. For instance, if a flock of sheep has to be shorn, or a field of wheat to be cut and harvested, the quantity and quality of the product depends on the work being begun and ended within a certain time. In these cases, the time that ought to be taken by the process is prescribed, just as it is in herring fishing. A single person cannot carve a working-day of more than, say 12 hours, out of the natural day, but 100 men co-operating extend the working-day to 1,200 hours. The shortness of the time al-

347:1 In vielen Produktionszweigen gibt es kritische Momente, d.h. durch die Natur des Arbeitsprozesses selbst bestimmte Zeitepochen, während deren bestimmte Arbeitsresultate erzielt werden müssen. Soll z.B. eine Herde Schafe geschoren oder eine Morgenanzahl Kornland gemäht und geherbstet werden, so hängt Quantität und Qualität des Produkts davon ab, daß die Operation zu einer gewissen Zeit begonnen und zu einer gewissen Zeit beendet wird. Der Zeitraum, den der Arbeitsprozeß einnehmen darf, ist hier vorgeschrieben, wie etwa beim Heringsfang. Der einzelne kann aus einem Tag nur einen Arbeitstag herausschneiden, sage von 12 Stun-
13.2. [Simple Co-Operation]

allowed for the work is compensated for by the large mass of labor thrown upon the field of production at the decisive moment. The completion of the task within the proper time depends on the simultaneous application of numerous combined working-days; the amount of useful effect depends on the number of laborers; this number, however, is always smaller than the number of isolated laborers required to do the same amount of work in the same period. It is owing to the absence of this kind of co-operation that, in the western part of the United States, quantities of corn, and in those parts of East India where English rule has destroyed the old communities, quantities of cotton, are yearly wasted.16 It is owing to the absence of this kind of co-operation that, in the western part of the United States, quantities of corn, and in those parts of East India where English rule has destroyed the old communities, quantities of cotton, are yearly wasted.17
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“The doing of it (agricultural work) at the critical juncture is of so much the greater consequence.” (“An Inquiry into the Connexion between the Present Price,” etc., p. 9.) “In agriculture, there is no more important factor than that of time.” (Liebig: “Über Theorie und Praxis in der Landwirthschaft.” 1856, p. 23.)

“Das nächste Übel, das man schwerlich in einem Lande zu finden erwartet, welches mehr Arbeit exportiert als irgendet ein andres der Welt, besteht in der Unmöglichkeit, eine genügende Anzahl von Händen zur Baumwollernte zu beschaffen. Infolgedessen bleiben große Mengen Baumwolle ungepflückt, während ein anderer Teil von

Gemeinwesen zerstört hat, eine Masse Baumwolle jährlich verwüstet wird.”

„Ihre“ (der Arbeit in der Agrikultur) „Ausführung im entscheidenden Augenblick hat um so größere Wirkung.“ ([J. Arbuthnot,] „An Inquiry into the Connection between the present price etc.“, p. 7.) „In der Agrikultur gibt es keinen wichtigeren Faktor als den Faktor der Zeit.“ (Liebig, „Über Theorie und Praxis in der Landwirthschaft“, 1856, p. 23.)
13.2. [Simple Co-Operation]

Sometimes, co-operation is beneficial because it prevents the work area from spreading out too much, by arranging for the performance of many different labor processes in quick succession.

On the one hand, co-operation allows of the work being carried on over an extended space; it is consequently imperatively called for in certain undertakings,

348:1 Auf der einen Seite erlaubt die Kooperation, die Raumsphäre der Arbeit auszubreiten, und wird daher für gewisse Arbeitsprozesse schon durch den räumlichen...
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such as draining, constructing dykes, irrigation works, and the making of canals, roads and railways. On the other hand, while extending the scale of production, it renders possible a relative contraction of the arena. This contraction of arena simultaneous with, and arising from, extension of scale, whereby a number of useless expenses are cut down, is owing to the conglomereration of laborers, to the aggregation of various processes, and to the concentration of the means of production.\(^{18}\)

\(^{18}\) In the progress of culture “all, and perhaps more than all, the capital and labor which once loosely occupied 500 acres, are now con-


\(^{18}\) „Beim Fortschritt in der Bodenbebauung wird alles Kapital und alle Arbeit, die früher zerstreut auf 500 acres verwandt wurden, ja vielleicht
centrated for the more complete tillage of 100.” Although “relatively to the amount of capital and labor employed, space is concentrated, it is an enlarged sphere of production, as compared to the sphere of production formerly occupied or worked upon by one single independent agent of production.” (R. Jones: “An Essay on the Distribution of Wealth,” part I. On Rent. London, 1831. p. 191.)

13.2.f. [Summary: Social Productive Powers of Labor]

The concluding paragraph returns to the theme of social productive powers of co-operative labor. If one compares the *product* of co-operation with the product of individual labor, one sees that co-operation is the source of a new productive force, the productive force of social labor, or the social productive force of labor. This paragraph also contains a summary of all points made so far:
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447:1 The combined working-day produces, relatively to an equal sum of isolated working-days, a greater quantity of use-values, and, consequently, diminishes the labor-time necessary for the production of a given useful effect. Whether the combined working-day, in a given case, acquires this increased productive power, because it heightens the mechanical force of labor, or extends its sphere of action over a greater space, or contracts the field of production relatively to the scale of production, or at the critical moment sets large masses of labor to work, or excites emulation between individuals and raises their animal spirits, or impresses on the similar operations carried on by a number of men the stamp of continuity

348:2/o Verglichen mit einer gleich großen Summe vereinzelter individueller Arbeitsstage, produziert der kombinierte Arbeitstag größere Massen von Gebrauchswert und vermindert daher die zur Produktion eines bestimmten Nutzeffekts nötige Arbeitszeit. Ob er im gegebenen Fall diese gesteigerte Produktivkraft erhält, weil er die mechanische Kraftpotenz der Arbeit erhöht oder ihre räumliche Wirkungssphäre ausdehnt oder das räumliche Produktionsfeld im Verhältnis zur Stufenerleiter der Produktion verengt oder im kritischen Moment viel Arbeit in wenig Zeit flüssig macht oder den Wetteifer der einzelnen erregt und ihre Lebensgeister spannt oder den gleichartigen Verrichtungen vieler den Stempel der Kontinuität und Vielseitig-
and many-sidedness, or performs simultaneously different operations, or economises the means of production by use in common, or lends to individual labor the character of average social labor—whichever of these be the cause of the increase, the special productive power of the combined working-day is, under all circumstances, the social productive power of labor, or the productive power of social labor. This power is due to co-operation itself. When the laborer co-operates systematically with others, he strips off the fetters of his individuality, and develops the capabilities of his species. 19

19 "La forza di ciascuno uomo è minima, ma la riunione delle minime forze forma una forza totale maggiore anche della somma delle forze
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Let us recall how co-operation was introduced: in order to make enough surplus-value, the capitalist had to hire a certain minimum number of laborers, and out of this simultaneous hiring grew the co-operation of the laborers. Co-operation was needed because the surplus-value created by individual laborers had to be added together before the capitalist could be a full-time capitalist and therefore capital could become an independent force.

Once this co-operation was in place, it proved to be a very powerful lever for increased efficiency of the labor-process. The present section shows how this qualitative change in the production process acts back on the relations of production, causing a deepening of the capitalist relations of production: the minimum size of capital increases, the command of the capitalist over the laborer gains more authority.
While Marx showed earlier that capitalist relations of production lead to co-operation; now he focuses on the reverse causality, the effects of co-operation on the capitalist relations of production. Marx’s starting point is therefore the co-existence of capitalism and co-operation:

447:2/o As a general rule, laborers cannot co-operate without being brought together: their assemblage in one place is a necessary condition of their co-operation. Hence wage-laborers cannot co-operate, unless they are employed simultaneously by the same capital, the same capitalist, and unless therefore their labor-powers are bought simultaneously by him.

What conditions must the capitalist relations satisfy so that co-operation is possible? The first condition is that the co-operating laborers must be employed by the same capitalist. This has several implications.
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13.3.a. [Minimum Size of Capital Determined by Technology]

First of all, this capitalist must have enough variable capital to hire many workers.

The total value of these labor-powers, or the amount of the wages of these laborers for a day, or a week, as the case may be, must be ready in the pocket of the capitalist, before the workmen are assembled for the process of production. The payment of 300 workmen at once, though only for one day, requires a greater outlay of capital, than does the payment of a smaller number of men, week by week, during a whole year. Hence the number of the laborers that co-operate, or the scale of co-operation, depends, in the first instance, on the amount of capital that the individual capitalist can spare for the purchase of labor-power; in other words, on the Gesamtwert dieser Arbeitskräfte oder die Lohnsumme der Arbeiter für den Tag, die Woche usw., muß daher in der Tasche des Kapitalisten vereint sein, bevor die Arbeitskräfte selbst im Produktionsprozeß vereint werden. Zahlung von 300 Arbeitern auf einmal, auch nur für einen Tag, bedingt mehr Kapitalex- lage als Zahlung weniger Arbeiter Woche für Woche, während des ganzen Jahres. Die Anzahl der kooperierenden Arbeiter, oder die Stufenleiter der Kooperation, hängt also zunächst ab von der Größe des Kapitals, das der einzelne Kapitalist im Ankauf von Arbeits- kraft auslegen kann, d.h. von dem Umfang, worin je ein Kapitalist über die Lebensmittel
the extent to which a single capitalist has command over the means of subsistence of a number of laborers.

And the capitalists must have enough constant capital, although the increase is sub-proportional.

448:1 And as with the variable, so it is with the constant capital. For example, the outlay on raw material is 30 times as great, for the capitalist who employs 300 men, as it is for each of the 30 capitalists who employ 10 men. The value and quantity of the instruments of labor used in common do not, it is true, increase at the same rate as the number of workmen, but they do increase very considerably. Hence, concentration of large masses of the means of production in the hands of individual capitalists, is a mater-
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rial condition for the co-operation of wage-laborers, and the extent of the co-operation or the scale of production, depends on the extent of this concentration.

↑ This last sentences echoes a parallel remark in the last sentence of the preceding paragraph regarding the variable capital only, and it will itself be echoed in the next chapter, about division of labor, in the last sentence of 480:2.

↓ In other words, limits of the capitalist relations of production which had been formal limits, i.e., which had arisen from the relations of production themselves, have turned now into technological conditions of production. One might say that “soft” limits have turned into “hard” limits.

448:2 We saw in a former chapter, that a certain minimum amount of capital was necessary, in order that the number of laborers simultaneously employed, and, consequently, the amount of surplus-value produced, might suffice to liberate the employer...
13.3. [The Capitalist Character of Co-operation]

himself from manual labor, to convert him from a small master into a capitalist, and thus formally to establish capitalist production. We now see that a certain minimum amount is a necessary condition for the conversion of numerous isolated and independent processes into one combined social process.

The former chapter is apparently the same reference alluded to in 439:1, namely, 422:2/423.

13.3.b. [Capitalist becomes Supervisor in Co-Operation]

A change in the supervisory role of the capitalist is a second effect of co-operation back on capitalist relations. The supervision of the labor of the wage laborer by the capitalist was at first only a formal consequence of the relation of production: it was a consequence of the capitalist’s ownership of the labor process. See Resultate 985:4/o 987:1 for an elaboration of the tasks of the capitalist.
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448:3 We also saw that at first, the subjection of labor to capital was only a formal result of the fact, that the laborer, instead of working for himself, works for and consequently under the capitalist.

With the development of co-operation, some sort of organization and supervision becomes necessary for the labor process itself, not because of the capitalistic nature of production but simply because the labor process is co-operative.

Since the capitalist is the one who brings the workers together into this co-operative labor process, also this second kind of supervision falls to him. (This step is not given explicitly but mentioned as a side remark in 449:1/o). Since this kind of supervision is legitimate and necessary, also the capitalist’s supervision seems legitimate and necessary: his orders are as necessary as the general’s orders on the battlefield.

By the co-operation of numerous wage-laborers, the sway of capital develops into a requisite for carrying on the labor-process itself, into a real requisite of production.
That a capitalist should command on the field of production, is now as indispensable as that a general should command on the field of battle.

Now Marx begins a major digression in which he distinguishes those elements of supervision which flow from the nature of co-operative labor from those which flow from capitalism. First some remarks about the co-operative labor process itself:

All combined labor on a large scale requires, more or less, a directing authority, in order to secure the harmonious working of the individual activities, and to perform the general functions that have their origin in the action of the combined organism, as distinguished from the action of its separate organs. A single violin player is his own conductor; an orchestra requires a separate one. The work of directing, supervision, PRODUCTIONSBEDINGUNG. DER BEFEHLDT. Der Befehl des Kapitalisten auf dem Produktionsfeld wird jetzt so unentbehrlich wie der Befehl des Generals auf dem Schlachtfeld.

448:4/o Alle unmittelbar gesellschaftliche oder gemeinschaftliche Arbeit auf großem Maßstab bedarf mehr oder minder einer Direktion, welche die Harmonie der individuellen Tätigkeiten vermittelt und die allgemeinen Funktionen vollzieht, die aus der Bewegung des produktiven Gesamtkörpers im Unterschied von der Bewegung seiner selbständigen Organe entspringen. Ein einzelner Violinspieler dirigiert sich selbst, ein Orchester 350:2 Alle unmittelbar gesellschaftliche oder gemeinschaftliche Arbeit auf großem Maßstab bedarf mehr oder minder einer Direktion, welche die Harmonie der individuellen Tätigkeiten vermittelt und die allgemeinen Funktionen vollzieht, die aus der Bewegung des produktiven Gesamtkörpers im Unterschied von der Bewegung seiner selbständigen Organe entspringen. Ein einzelner Violinspieler dirigiert sich selbst, ein Orchester
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intending, and adjusting becomes one of the functions of capital, from the moment that the labor under the control of capital, becomes co-operative. Once a function of capital, it acquires special characteristics.

This last sentence introduces the main topic of this digression: specific characteristics of the supervision by the capitalist.

The driving motive and determining purpose of capitalist production is to extract the greatest possible amount of surplus-value, and consequently to exploit labor-power to the greatest possible extent. As the number of the co-operating laborers increases, so too does their resistance to the domination of capital, and with it, the bedarf des Musikdirektors. Diese Funktion der Leitung, Überwachung und Vermittlung, wird zur Funktion des Kapitals, sobald die ihm untergeordnete Arbeit kooperativ wird. Als spezifische Funktion des Kapitals erhält die Funktion der Leitung spezifische Charaktermale.

Zunächst ist das treibende Motiv und der bestimmende Zweck des kapitalistischen Produktionsprozesses möglichst große Selbstverwertung des Kapitals, d.h. möglichst große Produktion von Mehrwert, also möglichst große Ausbeutung der Arbeitskraft durch den Kapitalisten. Mit der Masse der gleichzeitig beschäftigten Arbeiter wächst ihr
necessity for capital to overcome this resistance by counterpressure. The control exercised by the capitalist is not only a particular function springing from the nature of the social labor-process which falls to the capitalist, but it is, at the same time, a function of the exploitation of a social labor-process, and is consequently rooted in the unavoidable antagonism between the exploiter and the target of his exploitation.

20 “Profits . . . is the sole end of trade.” (J. Vanderlint, l.c., p. 11.)

The resistance of the workers to exploitation and overwork is one reason why more supervision is necessary. But the need for supervision grows also for other reasons. Since the means of production confront the laborer as alien property, they need protection from the worker’s wrath.
Again, in proportion to the increasing mass of the means of production, now no longer the property of the laborer, but of the capitalist, the necessity increases for some effective control over the proper application of those means. 

21 That Philistine paper, the *Spectator*, states that after the introduction of a sort of partnership between capitalist and workmen in the “Wire-work Company of Manchester,” “the first result was a sudden decrease in waste, the men not seeing why they should waste their own property any more than any other master’s, and waste is, perhaps, next to bad debts, the greatest source of manufacturing loss.” The same paper finds that the main defect in the Rochdale co-operative experiments is this: “They showed that associations of workmen could manage shops, mills, and al-

Ebenso wächst mit dem Umfang der Produktionsmittel, die dem Lohnarbeiter als fremdes Eigentum gegenüberstehn, die Notwendigkeit der Kontrolle über deren sachgemäße Verwendung. 

most all forms of industry with success, and they immediately improved the condition of the men; but then they did not leave a clear place for masters.” Quelle horreur!

Not only the means of production are alien to the workers, also their own connexion is imposed on them. The direction of their co-operation is therefore not participatory but despotic:

Moreover, the co-operation of wage-laborers is entirely brought about by the capital that employs them. Their union into one single productive body and the establishment of co-operative experiments: „They showed that associations of workmen could manage shops, mills, and almost all forms of industry with success, and they immensely improved the condition of the men, but then they did not leave a clear place for masters.“ („Sie bewiesen, daß Arbeiterassoziationen Boutiquen, Fabriken und beinahe alle Formen der Industrie mit Erfolg handhaben können, und sie verbesserten außerordentlich die Lage der Leute selbst, aber! aber, dann ließen sie keinen sichtbaren Platz für Kapitalisten offen.“ Quelle horreur!)
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a connexion between their individual functions, are matters foreign and external to them, are not their own act, but the act of the capital that brings and keeps them together. Hence the connexion existing between their various labors confronts them, notionally, in the shape of a preconceived plan of the capitalist, and practically in the shape of the authority of the same capitalist, in the shape of the powerful will of another, who subjects their activity to his aims.

The next paragraph juxtaposes form and content of this despotism:

450:1/o While the direction by the capitalist is therefore in substance two-fold—by reason of the two-fold nature of the process of production itself, which, on the one hand, is a social process for producing use-values,
on the other, a process for creating surplus-value—the direction by the capitalist is, in form, despotic.

↑ 477:1 in chapter Fourteen talks about the dialectics between anarchy of the market and despotism in the production process.

⇓ At this point, Marx briefly touches on the developmental forms of this despotism with the development of large-scale capitalist co-operation.

As co-operation extends its scale, this despotism takes its own peculiar forms. Just as at first the capitalist is relieved from actual labor so soon as his capital has reached that minimum amount with which capitalist production, as such, begins, so now, he hands over the work of direct and constant supervision of the individual workmen, and groups of workmen, to a special kind of wage-laborer. An industrial army of work-
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men, under the command of a capitalist, requires, like a real army, officers (managers), and sergeants (foremen, overlookers), who, while the work is being done, command in the name of the capitalist. The work of supervision becomes their established and exclusive function.

Next, Marx discusses the connection between the two sides of this supervision, namely, 1) coming from the co-operative nature of the labor process itself, and 2) coming from exploitation.

When comparing the mode of production of isolated peasants and artisans with production by slave-labor, the political economist...
counts this labor of superintendence among the *faux frais* of production.\(^{21a}\) But, when considering the capitalist mode of production, he, on the contrary, treats the work of control made necessary by the co-operative character of the labor-process as identical with the different work of control, necessitated by the capitalist character of that process and the antagonism of interests between capitalist and laborer.\(^{22}\)

\[\uparrow\] In slavery, the political economists considered it only as *faux frais* of production (only point 2), while in capitalism, all supervision is attributed to the co-operative character of the labor process (only point 1). Side 1) falls to the capitalist because he has from the beginning side 2).

\(^{21a}\) Professor Cairnes, after stating that the superintendence of labor is a leading feature of production by slaves in the Southern States of

\(^{22}\) Nachdem Professor Cairnes die „superintendence of labour“ als einen Hauptcharakter der Sklavenproduktion in den südlichen Staaten von
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North America, continues: “The peasant proprietor (of the North), appropriating the whole produce of his toil, needs no other stimulus to exertion. Superintendence is here completely dispensed with.” (Cairnes, l.c., pp. 48, 49.)

It is not because he is a leader of industry that a man is a capitalist; on the contrary, he is a leader of industry because he is a capitalist. The leadership of industry is an attribute of capital, just as in feudal times the functions of general and judge were attributes of landed property.²²

²² Sir James Steuart, a writer altogether remarkable for his quick eye for the characteristic social distinctions between different modes of production, says: “Why do large undertakings in the manufacturing way ruin private industry, but

Nordamerika dargestellt hat, fährt er fort: „Da der bäuerliche Eigentümer“ (des Nordens) „das ganze Produkt seines Bodens für sich behält, braucht er keine besonderen Ansporn zur Anstrengung. Überwachung wird hier völlig unnötig.“ (Cairnes, l.c. p. 48, 49.)

Der Kapitalist ist nicht Kapitalist, weil er industrieller Leiter ist, sondern er wird industrieller Befehlshaber, weil er Kapitalist ist. Der Oberbefehl in der Industrie wird Attribut des Kapitals, wie zur Feudalzeit der Oberbefehl in Krieg und Gericht Attribut des Grund eigentums war.²²

²² Sir James Steuart, überhaupt ausgezeichnet durch offnes Auge für die charakteristisch- gesellschaftlichen Unterschiede verschiedener Produktionsweisen, bemerkt: „Warum vernichten große Manufakturunternehmungen das Hausgewerbe,
13.3. [The Capitalist Character of Co-operation]


22a Auguste Comte and his school might therefore have shown that feudal lords are an eternal necessity in the same way that they have done in the case of the lords of capital.

13.3.c. [The Social Productive Powers of Labor Belong to Capital]

The central relation of capitalism is the sale and consumption of labor-power, which creates surplus-value. This relation is modified by co-operation as well. The laborer always sells his or her labor as an individual seller. Since the capitalist is the one who combines the laborers, the social productive forces of the co-operation of many laborers are the productive forces of capital.

451:1 The laborer is the owner of his labor-power until he has done bargaining for its sale with the capitalist; and he can sell...
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no more than what he has, i.e., his individual, isolated labor-power. This state of things is in no way altered by the fact that the capitalist, instead of buying the labor-power of one man, buys that of 100, and enters into separate contracts with 100 unconnected men instead of with one. He is at liberty to set the 100 men to work, without letting them co-operate. He pays them the value of 100 independent labor-powers, but he does not pay for the combined labor-power of the hundred. Being independent of each other, the laborers are isolated persons, who enter into relations with the capitalist, but not with one another. This co-operation begins only with the labor-process, but they have then ceased to belong to themselves.
On entering that process, they become incorporated with capital. As co-operators, as members of a working organism, they are but special modes of existence of capital.

↑ This is a form of alienation. ↓ The social productive powers of labor are productive power of capital which it seems to possess by nature.

Hence, the productive power developed by the laborer when working in co-operation, is the productive power of capital. This power is developed gratuitously, whenever the workmen are placed under given conditions, and it is capital that places them under such conditions. Because this power costs capital nothing, and because, on the other hand, the laborer himself does not develop it before his labor belongs to capital, it ap-
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Co-Operation appears as a power with which capital is endowed by Nature, a productive power that is immanent in capital.

This paragraph is parallel to the earlier 447:1: Capital profits from the difference between individual labor and co-operative labor. In modern economics, the benefits from the co-operative labor process are called “economies of scale.” This terminology makes it sound as if these benefits came from capital, not from labor.

13.4. [Historical Overview of Simple Co-Operation]

The historical overview in the rest of the chapter culminates in a characterization of the historical role of capitalism. The first two paragraphs discuss the role of co-operation in the different relations of production.

451:2 The colossal effects of simple co-operation are to be seen in the gigantic structures of the ancient Asiatics, Egyptians, Greeks, Romans, and others.

353:1–2 Kolossal zeigt sich die Wirkung der einfachen Kooperation in den Riesenwerken der alten Asiaten, Ägypter, Etrusker usw.
13.4. [Historical Overview of Simple Co-Operation]

Etruscans, etc.

“It has happened in times past that these Oriental States, after supplying the expenses of their civil and military establishments, have found themselves in possession of a surplus which they could apply to works of magnificence or utility and in the construction of these their command over the hands and arms of almost the entire non-agricultural population has produced stupendous monuments which still indicate their power. The teeming valley of the Nile . . . produced food for a swarming non-agricultural population, and this food, belonging to the monarch and the priesthood, afforded the means of erecting the mighty monuments which filled the land . . . In moving the colossal statues and vast masses of which the transport creates wonder, human labor almost alone, was prodigally used . . . The number

of the laborers and the concentration of their efforts sufficed. We see mighty coral reefs rising from the depths of the ocean into islands and firm land, yet each individual depositor is puny, weak, and contemptible. The non-agricultural laborers of an Asiatic monarchy have little but their individual bodily exertions to bring to the task, but their number is their strength, and the power of directing these masses gave rise to the palaces and temples, the pyramids, and the armies of gigantic statues of which the remains astonish and perplex us. It is that confinement of the revenues which feed them, to one or a few hands, which makes such undertakings possible.”

23 R. Jones, “Textbook of Lectures,” etc., pp. 77, 78. The ancient Assyrian, Egyptian, and other collections in London, and in other European

Inseln anschwellen und festes Land bilden, obgleich jeder individuelle Ablagerer (depositary) winzig, schwach und verächtlich ist. Die nicht ackerbauenden Arbeiter einer asiatischen Monarchie haben außer ihren individuellen körperlichen Bemühungen wenig zum Werk zu bringen, aber ihre Zahl ist ihre Kraft, und die Macht der Direktion über diese Massen gab jenen Riesenwerken den Ursprung. Es war die Konzentration der Revenuen, wovon die Arbeiter leben, in einer Hand oder wenigen Händen, welcher solche Unternehmungen möglich machte.“

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european capitals, make us eye-witnesses of the modes of carrying on that co-operative labor. Hauptstädten machen uns zu Augenzeugen jener kooperativen Arbeitsprozesse.

The examples of the Egyptian pyramids, etc., show two things. (1) The power of simple co-operation (not machinery or division of labor) as long as sufficiently many people are combined in this labor process. (2) The social prerequisite for this co-operation was the combination of the revenues of the laborers in one or few hands.

452:0p This power of Asiatic and Egyptian kings, Etruscan theocrats, etc., has in modern society been transferred to the capitalist, whether he be an isolated, or as in joint-stock companies, a collective capitalist.

353:3 Diese Macht asiatischer und ägyptischer Könige oder etruskischer Theokraten usw. ist in der modernen Gesellschaft auf den Kapitalisten übergegangen, ob er nun als vereinzelter Kapitalist auftritt, oder, wie bei Aktiengesellschaften, als kombinierter Kapitalist.

The combination of the revenues of the laborers in one or few hands is still a condition for today’s co-operation: the revenues are combined in the hands of the capitalists.

The next paragraph points out some important differences between these early forms of co-operation and capitalistic co-operation: Those were based on common ownership of pro-
duction, this on private ownership. Those were based on the fact that the individual had not yet torn himself off from the navel-string of the tribe or community; this is based on individualization. Those based on relation of domination and servitude, often slavery; this on the laborer formally freely selling his labor-power.

452:1 Co-operation, such as we find it at the dawn of human development, among races who live by the chase, or, say, in the agriculture of Indian communities, is based, on the one hand, on ownership in common of the means of production, and on the other hand, on the fact, that in those cases, each individual has no more torn himself off from the navel-string of his tribe or community, than each bee has freed itself from connexion with the hive. Such co-operation is distinguished from capitalistic co-operation by both of the above characteristics. The sporadic application of the co-operation is distinguished from capitalistic co-operation by both of the above characteristics.

radic application of co-operation on a large scale in ancient times, in the middle ages, and in modern colonies, reposes on relations of dominion and servitude, principally on slavery. The capitalistic form, on the contrary, pre-supposes from first to last, the free wage-laborer, who sells his labor-power to capital.

23a Linguet, in his “Théorie des Lois Civiles,” is probably right, when he declares hunting to be the first form of co-operation, and man-hunting (war) one of the earliest forms of hunting.

For this historical overview it is also important to note that capitalist co-operation is not the culmination of a historical succession of large scale co-operation. Rather, capitalism arose from a mode of production with little direct co-operation between different producers: Historically, however, this form is developed in opposition to peasant agriculture.
and to the carrying on of independent handicrafts whether in guilds or not.\textsuperscript{24} From the standpoint of these, capitalist co-operation does not appear as a particular historical form of co-operation, but co-operation itself as a historical form peculiar to, and specifically distinguishing, the capitalist process of production.

\textsuperscript{24} Peasant agriculture on a small scale, and the carrying on of independent handicrafts, which together form the basis of the feudal mode of production, and after the dissolution of that system, continue side by side with the capitalist mode, also form the economic foundation of the classical communities at their best, after the primitive form of ownership of land in common had disappeared, and before slavery had seized on production in earnest.

unabhängigen Handwerksbetrieb, ob dieser zünftige Form besitze oder nicht.\textsuperscript{24} Ihnen gegenüber erscheint die kapitalistische Kooperation nicht als eine besondere historische Form der Kooperation, sondern die Kooperation selbst als eine dem kapitalistischen Produktionsprozeß eigentümliche und ihn spezifisch unterscheidende historische Form.

\textsuperscript{24} Die kleine Bauernwirtschaft und der unabhängige Handwerksbetrieb, die beide teils die Basis der feudalen Produktionsweise bilden, teils nach deren Auflösung neben dem kapitalistischen Betrieb erscheinen, bilden zugleich die ökonomische Grundlage der klassischen Gemeinwesen zu ihrer besten Zeit, nachdem sich das ursprünglich orientalische Gemeineigentum aufgelöst und bevor sich die Sklaverei der Produktion ernsthaft bemächtigt hat.
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The next paragraph places capitalist co-operation in historical perspective. Compare also 775:1/o in the accumulation chapter.

The highest pre-capitalistic mode of production was the so-called petty production (Kleinbetrieb). This mode of production, in which the individualized productive forces find their ultimate development, is the necessary condition for the development of the free individuality of the producers themselves 927:2. The relation of production which fits best to this mode of production is the private ownership of the means of production by the producers themselves. Such private ownership does not allow for direct co-operation of several producers in the same labor process (exception military). This does not mean that petty production is not co-operative. Any social production is co-operative in some form. In petty production this co-operation does not have the form that the producers work side by side together in the same labor process, but the social production process is divided into many individual labor processes in which only one person produces one kind of commodity.

In earlier economic formations, the social production process was directly co-operative. However this co-operation was either based on communal property and societies in which the individual has not yet freed himself of the navelstring of the community, or direct domination and subordination (slavery etc.). The relations of production and also the mode of production
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had been inferior to petty production.

What is new about the co-operation under capitalism as opposed to those early forms of co-operation is that for the first time producers co-operate whose individuality is freely developed and who are not in a direct relationship of subordination. Although the capitalists give the labor process this co-operative form only in order to be able to exploit it better, they fulfill at the same time the historical task of developing the co-operative labor process.

453:1 Just as the social productive power of labor that is developed by co-operation, appears to be the productive power of capital, so co-operation itself, contrasted with the process of production carried on by isolated independent laborers, or even by small employers, appears to be a specific form of the capitalist process of production. It is the first change experienced by the actual labor-process, when subjected to capital. This change takes place spontaneously. The si-
multaneous employment of a large number of wage-laborers, in one and the same process, which is a necessary condition of this change, also forms the starting-point of capitalist production. This point coincides with the birth of capital itself. If then, on the one hand, the capitalist mode of production presents itself to us historically, as a necessary condition to the transformation of the labor-process into a social process, so, on the other hand, this social form of the labor-process presents itself, as a method employed by capital for the more profitable exploitation of labor, by increasing that labor’s productiveness.

A clearer formulation of this last sentence can be found in the French edition, where it forms a paragraph of its own: “We see that the capitalistic mode of production presents

geht naturwüchsig vor sich. Ihre Voraussetzung, gleichzeitige Beschäftigung einer größeren Anzahl von Lohnarbeitern in demselben Arbeitsprozeß, bildet den Ausgangspunkt der kapitalistischen Produktion. Dieser fällt mit dem Dasein des Kapitals selbst zusammen. Wenn sich die kapitalistische Produktionsweise daher einerseits als historische Notwendigkeit für die Verwandlung des Arbeitsprozesses in einen gesellschaftlichen Prozeß darstellt, so andererseits diese gesellschaftliche Form des Arbeitsprozesses als eine vom Kapital angewandte Methode, um ihn durch Steigerung seiner Produktivkraft profitlicher auszubeuten.
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itself as a historic necessity to transform the isolated labor into social labor; however, in the hands of capital, this socialization of labor augments the productive forces of labor only in order to exploit it with more profit.” Note that the means and the end are interchanged in a cunning-of-reason-like fashion: While capitalism uses the co-operative production process for its own ends, in order to increase its profits, to better exploit labor, history uses capitalism as a means to achieve a co-operative production process.

453:2/o In the elementary form, under which we have hitherto viewed it, co-operation is a necessary concomitant of all production on a large scale, but it does not, in itself, represent a fixed form characteristic of a particular epoch in the development of the capitalist mode of production. At the most it appears to do so, and that only approximately, in the handicraft-like beginnings of manufacture,\(^{25}\) and in that kind of agriculture on a large scale, which corre-

354:2/o In ihrer bisher betrachteten einfachen Gestalt fällt die Kooperation zusammen mit der Produktion auf größerer Stufenleiter, bildet aber keine feste charakteristische Form einer besondren Entwicklungsepoche der kapitalistischen Produktionsweise. Höchstens erscheint sie annähernd so in den noch handwerksmäßigen Anfängen der Manufaktur\(^{25}\) und in jener Art großer Agrikultur, welche der Manufakturperiode entspricht und sich wesentlich nur durch die Masse der gleich-
13.4. [Historical Overview of Simple Co-Operation]

sponds to the epoch of manufacture, and is distinguished from peasant agriculture, mainly by the number of the laborers simultaneously employed, and by the mass of the means of production concentrated for their use. Simple co-operation is always the prevailing form, in those branches of production in which capital operates on a large scale, and division of labor and machinery play but a subordinate part.

Misprint in the German edition: "jeder Art großer Agrikultur” should read “jener.” French: en ce genre, English: in that kind. Also Volksausgabe has “jener.”

25 “Whether the united skill, industry, and emulation of many together on the same work be not the way to advance it? And whether it had been otherwise possible for England, to have carried
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on her Woollen Manufacture to so great a perfection?" (Berkeley. "The Querist." London, 1751, p. 56, par. 521.)

454:1 Co-operation ever constitutes the fundamental form of the capitalist mode of production. Nevertheless the elementary form of co-operation continues to subsist as a particular form side by side with the more developed forms of co-operation.

† This last sentence of the chapter is somewhat ambiguous in German and has given rise to incorrect translations in English. The French version is clearer and unambiguous: "Co-operation is the fundamental mode of capitalist production. The rudimentary form of co-operation, while containing the germ for more complex forms, not only reappears in these more complex forms as one of their elements, but maintains itself also beside them as a particular mode."

† These last two paragraphs are connected with the beginning of the next chapter.
14. Division of Labor and Manufacture

14.1. Two-Fold Origin of Manufacture

The first paragraph is an introduction to the whole chapter, not just to section 14.1.

455:1 The co-operation based on division of labor assumes its typical form in manufacture, and is the prevalent characteristic form of the capitalist process of production throughout the manufacturing period pro-

356:1 Die auf Teilung der Arbeit beruhende Kooperation schafft sich ihre klassische Gestalt in der Manufaktur. Als charakteristische Form des kapitalistischen Produktionsprozesses herrscht sie vor während der ei-
14. **Division of Labor and Manufacture**

erly so called. That period, roughly speak-  

ing, extends from the middle of the 16th to  

the last third of the 18th century.

While the English word manufacture is used for any site for mass production, the German *Manufaktur* denotes a specific kind of mass production without heavy machinery, in which work efficiency is achieved by division of labor and specialization of the operatives. Chapter Fourteen explains the origin of this kind of production, why it was the characteristic form of capitalistic production for over 200 years, but why it then gave way to a different form of the production process (production using machines, discussed in chapter Fifteen).

The first sentence says that division of labor is a form of co-operation. Marx does not say it explicitly enough here that it is the first form of co-operation (other than simple co-operation) that naturally develops after the capitalist has assembled many workers under one roof. The French translation of 470:2/o deviates from the German in order to say something to this effect. In other words, after the workers were combined under one roof—not in order to make division of labor possible, but simply because each capitalist needed to employ many workers in order to get enough surplus-value—the division of labor between these workers developed spontaneously.
In *Poverty of Philosophy*, chapter 2, Sect. 2 [mecw6]178–190, Marx refutes Proudhon’s thesis that division of labor simply came out of the idea of “dividing the labor,” and argues that it must be explained by the relations of production.

Next, Marx repeats the claim already indicated in the title of this section, that the division of labor in the manufactures has a twofold origin:

455:2 Manufacture takes its rise in two ways:

356:2 Die Manufaktur entspringt auf doppelter Weise.

The next two paragraphs describe these two development paths one by one. One will see that they follow a simple logic: either previously independent labor processes are combined, or a given labor process is split up.

455:3/o (1.) By the assemblage, in one workshop under the control of a single capitalist, of laborers belonging to various independent handicrafts, but through whose hands a given article must pass on its way to completion. A carriage, for example, was formerly the product of the labor of a great number of artisans, each working in his own way.

number of independent artificers, such as wheelwrigths, harness-makers, tailors, locksmiths, upholsterers, turners, fringe-makers, glaziers, painters, polishers, gilders, etc. In the manufacture of carriages, however, all these different artificers are assembled in one building where they work into one another’s hands. It is true that a carriage cannot be gilt before it has been made. But if a number of carriages are being made simultaneously, some may be in the hands of the gilders while others are going through an earlier process. So far, we are still in the domain of simple co-operation, which finds its materials ready to hand in the shape of men and things. But very soon an important change takes place. The tailor, the lock-
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smith, and the other artificers, being now exclusively occupied in carriage-making, each gradually loses, through want of practice, the ability to carry on, to its full extent, his old handicraft. But, on the other hand, his activity now confined in one groove, assumes the form best adapted to the narrowed sphere of action. At first, carriage manufacture is a combination of various independent handicrafts. By degrees, it becomes the splitting up of carriage-making into its various detail processes, each of which crystallizes into the exclusive function of a particular workman, the manufacture, as a whole, being carried on by the men in conjunction. In the same way, cloth manufacture, as also a whole series of other manufactures, arose Schlosser, Gürtler usw., der nur im Kutschenmachen beschäftigt ist, verliert nach und nach mit der Gewohnheit auch die Fähigkeit, sein altes Handwerk in seiner ganzen Ausdehnung zu betreiben. Andrerseits erhält sein vereinseitigtes Tun jetzt die zweckmäßigste Form für die verengte Wirkungssphäre. Ursprünglich erschien die Kutschenmanufaktur als eine Kombination selbständiger Handwerke. Sie wird allmählich Teilung der Kutschenproduktion in ihre verschiedenen Sonderoperationen, wovon jede einzelne zur ausschließlichen Funktion eines Arbeiters kristallisiert und deren Gesamtheit vom Verein dieser Teilarbeiter verrichtet wird. Ebenso entstand die Tuchmanufaktur und eine ganze Reihe anderer Manufakturen aus der Kombination ver-
by combining different handicrafts together under the control of a single capitalist.\textsuperscript{26}

\textsuperscript{26} To give a more modern instance: The silk spinning and weaving of Lyon and Nîmes “est toute patriarcale; elle emploie beaucoup de femmes et d’enfants, mais sans les épuiser ni les corrompre; elle les laisse dans leur belles valises de la Drôme, du Var, de l’Isère, de Vaucluse, pour y élever des vers et dévider leurs cocons; jamais elle n’entre dans une véritable fabrique. Pour être aussi bien observe … le principe de la division du travail s’y revêt d’un caractère spécial. Il y a bien des dévideuses, des moulineurs, des teinturiers, des encolleurs, puis des tisserands; mais ils ne sont pas réunis dans un même établissement, ne dépendent pas d’un même maître, tous ils sont indépendants” (A. Blanqui: “Cours, d’Econ. Industrielle.” Recueilli par A. Blaise. Paris, 1838–1720)
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39, p. 79.) Since Blanqui wrote this, the various independent laborers have, to some extent, been united in factories. [And since Marx wrote the above, the power-loom has invaded these factories, and is now 1886 rapidly superseding the hand-loom. (Added in the 4th German edition. The Krefeld silk industry also has its tale to tell anent this subject.) F. E.

456:1/o (2.) Manufacture also arises in a way exactly the reverse of this namely, by one capitalist employing simultaneously in one workshop a number of artificers, who all do the same, or the same kind of work, such as making paper, type, or needles. This is co-operation in its most elementary form. Each of these artificers (with the help, per-

357:1/o Die Manufaktur entspringt aber auch auf entgegengesetztem Wege. Es werden viele Handwerker, die dasselbe oder Gleichartiges tun, z.B. Papier oder Typen oder Nadeln machen, von demselben Kapital gleichzeitig in derselben Werkstatt beschäftigt. Es ist dies Kooperation in der einfachsten Form. Jeder dieser Handwerker (vielleicht
haps, of one or two apprentices), makes the entire commodity, and he consequently performs in succession all the operations necessary for its production. He still works in his old handicraft-like way. But very soon external circumstances cause a different use to be made of the concentration of the workmen on one spot, and of the simultaneousness of their work. An increased quantity of the article has perhaps to be delivered within a given time. The work is therefore re-distributed. Instead of each man being allowed to perform all the various operations in succession, these operations are changed into disconnected, isolated ones, carried on side by side; each is assigned to a different artificer, and the whole of them together
are performed simultaneously by the co-operating workmen. This accidental repartition gets repeated, develops advantages of its own, and gradually ossifies into a systematic division of labor. The commodity, from being the individual product of an independent artificer, becomes the social product of a union of artificers, each of whom performs one, and only one, of the constituent partial operations. The same operations which, in the case of a papermaker belonging to a German Guild, merged one into the other as the successive acts of one artificer, became in the Dutch paper manufacture so many partial operations carried on side by side by numerous co-operating laborers. The needlemaker of the Nuremberg Guild was the corre-
nerstone on which the English needle manufacture was raised. But while in Nürnberg that single artificer performed a series of perhaps 20 operations one after another, in England it was not long before there were 20 needlemakers side by side, each performing one alone of those 20 operations, and in consequence of further experience, each of those 20 operations was again split up, isolated, and made the exclusive function of a separate workman.

The summary in the next paragraph points out the inner connection between these two development paths.

457:1 The mode in which manufacture arises, its growth out of handicrafts, is therefore two-fold. On the one hand, it arises from the union of various independent hand-
14.1. Two-Fold Origin of Manufacture

icrafts, which become stripped of their in-
dependence and specialised to such an ex-
tent as to be reduced to mere supplementary
partial processes in the production of one
particular commodity. On the other hand,
it arises from the co-operation of artificers
of one handicraft; it splits up that particu-
lar handicraft into its various detail opera-
tions, isolating, and making these operations
independent of one another up to the point
where each becomes the exclusive function
of a particular laborer. On the one hand,
therefore, manufacture either introduces di-
version of labor into a process of produc-
tion, or further develops that division; on
the other hand, it unites together handicrafts
that were formerly separate. But whatever
ständiger Handwerke aus, die bis zu dem
Punkt verunselbständig und vereinseitigt
werden, wo sie nur noch einander ergänzen-
de Teiloperationen im Produktionsprozeß ei-
nner und derselben Ware bilden. Andrerseits
gehnt sie von der Kooperation gleichartiger
Handwerker aus, zersetzt dasselbe individu-
elle Handwerk in seine verschiednen besonde-
ren Operationen und isoliert und verselbstän-
digt diese bis zu dem Punkt, wo jede der-
selben zur ausschließlichen Funktion eines
besonderen Arbeiters wird. Einerseits führt
daher die Manufaktur Teilung der Arbeit in
einen Produktionsprozeß ein oder entwickelt
sie weiter, andererseits kombiniert sie früher
geschiedne Handwerke. Welches aber immer
ihr besonderer Ausgangspunkt, ihre Schlußge-
14. Division of Labor and Manufacture

may have been its particular starting-point, its final form is invariably the same as a productive mechanism whose parts are human beings.

It is therefore no wonder that a similar twofoldness can be found in the development of the division of labor in society (4th section, 471:2/o).

In the concluding paragraph of this section, Marx points out that through all these changes certain characteristics of the labor-process remain constant:

457:2/o For a proper understanding of the division of labor in manufacture, it is essential that the following points be firmly grasped.

Division of labor decomposes the production process into smaller component parts. But each of these parts still must be carried out in a handicraft manner.

First, the decomposition of a process of production into its various successive steps coincides, here, strictly with the resolution of
a handicraft into its successive manual operations. Whether complex or simple, each operation has to be done by hand, retains the character of a handicraft, and is therefore dependent on the strength, skill, quickness, and sureness, of the individual workman in handling his tools. The handicraft continues to be the basis.

This prevents a “truly scientific” decomposition (i.e., a decomposition into its real components).

This narrow technical basis precludes a really scientific analysis of any definite process of industrial production, since it is still a condition that each detail process gone through by the product must be capable of being done by hand and of forming, in its way, a separate handicraft. It is just because
handicraft skill continues, in this way, to be the foundation of the process of production, that each workman becomes exclusively assigned to a partial function, and that for the rest of his life, his labor-power is turned into the organ of this detail function.

Some of the advantages of this division of labor are advantages of co-operation in general not specific to this kind of co-operation. Secondly, this division of labor is a particular sort of co-operation, and many of its advantages spring from the general character of co-operation, and not from this particular form of it.

Endlich ist diese Teilung der Arbeit eine besondere Art der Kooperation, und manche ihrer Vorteile entspringen aus dem allgemeinen Wesen, nicht aus dieser besondren Form der Kooperation.

14.2. The Specialized Worker and His Tools

After discussing the origins of manufacture, Marx looks at its simple elements.
14.2. The Specialized Worker and His Tools

The first “element” Marx looks at is the individual worker. The mechanized labor process changes the worker; he develops great skills in doing one and the same limited task over and over again (these skills are passed on to the next generations of workers). Greater productivity goes therefore at the expense of a balanced development of the worker.

458:1 If we now go more into detail, it is, in the first place, clear that a laborer who all his life performs one and the same simple operation, converts his whole body into the automatic, specialised implement of that operation. Consequently, he takes less time in doing it, than the artificer who performs a whole series of operations in succession. But the collective laborer, who constitutes the living mechanism of manufacture, is made up solely of such specialised detail laborers. Hence, in comparison with the independent handicraft, more
is produced in a given time, or the productive power of labor is increased.\textsuperscript{27} Moreover, when once this fractional work is established as the exclusive function of one person, the methods it employs become perfected. The workman’s continued repetition of the same simple act, and the concentration of his attention on it, teach him by experience how to attain the desired effect with the minimum of exertion. But since at any given time there are always several generations of laborers living together, and working together at the manufacture of the same article, the technical skill, the tricks of the trade thus acquired, become established, and are accumulated and handed down.\textsuperscript{28}

\textsuperscript{27} The more any manufacture of much vari-

\textsuperscript{27} „Je mehr eine Arbeit von großer Mannigfal-
14.2. The Specialized Worker and His Tools

The extreme division of labor which one finds in the manufacturing establishments echoes the efforts in earlier societies to fix the division of labor (caste and guild system). Marx also sees analogies to the particularization of plants and animals into species and subspecies.

Manufacture, in fact, produces the skill of the detail laborer, by reproducing, and systematically driving to an extreme within the workshop, the naturally developed differentiation of trades which it found ready to hand in society at large. On the other hand, it systematically produces in the workshop the virulent activity of the detail laborer, by reproducing, and systematically driving to an extreme within the workshop, the naturally developed differentiation of trades which it found ready to hand in society at large.

28 “Easy labor is transmitted skill.” (Th. Hodgskin, “Popular Political Economy,” p. 48.)

28 „Leicht von der Hand gehende Arbeit ist überlieferte Geschicklichkeit.“ (Th. Hodgskin, Popular Political Economy, p. 48.)
the other hand, the conversion of fractional work into the life-calling of one man, corresponds to the tendency shown by earlier societies, to make trades hereditary; either to petrify them into castes, or whenever definite historical conditions beget in the individual a tendency to vary in a manner incompatible with the nature of castes, to ossify them into guilds. Castes and guilds arise from the action of the same natural law, that regulates the differentiation of plants and animals into species and varieties, except that, when a certain degree of development has been reached, the heredity of castes and the exclusiveness of guilds are ordained as a law of society.  

Already Diodor argued for social restrictions to preventing people from doing too many things.

29
14.2. The Specialized Worker and His Tools

different things (and he apparently also thought that popular assemblies are a waste of time):

29 “The arts also have … in Egypt reached the requisite degree of perfection. For it is the only country where artificers may not in any way meddle with the affairs of another class of citizens, but must follow that calling alone which by law is hereditary in their clan … In other countries it is found that tradesmen divide their attention between too many objects. At one time they try agriculture, at another they take to commerce, at another they busy themselves with two or three occupations at once. In free countries, they mostly frequent the assemblies of the people … In Egypt, on the contrary, every artificer is severely punished if he meddles with affairs of State, or carries on several trades at once. Thus there is nothing to disturb their application to their calling … Moreover, since they inherit from their forefathers numerous rules, they are eager
14. *Division of Labor and Manufacture*

So far the footnote. The main text gives a striking example of the importance of skills, which allow extraordinary products even with the most primitive tools:

“The muslins of Dakka in fineness, the calicoes and other piece goods of Coromandel in brilliant and durable colours, have never been surpassed. Yet they are produced without capital, machinery, division of labor, or any of those means which give such facilities to the manufacturing interest of Europe. The weaver is merely a detached individual, working a web when ordered of a customer, and with a loom of the rudest construction, consisting sometimes of a few branches or bars of wood, put roughly together. There is even no expedient for rolling up the warp; the loom must
therefore be kept stretched to its full length, and becomes so inconveniently large, that it cannot be contained within the hut of the manufacturer, who is therefore compelled to ply his trade in the open air, where it is interrupted by every vicissitude of the weather.”

30 “Historical and descriptive account of Brit. India, etc.” by Hugh Murray and James Wilson, etc., Edinburgh 1832, v. II., p. 449. The Indian loom is upright, i.e., the warp is stretched vertically.

However the Hindu’s specialization is nothing compared with that of the manufacturing laborer:

It is only the special skill accumulated from generation to generation, and transmitted from father to son, that gives to the Hindu, as it does to the spider, this proficiency. And

Apparat zum Aufziehn der Kette, der Webstuhl muß daher in seiner ganzen Länge ausgestreckt bleiben und wird so unförmlich und weit, daß er keinen Raum findet in der Hütte des Produzenten, der seine Arbeit daher in freier Luft verrichten muß, wo sie durch jede Wetteränderung unterbrochen wird.”


360:2 Es ist nur das von Generation auf Generation gehäufte und von Vater auf Sohn vererbte Sondergeschick, das dem Hindu wie der Spinne diese Virtuosität verleiht. Und
14. Division of Labor and Manufacture

yet the work of such a Hindu weaver is very complicated, compared with that of a manufacturing laborer.

Next paragraph: productivity increases due to increased continuity of the labor process (fewer “gaps”) may either come from greater intensity or from less unproductive consumption of labor-power. But in any case, this monotoneity destroys the vital spirits (Lebensgeister).

460:1 An artificer, who performs one after another the various fractional operations in the production of a finished article, must at one time change his place, at another his tools. The transition from one operation to another interrupts the flow of his labor, and creates, so to say, gaps in his working-day. These gaps close up so soon as he is tied to one and the same operation all day long; they vanish in proportion as the
changes in his work diminish. The resulting increased productive power is owing either to an increased expenditure of labor-power in a given time, i.e., to increased intensity of labor, or to a decrease in the amount of labor-power unproductively consumed. The extra expenditure of power, demanded by every transition from rest to motion, is made up for by prolonging the duration of the normal velocity when once acquired. On the other hand, constant labor of one uniform kind disturbs the intensity and flow of a man’s animal spirits, which find recreation and delight in mere change of activity.

This concludes the discussion of the worker; now Marx looks at the tools. They are
14. Division of Labor and Manufacture

specialized as well (500 different kinds of hammers). Marx also says that they become simpler. These changes in the instruments are one of the material conditions for machinery.

460:2/o The productiveness of labor depends not only on the proficiency of the workman, but on the perfection of his tools. Tools of the same kind, such as knives, drills, gimlets, hammers, etc., may be employed in different processes; and the same tool may serve various purposes in a single process. But so soon as the different operations of a labor-process are disconnected the one from the other, and each fractional operation acquires in the hands of the detail laborer a suitable and peculiar form, alterations become necessary in the implements that previously served more than one purpose. The direction taken by this change is

determined by the difficulties experienced in consequence of the unchanged form of the implement. Manufacture is characterised by the differentiation of the instruments of labor, a differentiation whereby implements of a given sort acquire fixed shapes, adapted to each particular application, and by the specialisation of those instruments, giving to each special implement its full play only in the hands of a specific detail laborer. In Birmingham alone 500 varieties of hammers are produced, and not only is each adapted to one particular process, but several varieties often serve exclusively for the different operations in one and the same process. The manufacturing period simplifies, improves, and multiplies the implements of

labor, by adapting them to the exclusively special functions of each detail laborer. It thus creates at the same time one of the material conditions for the existence of machinery, which consists of a combination of simple instruments.

31 Darwin in his epoch-making work on the origin of species, remarks, with reference to the natural organs of plants and animals: “So long as one and the same organ has different kinds of work to perform, a ground for its changeability may possibly be found in this, that natural selection preserves or suppresses each small variation of form less carefully than if that organ were destined for one special purpose alone. Thus, knives that are adapted to cut all sorts of things, may,

Die Manufakturperiode vereinfacht, verbessert und vermannigfacht die Arbeitswerkzeuge durch deren Anpassung an die ausschließlichen Sonderfunktionen der Teilarbeiter. Sie schafft damit zugleich eine der materiellen Bedingungen der Maschinerie, die aus einer Kombination einfacher Instrumente besteht.

31 Darwin bemerkt in seinem epochemachen- den Werk „Über die Entstehung der Arten“ mit Bezug auf die natürlichen Organe der Pflanzen und Tiere: „Solange ein und dasselbe Organ verschiedene Arbeiten zu verrichten hat, läßt sich ein Grund für seine Veränderlichkeit vielleicht darin finden, daß natürliche Züchtung jede kleine Abweichung der Form weniger sorgfältig erhält oder unterdrückt, als wenn dasselbe Organ nur zu einem besondren Zwecke

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on the whole, be of one shape; but an implement destined to be used exclusively in one way must have a different shape for every different use.”

allein bestimmt wäre. So mögen Messer, welche allerlei Dinge zu schneiden bestimmt sind, im ganzen so ziemlich von einerlei Form sein, während ein nur zu einerlei Gebrauch bestimmtes Werkzeug für jeden andren Gebrauch auch eine andre Form haben muß.“

Transition to next section:

461:1 The detail laborer and his implements are the simplest elements of manufacture. Let us now turn to its aspect as a whole.

362:1 Der Detailarbeiter und sein Instrument bilden die einfachen Elemente der Manufaktur. Wenden wir uns jetzt zu ihrer Gesamtgestalt.
14. Division of Labor and Manufacture

14.3. The Two Basic Forms of Manufacture—Heterogeneous and Organic

Manufacture has two basic forms: either the same object goes through many stages, or the final object is an assembly of many different parts.

461:2 The organisation of manufacture has two fundamental forms which, in spite of occasional blending, are essentially different in kind, and, moreover, play very distinct parts in the subsequent transformation of manufacture into modern industry carried on by machinery. This double character arises from the nature of the article produced. This article either results from the mere mechanical fitting together of partial products made independently, or owes its completed shape to a series of connected

362:2 Die Gliederung der Manufaktur besitzt zwei Grundformen, die trotz gelegentlicher Verschlingung zwei wesentlich verschiedene Arten bilden und namentlich auch bei der späten Verwandlung der Manufaktur in die maschinenartig betriebne, große Industrie eine ganz verschiedene Rolle spielen. Dieser Doppelcharakter entspringt aus der Natur des Machwerks selbst. Es wird entweder gebildet durch bloß mechanische Zusammensetzung selbständiger Teilprodukte oder verdankt seine fertige Gestalt einer
14.3. Heterogeneous and Organic Manufacture

Marx calls the first form heterogeneous manufacture and the second organic manufacture. Marx discusses heterogeneous manufacturing first. He begins with some examples:

461:3/oo A locomotive, for instance, consists of more than 5,000 independent parts. It cannot, however, serve as an example of the first kind of genuine manufacture, for it is a structure produced by modern mechanical industry. But a watch can; and William Petty used it to illustrate the division of labor in manufacture. Formerly the individual work of a Nuremberg artificer, the watch has been transformed into the social product of an immense number of detail laborers, such as mainspring makers, dial makers, spiral spring makers, j ew-

362:3/oo Eine Lokomotive z.B. besteht aus mehr als 5000 selbständigen Teilen. Sie kann jedoch nicht als Beispiel der ersten Art der eigentlichen Manufaktur gelten, weil sie ein Gebilde der großen Industrie ist. Wohl aber die Uhr, an welcher auch William Petty die manufakturmäßige Teilung der Arbeit anschaulicht. Aus dem individuellen Werk eines Nürnberger Handwerkers verwandelte sich die Uhr in das gesellschaftliche Produkt einer Unzahl von Teilarbeitern, wie Rohwerksmacher, Uhrfedermacher, Zifferblattmacher, Spiralfedermacher, Steinloch- und Ru-
elled hole makers, ruby lever makers, hand makers, case makers, screw makers, gilders, with numerous subdivisions, such as wheel makers (brass and steel separate), pin makers, movement makers, acheveur de pignon (fixes the wheels on the axles, polishes the facets, etc.), pivot makers, planteur de finissage (puts the wheels and springs in the works), finisseur de barillet (cuts teeth in the wheels, makes the holes of the right size, etc.), escapement makers, cylinder makers for cylinder escapements, escape ment wheel makers, balance wheel makers, raquette makers (apparatus for regulating the watch), the planteur d’échappement (escapement maker proper); then the repasseur de barillet (finishes the box for the spring, binhebelmacher, Zeigermacher, Gehäusemacher, Schraubenmacher, Vergolder, mit vielen Unterabteilungen, wie z.B. Räderfabrikant (Messing- und Stahlräder wieder geschieden), Triebmacher, Zeigerwerkmmacher, acheveur de pignon (befestigt die Räder auf den Trieben, poliert die facettes usw.), Zapfenmacher, planteur de finissage (setzt verschiedene Räder und Triebe in das Werk), finisseur de barillet (läßt Zähne einschneiden, macht die Löcher zur richtigen Weite, härtet Stellung und Gesperr), Hemmungsmacher, bei der Zylinderhemmung wieder Zylindermacher, Steigradmacher, Unruhemacher, Requettemacher (das Rückwerk, woran die Uhr reguliert wird), planteur d’échappement (eigentliche Hemmungsmacher); dann der repas-
etc.), steel polishers, wheel polishers, screw polishers, figure painters, dial enamellers (melt the enamel on the copper), fabricant de pendants (makes the ring by which the case is hung), finisseur de charnière (puts the brass hinge in the cover, etc.), faiseur de secret (puts in the springs that open the case), graveur, ciseleur, polisseeur de boîte, etc., etc., and last of all the repasseur, who fits together the whole watch and hands it over in a going state.

After this impressive catalog Marx stresses that vertically, this division of labor is very shallow: the workers co-operate directly only on few places. Therefore there is not much advantage in combining them in the same building. Many parts still produced off-site. Only a few parts of the watch pass through

Nur wenige Teile der Uhr laufen durch ver-
several hands; and all these membra disjecta come together for the first time in the hand that binds them into one mechanical whole. This external relation between the finished product, and its various and diverse elements makes it, as well in this case as in the case of all similar finished articles, a matter of chance whether the detail laborers are brought together in one workshop or not. The detail operations may further be carried on like so many independent handicrafts, as they are in the Cantons of Vaud and Neufchâtel; while in Geneva there exist large watch manufactories where the detail laborers directly co-operate under the control of a single capitalist. And even in the latter case the dial, the springs, and the case, schiedne Hände, und alle diese membra disjecta sammeln sich erst in der Hand, die sie schließlich in ein mechanisches Ganzes verbindet. Dies äußerliche Verhältnis des fertigen Produkts zu seinen verschiedenartigen Elementen läßt hier, wie bei ähnlicher Machwerk, die Kombination der Teilarbeiter in derselben Werkstatt zufällig. Die Teilarbeiten können selbst wieder als voneinander unabhängige Handwerke betrieben werden, wie im Kanton Waadt und Neuchâtel, während in Genf z.B. große Uhrenmanufakturen bestehen, d.h. unmittelbare Kooperation der Teilarbeiter unter dem Kommando eines Kapitals stattfindet. Auch im letztnen Fall werden Zifferblatt, Feder und Gehäuse selten in der Manufaktur selbst verfertigt.
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are seldom made in the factory itself. To carry on the trade as a manufacture, with concentration of workmen, is, in the watch trade, profitable only under exceptional conditions, because competition is greater between the laborers who desire to work at home, and because the splitting up of the work into a number of heterogeneous processes, permits but little use of the instruments of labor in common, and the capitalist, by scattering the work, saves the outlay on workshops, etc. Nevertheless the position of this detail laborer who, though he works at home, does so for a capitalist (manufacturer, établisseur), is very different from that of the independent artificer, who works for his own customers.
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In the year 1854 Geneva produced 80,000 watches, which is not one-fifth of the production in the Canton of Neufchâtel. La Chaux-de-Fond alone, which we may look upon as a huge watch manufactory, produces yearly twice as many as Geneva. From 1850–61 Geneva produced 720,000 watches. See “Report from Geneva on the Watch Trade” in “Reports by H. M.’s Secretaries of Embassy and Legation on the Manufactures, Commerce, etc., No. 6, 1863.”

The want of connexion alone, between the processes into which the production of articles that merely consist of parts fitted together is split up, makes it very difficult to convert such a manufacture into a branch of modern industry carried on by machinery; but in the case of a watch there are two other impediments in addition, the minuteness and delicacy of its parts, and its character as an article of luxury. Hence their variety,
which is such, that in the best London houses scarcely a dozen watches are made alike in the course of a year. The watch manufactory of Messrs. Vacheron & Constantin, in which machinery has been employed with success, produces at the most three or four different varieties of size and form.

33 In watchmaking, that classical example of heterogeneous manufacture, we may study with great accuracy the above-mentioned differentiation and specialisation of the instruments of labor caused by the subdivision of handicrafts.

Now an example for the second form of manufacturing.

463:1 The second kind of manufacture, its perfected form, produces articles that go through connected phases of development, through a series of processes step by step,
like the wire in the manufacture of needles, which passes through the hands of 72 and sometimes even 92 different detail workmen.

Manufacture has a contradictory character: on the one hand combination of many different labor processes, but on the other hand isolation of each phase of production since it must be done by a different worker. This creates an immanent limitation of manufacture, the need to establish the connection between the isolated functions:

463:2 In so far as such a manufacture, when first started, combines scattered handicrafts, it lessens the space by which the various phases of production are separated from each other. The time taken in passing from one stage to another is shortened, so is the labor that effectuates this passage.\textsuperscript{34}

In comparison with a handicraft, productive power is gained, and this gain is owing to

364:2 Soweit solche Manufaktur ursprünglich zerstreute Handwerke kombiniert, vermindert sie die räumliche Trennung zwischen den besondren Produktionsphasen des Machwerks. Die Zeit seines Übergangs aus einem Stadium in das andre wird verkürzt, ebenso die Arbeit, welche diese Übergänge vermittelt.\textsuperscript{34} Im Vergleich zum Handwerk wird so Produktivkraft gewonnen, und zwar
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the general co-operative character of manufacture. On the other hand, division of labor, which is the distinguishing principle of manufacture, requires the isolation of the various stages of production and their independence of each other. The establishment and maintenance of a connexion between the isolated functions necessitates the incessant transport of the article from one hand to another, and from one process to another. From the standpoint of modern mechanical industry, this necessity stands forth as a characteristic and costly disadvantage, and one that is immanent in the principle of manufacture.35

34 “In so close a cohabitation of the people, the carriage must needs be less.” (‘The Advantages

34 „Wenn die Menschen so dicht nebeneinander arbeiten, muß der Transport notwendigerweise ge-
of the East India Trade,” p. 106.)

35 “The isolation of the different stages of manufacture, consequent upon the employment of manual labor, adds immensely to the cost of production, the loss mainly arising from the mere removals from one process to another.” (”The Industry of Nations.” Lond., 1855, Part II, p. 200.)

The advantages of this kind of division of labor come in part from the co-operative character in general, but often, the co-operation is only possible because of the division of labor.

463:3/o If we confine our attention to some particular lot of raw materials, of rags, for instance, in paper manufacture, or of wire in needle manufacture, we perceive that it passes in succession through a series of stages in the hands of the various
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detail workmen until completion. On the other hand, if we look at the workshop as a whole, we see the raw material in all the stages of its production at the same time. The collective laborer, with one set of his many hands armed with one kind of tools, draws the wire, with another set, armed with different tools, he, at the same time, strengthens it, with another, he cuts it, with another, points it, and so on. The different detail processes, which were successive in time, have become simultaneous, go on side by side in space. Hence, production of a greater quantum of finished commodities in a given time. This simultaneity, it is true, is due to the general co-operative form of the process as a whole; but Manufacture not only bis zu seiner Schlußgestalt. Betrachtet man dagegen die Werkstatt als einen Gesamtmechanismus, so befindet sich das Rohmaterial gleichzeitig in allen seinen Produktionsphasen auf einmal. Mit einem Teil seiner vielen instrumentbewaffneten Hände zieht der aus den Detailarbeiten kombinierte Gesamtarbeiter den Draht, während er gleichzeitig mit andren Händen und Werkzeugen ihn streckt, mit andren schneidet, spitzt etc. Aus einem zeitlichen Nacheinander sind die verschiedenen Stufenprozesse in ein räumliches Nebeneinander verwandelt. Daher Lieferung von mehr fertiger Ware in demselben Zeitraum. Jene Gleichzeitigkeit entspringt zwar aus der allgemeinen kooperativen Form des Gesamtprozesses, aber die Manufaktur findet nicht
finds the conditions for co-operation ready to hand, it also, to some extent, creates them by the sub-division of handicraft labor. On the other hand, it accomplishes this social organisation of the labor-process only by riveting each laborer to a single fractional detail.

36 “It (the division of labor) produces also an economy of time by separating the work into its different branches, all of which may be carried on into execution at the same moment ... By carrying on all the different processes at once, which an individual must have executed separately, it becomes possible to produce a multitude of pins completely finished in the same time as a single pin might have been either cut or pointed.” (Dugald Stewart, l.c., p. 319.)

nur die Bedingungen der Kooperation vor, sondern schafft sie teilweise erst durch die Zerlegung der handwerksmäßigen Tätigkeit. Andrerseits erreicht sie diese gesellschaftliche Organisation des Arbeitsprozesses nur durch Festschmieden desselben Arbeiters an dasselbe Detail.

36 „Sie“ (die Teilung der Arbeit) „verursacht auch eine Zeiteinsparung, indem sie die Arbeit in ihre verschiedenen Zweige zerlegt, die alle im gleichen Augenblick ausgeführt werden können ... Durch die gleichzeitige Durchführung all der verschiedenen Arbeitsprozesse, die ein einzelner getrennt hätte ausführen müssen, wird es z.B. möglich, eine Menge Nadeln in derselben Zeit fertigzustellen, in der eine einzelne Nadel sonst nur abge- schnitten oder zugespitzt worden wäre.“ (Dugald Stewart, l.c. p. 319.)
This kind of division of labor requires that no more time than necessary is spent on each
individual procedure:

Since the fractional product of each detail laborer is, at the same time, only
a particular stage in the development of one
and the same finished article, each laborer,
or each group of laborers, prepares the raw
material for another laborer or group. The
result of the labor of the one is the starting-
point for the labor of the other. The one
workman therefore gives occupation di-
rectly to the other. The labor-time neces-
sary in each partial process, for attaining
the desired effect, is learnt by experience;
and the mechanism of Manufacture, as a
whole, is based on the assumption that a
given result will be obtained in a given time.
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It is only on this assumption that the various supplementary labor-processes can proceed uninterruptedly, simultaneously, and side by side. It is clear that this direct dependence of the operations, and therefore of the laborers, on each other, compels each one of them to spend on his work no more than the necessary time, and thus a continuity, uniformity, regularity, order, and even intensity of labor, of quite a different kind, is begotten than is to be found in an independent handicraft or even in simple co-operation.

In a short digression Marx interjects that commodity production already imposes a discipline on the labor process: those who take longer than socially necessary will not be able to compete on the market.

In the production of commodities generally,
the labor-time expended on a commodity must not exceed that which is socially necessary for its production. This takes the form of an external compulsion by competition, since, in the surface interactions, each individual producer is obliged to sell his commodity at its market-price.

An internal law on the core level, namely, that production must not take more than the socially necessary labor-time, “appears” (erscheint) on the surface as the exterior compulsion of competition. It is not something the agents want to do, not something they see as their goal, but something that seems to be imposed on them from the outside, by market constraints. This exterior constraint is not really an exterior constraint, it is the form of appearance of an internal law.

The technology of manufacturing adds a second mechanism (besides market competition) which also requires the production method to be such that only the socially necessary time be used:

In Manufacture, on the contrary, the turning
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out of a given quantum of product in a given time is a technical law of the process of production itself.  

37 “The more variety of artists to every manufacture . . . the greater the order and regularity of every work, the same must needs be done in less time, the labor must be less.’ (‘The Advantages,’ etc., p. 68.)

38 Nevertheless, the manufacturing system, in many branches of industry, attains this result but very imperfectly, because it knows not how to control with certainty the general chemical and physical conditions of the process of production.

Now the problems of coordination coming with this close interdependence:

465:1 Different operations take, however, unequal periods, and yield therefore in equal times unequal quantities of fractional products. If, therefore, the same laborer has, in gegebener Arbeitszeit wird dagegen in der Manufaktur technisches Gesetz des Produktionsprozesses selbst.

37 „Je mannigfaltiger die Spezialarbeiter in jeder Manufaktur, . . . um so ordentlicher und regelmäßiger ist jede Arbeit; diese muß notwendig in weniger Zeit getan werden, und die Arbeit muß sich vermindern.“ („The Advantages etc.“, p. 68.)

38 Indes erreicht der manufakturmäßige Betrieb dies Resultat in vielen Zweigen nur unvollkommen, weil er die allgemeinen chemischen und physikalischen Bedingungen des Produktionsprozesses nicht mit Sicherheit zu kontrollieren weiß.

366:1 Verschiedne Operationen bedürfen jedoch ungleicher Zeitlängen und liefern daher in gleichen Zeiträumen ungleiche Quanta von Teilprodukten. Soll also derselbe Ar-
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day after day, to perform the same operation, there must be a different number of laborers for each operation; for instance, in type manufacture, there are four founders and two breakers to one rubber: the founder casts 2,000 type an hour, the breaker breaks up 4,000, and the rubber polishes 8,000. Here we have again the principle of cooperation in its simplest form, the simultaneous employment of many doing the same thing; only now, this principle is the expression of an organic relation. The division of labor, as carried out in Manufacture, not only simplifies and multiplies the qualitatively different parts of the social collective laborer, but also creates a fixed mathematical relation or ratio which regulates the

beiter tagaus, tagein stets nur dieselbe Operation verrichten, so müssen für verschiedene Operationen verschiedene Verhältniszahlen von Arbeitern verwandt werden, z.B. 4 Gießer und 2 Abbrecher auf einen Frottierer in einer Typenmanufaktur, wo der Gießer stündlich 2000 Typen gießt, der Abbrecher 4000 abbricht und der Frottierer 8000 blank reibt. Hier kehrt das Prinzip der Kooperation in seiner einfachsten Form zurück, gleichzeitige Beschäftigung vieler, die Gleichartiges tun, aber jetzt als Ausdruck eines organischen Verhältnisses. Die manufakturmäßige Teilung der Arbeit vereinfacht und vermannigt facht also nicht nur die qualitativ unterschiedlichen Organe des gesellschaftlichen Gesamtarbeiters, sondern schafft auch ein mathema-
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quantitative extent of those parts i.e., the relative number of laborers, or the relative size of the group of laborers, for each detail operation. It develops, along with the qualitative sub-division of the social labor-process, a quantitative rule and proportionality for that process.

465:2/o When once the most fitting proportion has been experimentally established for the numbers of the detail laborers in the various groups when producing on a given scale, that scale can be extended only by employing a multiple of each particular group. There is this to boot, that the same individual can do certain kinds of work just as well on a large as on a small scale; for instance, the labor of superintendence, the

366:2/o Ist die passendste Verhältniszahlder verschiednen Gruppen von Teilarbeitern erfahrungsmäßig festgesetzt für eine bestimmte Stufenleiter der Produktion, so kann man diese Stufenleiter nur ausdehnen, indem man ein Multipel jeder besondren Arbeitergruppe verwendet. Es kommt hinzu, daß dasselbe Individuum gewisse Arbeiten ebensogut auf größerer als kleinerer Staffel ausführt, z.B. die Arbeit der Oberaufsicht,
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carriage of the fractional product from one stage to the next, etc. The isolation of such functions, their allotment to a particular laborer, does not become advantageous till after an increase in the number of laborers employed; but this increase must affect every group proportionally.

39 “When (from the peculiar nature of the produce of each manufactory), the number of processes into which it is most advantageous to divide it is ascertained, as well as the number of individuals to be employed, then all other manufactories which do not employ a direct multiple of this number will produce the article at a greater cost . . . Hence arises one of the causes of the great size of manufacturing establishments.” (C. Babbage. “On the Economy of Machinery,” 1st ed. London. 1832. Ch. xxi, pp. 172–73.)

39 „Wenn die Erfahrung, je nach der besonderen Natur der Produkte jeder Manufaktur, sowohl die vorteilhafteste Art, die Fabrikation in Teiloperationen zu spalten, als auch die für sie nötige Arbeiterzahl kennen gelehrt hat, werden alle Etablissements, die kein exaktes Multipel dieser Zahl anwenden, mit mehr Kosten fabrizieren . . . Dies ist eine der Ursachen der kolossalen Ausdehnung industrieller Etablissements.“ (Ch. Babbage, „On the Economy of Machinery“, Lond. 1832, ch. XXI, p. 172, 173.)

den Transport der Teilprodukte aus einer Produktionsphase in die andre usw. Die Verselbständigung dieser Funktionen oder ihre Zuweisung an besondere Arbeiter wird also erst vorteilhaft mit Vergrößerung der beschäftigten Arbeiterzahl, aber diese Vergrößerung muß sofort alle Gruppen proportionell ergreifen.
Glass manufacturing as example for the structuring of the labor process:

466:1/o The isolated group of laborers to whom any particular detail function is assigned, is made up of homogeneous elements, and is one of the constituent parts of the total mechanism. In many manufactures, however, the group itself is an organised body of labor, the total mechanism being a repetition or multiplication of these elementary organisms. Take, for instance, the manufacture of glass bottles. It may be resolved into three essentially different stages. First, the preliminary stage, consisting of the preparation of the components of the glass, mixing the sand and lime, etc., and melting them into a fluid mass of glass.40 Various detail laborers are employed in this

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first stage, as also in the final one of removing the bottles from the drying furnace, sorting and packing them, etc. In the middle, between these two stages, comes the glass melting proper, the manipulation of the fluid mass. At each mouth of the furnace, there works a group, called “the hole,” consisting of one bottlemaker or finisher, one blower, one gatherer, one putter-up or whetter-off, and one taker-in. These five detail workers are so many special organs of a single working organism that acts only as a whole, and therefore can operate only by the direct co-operation of the whole five. The whole body is paralysed if but one of its members be wanting. But a glass furnace has several openings (in England from 4 to 6), each of se sind verschiedene Teilarbeiter beschäftigt, ebenso in der Schlußphase, der Entfernung der Flaschen aus den Trockenöfen, ihrer Sortierung, Verpackung usw. Zwischen beiden Phasen steht in der Mitte die eigentliche Glasmacherei oder Verarbeitung der flüssigen Glasmasse. An demselben Munde eines Glasofens arbeitet eine Gruppe, die in England das „hole“ (Loch) heißt und aus einem bottle maker oder finisher, einem blower, einem gatherer, einem putter up oder whetter off und einem taker in zusammengesetzt ist. Diese fünf Teilarbeiter bilden ebenso viele Sonderorgane eines einzigen Arbeitskörpers, der nur als Einheit, also nur durch unmittelbare Kooperation der fünf wirken kann. Fehlt ein Glied des fünfteiligen Körpers, so
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which contains an earthenware melting-pot full of molten glass, and employs a similar five-membered group of workers. The organisation of each group is based on division of labor, but the bond between the different groups is simple co-operation, which, by using in common one of the means of production, the furnace, causes it to be more economically consumed. Such a furnace, with its 4–6 groups, constitutes a glass house; and a glass manufactory comprises a number of such glass houses, together with the apparatus and workmen requisite for the preparatory and final stages.

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In England, the melting-furnace is distinct from the glass-furnace in which the glass is manipulated. In Belgium, one and the same furnace serves for both processes.

This concludes Marx’s discussion of Organic Manufactures; now he turns to mixed forms:

Finally, just as Manufacture arises in part from the combination of various handicrafts, so, too, it develops into a combination of various manufactures. The larger English glass manufacturers, for instance, make their own earthenware melting-pots, because, on the quality of these depends, to a great extent, the success or failure of the process. The manufacture of one of the means of production is here united with that of the product. On the
other hand, the manufacture of the product may be united with other manufactures, of which that product is the raw material, or with the products of which it is itself subsequently mixed. Thus, we find the manufacture of flint glass combined with that of glass cutting and brass founding; the latter for the metal settings of various articles of glass. The various manufactures so combined form more or less separate departments of a larger manufacture, but are at the same time independent processes, each with its own division of labor. In spite of the many advantages offered by this combination of manufactures, it never grows into a complete technical system on its own foundation. That happens only on its transformation des Produkts verbunden werden mit Manufakturen, worin es selbst wieder als Rohmaterial dient oder mit deren Produkten es später zusammengesetzt wird. So findet man z.B. die Manufaktur von Flintglas kombiniert mit der Glasschleiferei und der Gelbgießerei, letztere für die metallische Einfassung manigfacher Glasartikel. Die verschiedenen kombinierten Manufakturen bilden dann mehr oder minder räumlich getrennte Departemente einer Gesamtmanufaktur, zugleich voneinander unabhängige Produktionsprozesses, jeder mit eigner Teilung der Arbeit. Trotz mancher Vorteile, welche die kombinierte Manufaktur bietet, gewinnt sie, auf eigner Grundlage, keine wirklich technische Einheit. Diese entsteht erst bei ihrer Verwandlung in den
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mation into an industry carried on by machinery.

Effect (Rückwirkung) of the completed system of manufacture on the laborer and his instrument.

First paragraph shows the effects on the instruments. Manufacture leads to sporadic use of machinery.

467:2/o Early in the manufacturing period, the principle of lessening the necessary labor-time in the production of commodities, was accepted and formulated: and the use of machines, especially for certain simple first processes that have to be conducted on a very large scale, and with the application of great force, sprang up here and there. Thus, at an early period in paper manufacture, the tearing up of the rags was done by paper-mills; and in metal works, the pound-
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ing of the ores was effected by stamping mills. The Roman Empire had handed down the elementary form of all machinery in the water-wheel.

41 This can be seen from W. Petty, John Bellers, Andrew Yarranton, “The Advantages of the East India Trade,” and J. Vanderlint, not to mention others.

42 Towards the end of the 16th century, mortars and sieves were still used in France for pounding and washing ores.

43 The whole history of the development of machinery can be traced in the history of the corn mill. The factory in England is still a “mill”. In German technological works of the first decade of this century, the term “Mühle” is still found in use, not only for all machinery driven by the forces of Nature, but also for all manufactures

Pochmühlen verrichtet. Die elementarische Form aller Maschinerie hatte das römische Kaiserreich überliefert in der Wassermühle.

41 Man kann dies unter andren ersehn aus W. Petty, John Bellers, Andrew Yarranton, „The Advantages of the East-India Trade“ und J. Vanderlint.


43 Die ganze Entwicklungsgeschichte der Maschinerie läßt sich verfolgen an der Geschichte der Getreidemühlen. Die Fabrik heißt im Englischen immer noch mill. In deutschen technologischen Schriften aus den ersten Dezennien des 19. Jahrhunderts findet man noch den Ausdruck Mühle nicht nur für alle mit Naturkräften getriebene Ma-
where apparatus in the nature of machinery is applied.

Big inventions come from the handicraft period; machinery had subordinate role.

The handicraft period bequeathed to us the great inventions of the compass, of gunpowder, of type-printing, and of the automatic clock. But, on the whole, machinery played that subordinate part which Adam Smith assigns to it in comparison with division of labor. The sporadic use of machinery in the 17th century was of the greatest importance, because it supplied the great mathematicians of that time with a practical basis and stimulant to the creation of the science of mechanics.

As will be seen more in detail in the fourth book of this work, Adam Smith has not established this relationship. 44

44 As will be seen more in detail in the fourth book of this work, Adam Smith has not established this relationship.
lished a single new proposition relating to division of labor. What, however, characterises him as the political economist par excellence of the period of Manufacture, is the stress he lays on division of labor. The subordinate part which he assigns to machinery gave occasion in the early days of modern mechanical industry to the polemic of Lauderdale, and, at a later period, to that of Ure. A. Smith also confounds differentiation of the instruments of labor, in which the detail laborers themselves took an active part, with the invention of machinery; in this latter, it is not the workmen in manufactories, but learned men, handicraftsman, and even peasants (Brindley), who play a part.

After this discussion of machinery Marx now discusses the workers. As opposed to 458:1, not one individual worker and his successor in the next generation is considered, but the combination of the detail laborers to an aggregate laborer.
Simple commodity producer: performs in turns various operations which require various skills, and one individual worker does not have all these skills to the same degree.

Aggregate laborer in manufacture: these operations are separated, made independent, and isolated, and the laborers are classified according to their prevailing skills and exclusively used for these specific functions.

468:1/o The collective laborer, formed by the combination of a number of detail laborers, is the machinery specially characteristic of the manufacturing period. The various operations that are performed in turns by the producer of a commodity, and coalesce one with another during the progress of production, lay claim to him in various ways. In one operation he must exert more strength, in another more skill, in another more attention; and the same individual does not possess all these qualities.

369:1/o Die spezifische Maschinerie der Manufakturperiode bleibt der aus vielen Teilarbeitern kombinierte Gesamtarbeiter selbst. Die verschiedenen Operationen, die der Produzent einer Ware abwechselnd verrichtet und die sich im Ganzen seines Arbeitsprozesses verschlingen, nehmen ihn verschiedenartig in Anspruch. In der einen muß er mehr Kraft entwickeln, in der andren mehr Gewandtheit, in der dritten mehr geistige Aufmerksamkeit usw., und dasselbe Individuum besitzt diese Eigenschaften nicht in gleichem...
ties in an equal degree. After Manufacture has once separated, made independent, and isolated the various operations, the laborers are divided, classified, and grouped according to their predominating qualities. If their natural endowments are, on the one hand, the foundation on which the division of labor is built up, on the other hand, Manufacture, once introduced, develops in them new powers that are by nature fitted only for limited and special functions. The collective laborer now possesses, in an equal degree of excellence, all the qualities requisite for production, and expends them in the most economical manner, by exclusively employing all his organs, consisting of particular laborers, or groups of laborers, in

Grad. Nach der Trennung, Verselbständigung und Isolierung der verschiednen Operationen werden die Arbeiter ihren vorwiegenden Eigenschaften gemäß geteilt, klassifiziert und gruppiert. Bilden ihre Naturbesonderheiten die Grundlage, worauf sich die Teilung der Arbeit pfropft, so entwickelt die Manufaktur, einmal eingeführt, Arbeitskräfte, die von Natur nur zu einseitiger Sonderfunktion taugen. Der Gesamtarbeiter besitzt jetzt alle produktiven Eigenschaften in gleich hohem Grad der Virtuosität und verausgabt sie zugleich aufs ökonomischste, indem er alle seine Organe, individualisiert in besonderen Arbeiten oder Arbeitergruppen, ausschließlich zu ihren spezifischen Funktionen verwendet. Die Einseitigkeit und selbst die Unvollkommen-
performing their special functions. The one-sidedness and the deficiencies of the detail laborer become perfections when he is a part of the collective laborer. The habit of doing only one thing converts him into a never failing instrument, while his connexion with the whole mechanism compels him to work with the regularity of the parts of a machine.  

45 “The master manufacturer, by dividing the work to be executed into different processes, each requiring different degrees of skill or of force, can purchase exactly that precise quantity of both which is necessary for each process; whereas, if the whole work were executed by one workman, that person must possess sufficient skill to perform the most difficult, and sufficient
strength to execute the most laborious of the operations into which the article is divided.” (Ch. Babbage, l.c., ch. xix.)

46 For instance, abnormal development of some muscles, curvature of bones, etc.

47 The question put by one of the Inquiry Commissioners, How the young persons are kept steadily to their work, is very correctly answered by Mr. Wm. Marshall, the general manager of a glass manufactory: “They cannot well neglect their work; when they once begin, they must go on; they are just the same as parts of a machine.” (“Children’s Empl. Comm.,” 4th Rep., 1865, p. 247.)

Since these specific functions have different complexities, the individual laborers have different degrees of education and different values, therefore there is a hierarchy. Then the different labor functions are assimilated to this hierarchy (in order to save wages, no laborer...
should perform functions which require different skills). Here the monotony of the labor process is revealed as the consequence of capitalism, not of mass production in general!

469:1/0 Since the collective laborer has functions, both simple and complex, both high and low, his members, the individual labor-powers, require different degrees of training, and must therefore have different values. Manufacture, therefore, develops a hierarchy of labor-powers, to which there corresponds a scale of wages. If, on the one hand, the individual laborers are appropriated and annexed for life by a limited function; on the other hand, the various operations of the hierarchy are parcelled out among the laborers according to both their natural and their acquired capabilities.  

Every process of production, however, re-

370:1 Da die verschiedenen Funktionen des Gesamtarbeiters einfacher oder zusammengesetzter, niedriger oder höher, erhi-
schen seine Organe, die individuellen Ar-
beitskräfte, sehr verschiedene Grade der Aus-
bildung und besitzen daher sehr verschiedene Werte. Die Manufaktur entwickelt also eine Hierarchie der Arbeitskräfte, der eine Stufen-
leiter der Arbeitslöhne entspricht. Wird einer-
seits der individuelle Arbeiter einer einseiti-
gen Funktion anggeeignet und lebenslang an-
nexiert, so werden ebensosehr die verschied-
nen Arbeitsverrichtungen jener Hierarchie der natürlichen und erworbenen Geschicklich-
keiten angepaßt.  

Jeder Produktionsprozeß
14. Division of Labor and Manufacture

quires certain simple manipulations, which every man is capable of doing. They too are now severed from their connexion with the more pregnant moments of activity, and ossified into exclusive functions of specially appointed laborers.

48 Dr. Ure, in his apotheosis of Modern Mechanical Industry, brings out the peculiar character of manufacture more sharply than previous economists, who had not his polemical interest in the matter, and more sharply even than his contemporaries Babbage, e.g., who, though much his superior as a mathematician and mechanician, treated mechanical industry from the standpoint of manufacture alone. Ure says, “This appropriation ... to each, a workman of appropriate value and cost was naturally assigned, forms the very essence of division of labor.” On the other hand, bedingt indes gewisse einfache Hantierungen, deren jeder Mensch, wie er geht und steht, fähig ist. Auch sie werden jetzt von ihrem flüssigen Zusammenhang mit den inhaltvollen Momenten der Tätigkeit losgelöst und zu ausschließlichen Funktionen verknöchert.

48 Dr. Ure in seiner Apotheose der großen Industrie fühlt die eigentümlichen Charaktere der Manufaktur schärfer heraus als frühere Ökonomen, die nicht sein polemisches Interesse hatten, und selbst als seine Zeitgenossen, z.B. Babbage, der ihm zwar überlegen ist als Mathematiker und Mechaniker, aber dennoch die große Industrie eigentlich nur vom Standpunkt der Manufaktur auffaßt. Ure bemerkt: „Die Aneignung der Arbeiter an jede Sonderoperation bildet das Wesen der Verteilung der Arbeiten.“ Andrerseits bezeichnet er diese Verteilung als „Anpassung der Arbeiten an die
he describes this division as “adaptation of labor to the different talents of men,” and lastly, characterises the whole manufacturing system as “a system for the division or gradation of labor,” as “the division of labor into degrees of skill,” etc. (Ure, l.c., pp. 19–23 passim.)

The simple “unskilled” manipulations are severed from the more difficult ones, and the unskilled laborer is created (same thing which was strictly excluded in the handicraft workshop).

On the one hand hierarchy, on the other hand simple separation. In both cases fall in the value of labor-power, more relative surplus-value. Is that why Marx talks about the relative devaluation of the labor-power? Yes, it is relative because the part of the day the worker works for himself becomes smaller (even if one might say that the day creates less value, it still creates the same use-value!) Thus we have: relative surplus-value not only by creating the same value with more surplus-value in it, but also by creating less value and the same surplus-value.

All these are means to lower wages:
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470:1 Hence, Manufacture begets, in every handicraft that it seizes upon, a class of so-called unskilled laborers, a class which handicraft industry strictly excluded. If it develops a one-sided speciality into a perfection, at the expense of the whole of a man’s working capacity, it also begins to make a speciality of the absence of all development. Alongside of the hierarchic gradation there steps the simple separation of the laborers into skilled and unskilled. For the latter, the cost of apprenticeship vanishes; for the former, it diminishes, compared with that of artificers, in consequence of the functions being simplified. In both cases the value of labor-power falls. 49

49 "Each handicraftsman being . . . enabled to

371:1 Die Manufaktur erzeugt daher in jedem Handwerk, das sie ergreift, eine Klasse sogenannter ungeschickter Arbeiter, die der Handwerksbetrieb streng ausschloß. Wenn sie die durchaus vereinseitigte Spezialität auf Kosten des ganzen Arbeitsvermögens zur Virtuosität entwickelt, beginnt sie auch schon den Mangel aller Entwicklung zu einer Spezialität zu machen. Neben die hierarchische Abstufung tritt die einfache Scheidung der Arbeiter in geschickte und unge- schickte. Für letztere fallen die Erlernungskosten ganz weg, für erstere sinken sie, im Vergleich zum Handwerker, infolge vereinfachter Funktion. In beiden Fällen sinkt der Wert der Arbeitskraft. 49

49 „Jeder Handwerker, der . . . instand gesetzt
perfect himself by practice in one point, became … a cheaper workman.” (Ure, l.c., p. 19.)

Exception: the decomposition of the labor-process also creates new comprehensive functions!

An exception to this law holds good whenever the decomposition of the labor-process begets new and comprehensive functions, that either had no place at all, or only a very modest one, in handicrafts. The fall in the value of labor-power, caused by the disappearance or diminution of the expenses of apprenticeship, implies a direct increase of surplus-value for the benefit of capital; for everything that shortens the necessary labor-time required for the reproduction of labor-power, extends the domain of surplus-labor.

Ausnahme findet statt, soweit die Zersetzung des Arbeitsprozesses neue zusammenfassende Funktionen erzeugt, die im Handwerksbetrieb gar nicht oder nicht in demselben Umfang vorkamen. Die relative Entwertung der Arbeitskraft, die aus dem Wegfall oder der Verminderung der Erlernungskosten entspringt, schließt unmittelbar höhere Verwertung des Kapitals ein, denn alles, was die zur Reproduktion der Arbeitskraft notwendige Zeit verkürzt, verlängert die Domäne der Mehrarbeit.
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14.4. Division of Labor in Manufacture and Division of Labor in Society

After having discussed the origin of the manufactural division of labor out of co-operation, its simple elements, and the totality of these elements, Marx turns now to it relation to the environment which gave birth to it, namely, the social division of labor underlying commodity production. This will then also reveal the capitalist character of the manufacturing type of division of labor.

We first considered the origin of Manufacture, then its simple elements, then the detail laborer and his implements, and finally, the totality of the mechanism. We shall now lightly touch upon the relation between the division of labor in manufacture, and the social division of labor, which forms the foundation of all production of commodities.

Wir betrachteten erst den Ursprung der Manufaktur, dann ihre einfachen Elemente, den Teilarbeiter und sein Werkzeug, endlich ihren Gesamtmechanismus. Wir berühren jetzt kurz das Verhältnis zwischen der manufakturmäßigen Teilung der Arbeit und der gesellschaftlichen Teilung der Arbeit, welche die allgemeine Grundlage aller Warenproduktion bildet.
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The next paragraph describes the relation between division of labor in society and in the manufactures using the categories in general and particular vs. in singular (im einzelnen).

471:1 If we keep labor alone in view, we may designate the separation of social production into its main divisions or genera—viz., agriculture, industries, etc., as division of labor in general, and the splitting up of these genera into species and sub-species, as division of labor in particular, and the division of labor within the workshop as division of labor in singular or in detail.50

371:3 Hält man nur die Arbeit selbst im Auge, so kann man die Trennung der gesellschaftlichen Produktion in ihre großen Gattungen, wie Agrikultur, Industrie usw., als Teilung der Arbeit im allgemeinen, die Sonderung dieser Produktionsgattungen in Arten und Unterarten als Teilung der Arbeit im besonderen, und die Teilung der Arbeit innerhalb einer Werkstatt als Teilung der Arbeit im einzelnen bezeichnen.50

50 “Division of labor proceeds from the separation of professions the most widely different to that division, where several laborers divide between them the preparation of one and the same product, as in manufacture.” (Storch: “Cours

50 „Die Teilung der Arbeit geht von der Trennung der verschiedenartigsten Professionen fort bis zu jener Teilung, wo mehrere Arbeiter sich in die Anfertigung eines und desselben Produkts teilen, wie in der Manufaktur.“ (Storch, „Cours
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Marx first collects the points which the division of labor in society and that in the workshop have in common, their “analogies” as Marx calls them in 474:1/ooo).
Next paragraph: *Origin* again twofold. Again it is made clear that the dialectics between
dependence and independence is responsible for this twofold origin. Note the *three* phases:
1) “Physiological” division of labor one of the points of departure.
2) Exchange on the borders of independent communities which produce different things
due to different conditions the other point of departure.
3) This exchange acts back on the internal division of labor, until the connection is medi-
ated only by the exchange of commodities between individuals.
This exchange occurs when the division of labor is fully developed and the centrifugal
part, the independence, gains the upper hand.

471:2/o Division of labor in a society, and
the corresponding tying down of individuals
to a particular calling, develops itself, just
as does the division of labor in manufacture,
from opposite starting-points.

First development path:
Within a family,\(^{50a}\) and after further devel-

372/o Die Teilung der Arbeit innerhalb
der Gesellschaft und die entsprechende Be-
schränkung der Individuen auf besondere Be-
rufssphären entwickelt sich, wie die Teilung
der Arbeit innerhalb der Manufaktur, von ent-
egegengesetzten Ausgangspunkten.

Innerhalb einer Familie,\(^{50a}\) weiter entwickelt
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Development within a tribe, there springs up naturally a division of labor, caused by differences of sex and age, a division that is consequently based on a purely physiological foundation, which division enlarges its materials by the expansion of the community, by the increase of population, and more especially, by the conflicts between different tribes, and the subjugation of one tribe by another.

50a Note to the third edition. Subsequent very searching study of the primitive condition of man, led the author to the conclusion, that it was not the family that originally developed into the tribe, but that, on the contrary, the tribe was the primitive and spontaneously developed form of human association, on the basis of blood relationship, and that out of the first incipient loos-

50a {Note zur 3. Aufl.—Spätere sehr gründliche Studien der menschlichen Urzustände führten den Verfasser zum Ergebnis, daß ursprünglich nicht die Familie sich zum Stamm ausgebildet, sondern umgekehrt, der Stamm die ursprüngliche naturwüchsige Form der auf Blutsverwandtschaft beruhenden menschlichen Vergesellschaftung war, so daß aus der beginnenden Auflösung der Stam-
ening of the tribal bonds, the many and various forms of the family were afterwards developed.
F. E.

The second development path was already discussed earlier, in 181:3/o:

On the other hand, as I have before remarked, the exchange of products springs up at the points where different families, tribes, communities, come in contact; for, in the beginning of civilisation, it is not private individuals but families, tribes, etc., that meet on an independent footing. Different communities find different means of production, and different means of subsistence in their natural environment. Hence, their modes of production, and of living, and their products are different. It is this spontaneously developed difference which, when different

communities come in contact, calls forth the mutual exchange of products, and the consequent gradual conversion of those products into commodities. Exchange does not create the differences between the spheres of production, but brings what are already different into relation, and thus converts them into more or less inter-dependent branches of the collective production of an enlarged society.

Comparison of and connection between the two development paths:

In the latter case, the social division of labor arises from the exchange between spheres of production, that are originally distinct and independent of one another. In the former, where the physiological division of labor is the starting-point, the particular or-

Hier entsteht die gesellschaftliche Teilung der Arbeit durch den Austausch ursprünglich verschiedener, aber voneinander unabhängiger Produktionssphären. Dort, wo die physiologische Teilung der Arbeit den Ausgangspunkt bildet, lösen sich die besonderen Organe ei-

1786
14.4. Division of Labor in Manufacture and in Society

gans of a compact whole grow loose, and
break off, principally owing to the exchange
of commodities with foreign communities,
and then isolate themselves so far, that the
sole bond still connecting the various kinds
of work is the exchange of the products as
commodities. In the one case, it is the mak-
ing dependent what was before independent;
in the other case, the making independent
what was before dependent.

Separation between town and country “foundation of every division of labor that it well
developed, and brought about by the exchange of commodities”.

472:1 The foundation of every division
of labor that is well developed, and brought
about by the exchange of commodities, is
the separation between town and country.51

373:1 Die Grundlage aller entwickelten
und durch Warenaustausch vermittelten Tei-
lung der Arbeit ist die Scheidung von Stadt
und Land.51 Man kann sagen, daß die gan-
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It may be said, that the whole economic history of society is summed up in the movement of this antithesis. We pass it over, however, for the present.

The formulation “movement of this contradiction” is revealing. It also applies to what Marx is doing in the present chapter: he is studying the movement of the division of labor contradiction.

51 Sir James Steuart is the economist who has handled this subject best. How little his book, which appeared ten years before the “Wealth of Nations,” is known, even at the present time, may be judged from the fact that the admirers of Malthus do not even know that the first edition of the latter’s work on population contains, except in the purely declamatory part, very little but extracts from Steuart, and in a less degree, from Wallace and Townsend.

Density of population in society a material prerequisite of division of labor, analogous to
the number of workers in the same workshop.

472:3/o Just as a certain number of simultaneously employed laborers are the material pre-requisites for division of labor in manufacture, so are the number and density of the population, which here correspond to the agglomeration in one workshop, a necessary condition for the division of labor in society.\(^{52}\)

\(^{52}\) “There is a certain density of population which is convenient, both for social intercourse, and for that combination of powers by which the produce of labor is increased.” (James Mill, l.c., p. 50.) “As the number of laborers increases, the productive power of society augments in the compound ratio of that increase, multiplied by the effects of the division of labor.” (Th. Hodgskin, l.c., pp. 125, 126.)

373:2 Wie für die Teilung der Arbeit innerhalb der Manufaktur eine gewisse Anzahl gleichzeitig angewandter Arbeiter die materielle Voraussetzung hildet, so für die Teilung der Arbeit innerhalb der Gesellschaft die Größe der Bevölkerung und ihre Dichtigkeit, die hier an die Stelle der Agglomeration in derselben Werkstatt tritt.\(^{52}\)

\(^{52}\) „Es gibt eine gewisse Bevölkerungsdichte, die zweckdienlich ist, sowohl für den gesellschaftlichen Verkehr als auch für jenes Zusammenwirken der Kräfte, durch das der Ertrag der Arbeit gesteigert wird.“ (James Mill, l.c. p. 50.) „Wenn die Zahl der Arbeiter wächst, steigt die Produktivkraft der Gesellschaft im gleichen Verhältnis zu diesem Wachstum, multipliziert mit der Wirkung der Arbeitsteilung.“ (Th. Hodgskin, l.c. p. 120.)
More details about what this density means:

Nevertheless, this density is more or less relative. A relatively thinly populated country, with well-developed means of communication, has a denser population than a more numerous populated country, with badly-developed means of communication; and in this sense the Northern States of the American Union, for instance, are more thickly populated than India.\(^{53}\)

\(^{53}\) In consequence of the great demand for cotton after 1861, the production of cotton, in some thickly populated districts of India, was extended at the expense of rice cultivation. In consequence there arose local famines, the defective means of communication not permitting the failure of rice in one district to be compensated by importation...
Connections between division of labor in manufacture and in society.

Since the production and the circulation of commodities are the general prerequisites of the capitalist mode of production, division of labor in manufacture requires that division of labor in society at large should previously have attained a certain degree of development. Inversely, the division of labor in the manufactures reacts upon and develops and multiplies that in society. Simultaneously, with the differentiation of the instruments of labor, the industries that produce these instruments, become more and more differentiated. If the manufacturing system seize upon an instrument that already exists - for example, a better tool - it will produce more. As a result, the manufacturing system gains on the agricultural system, and the rise of the manufacturing system is the reason for the fall of the agricultural system, which will also be driven by its own internal contradictions.
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industry, which, previously, was carried on in connexion with others, either as a chief or as a subordinate industry, and by one producer, these industries immediately separate their connexion, and become independent. If it seize upon a particular stage in the production of a commodity, the other stages of its production become converted into so many independent industries. It has already been stated, that where the finished article consists merely of a number of parts fitted together, the detail operations may re-establish themselves as genuine and separate handicrafts. In order to carry out more perfectly the division of labor in manufacture, a single branch of production is, according to the varieties of its raw materials, carried on as a chief or subordinate industry, and by one producer, these industries immediately separate their connexion, and become independent. If it seize upon a particular stage in the production of a commodity, the other stages of its production become converted into so many independent industries. It has already been stated, that where the finished article consists merely of a number of parts fitted together, the detail operations may re-establish themselves as genuine and separate handicrafts. In order to carry out more perfectly the division of labor in manufacture, a single branch of production is, according to the varieties of its raw materials.
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The Colonial system and the opening out of the markets of the world, or the various forms that one and the same raw material may assume, split up into numerous, and to some extent, entirely new manufactures. Accordingly, in France alone, in the first half of the 18th century, over 100 different kinds of silk stuffs were woven, and, in Avignon, it was law, that “every apprentice should devote himself to only one sort of fabrication, and should not learn the preparation of several kinds of stuff at once.” The territorial division of labor, which confines special branches of production to special districts of a country, acquires fresh stimulus from the manufacturing system, which exploits every special advantage. The Colonial system and the opening out of the markets of the world, be Rohstoff erhalten kann, in verschiedene, zum Teil ganz neue Manufakturen gespalten. So wurden bereits in der ersten Hälfte des 18. Jahrhunderts in Frankreich allein über 100 verschiedenenartige Seidenzeuge gewebt, und in Avignon z.B. war es Gesetz, daß „jeder Lehrling sich immer nur einer Fabrikationsart widmen und nicht die Verfertigung mehrerer Zeugarten zugleich lernen durfte“. Die territoriale Teilung der Arbeit, welche besondere Produktionszweige an besondere Distrikte eines Landes bannt, erhält neuen Anstoß durch den manufakturmäßigen Betrieb, der alle Besonderheiten ausbeutet. Reiches Material zur Teilung der Arbeit innerhalb der Gesellschaft liefert der Manufakturperiode die Erweiterung des Weltmarkts und das
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both of which are included in the general conditions of existence of the manufacturing period, furnish rich material for developing the division of labor in society. It is not the place, here, to go on to show how division of labor seizes upon, not only the economic, but every other sphere of society, and everywhere lays the foundation of that all engrossing system of specialising and sorting men, that development in a man of one single faculty at the expense of all other faculties, which caused A. Ferguson, the master of Adam Smith, to exclaim: “We make a nation of Helots, and have no free citizens.”56

54 Thus the fabrication of shuttles formed as early as the 17th century, a special branch of in-

Kolonialsystem, die zum Umkreis ihrer allgemeinen Existenzbedingungen gehören. Es ist hier nicht der Ort, weiter nachzuweisen, wie sie neben der ökonomischen jede andere Sphäre der Gesellschaft ergreift und überall die Grundlage zu jener Ausbildung des Fachwesens, der Spezialitäten, und einer Parzellierung des Menschen legt, die schon A. Ferguson, den Lehrer A. Smiths, in den Ausruf ausbrechen ließ: „Wir machen eine Nation von Heloten, und es gibt keine Freien unter uns.“56

54 So bildete die Fabrikation der Weberschiffchen schon während des 17. Jahrhunderts einen
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dustry in Holland.

55 Whether the woollen manufacture of England is not divided into several parts or branches appropriated to particular places, where they are only or principally manufactured; fine cloths in Somersetshire, coarse in Yorkshire, long ells at Exeter, soies at Sudbury, crapes at Norwich, linseys at Kendal, blankets at Whitney, and so forth.” (Berkeley: “The Querist,” 1751, §520.)


Essentital differences between division of labor in manufacture and that in society. They are mediated by different mechanism.

474:1/000 But, in spite of the numerous analogies and links connecting them, division of labor in the interior of a society, and that in the interior of a workshop, differ not only in degree, but also in kind. The analogy

besondren Industriezweig in Holland.

55 „Ist nicht die Wollmanufaktur Englands in verschiedene Teile oder Zweige geschieden, die sich an besonderen Orten festgesetzt haben, wo sie allein oder hauptsächlich hergestellt werden; feine Tuche in Somersetshire, grobe in Yorkshire, doppelbreite in Exeter, in Sudbury, Krepps in Norwich, Halbwollstoffe in Kendal, Decken in Whitney usw.!“ (Berkeley, „The Querist“, 1750, §520.)


375:1/00 Trotz der zahlreichen Analogien jedoch und der Zusammenhänge zwischen der Teilung der Arbeit im Innern der Gesellschaft und der Teilung innerhalb einer Werkstatt sind beide nicht nur graduell, sondern
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appears most indisputable where an inner bond unites different branches of trade. For instance the cattle-breeder produces hides, the tanner makes the hides into leather, and the shoemaker, the leather into boots. Here the thing produced by each of them is but a step towards the final form, which is the product of all their labors combined. There are, besides, all the various industries that supply the cattle-bred, the tanner, and the shoemaker with the means of production.

Marx brings and Achilles-heel critique of the notion that the distinction between division of labor in society and that in manufacture is only subjective: namely, he critiques it at the point where it seems most convincing.

Now it is quite possible to imagine, with Adam Smith, that the difference between

Man kann sich nun mit A. Smith einbilden, diese gesellschaftliche Teilung der Arbeit
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the above social division of labor, and the division in manufacture, is merely subjective, exists merely for the observer, who, in a manufacture, can see with one glance, all the numerous operations being performed on one spot, while in the instance given above, the spreading out of the work over great areas, and the great number of people employed in each branch of labor, obscure the connexion.\(^57\) But what is it that forms the bond between the independent labors of the cattle-breeder, the tanner, and the shoemaker? It is the fact that their respective products are commodities. What, on the other hand, characterises division of labor in manufactures? The fact that the detail laborer produces no commodities.\(^58\) It is only unterscheide sich von der manufakturmäßigen nur subjektiv, nämlich für den Beobachter, der hier die mannigfachen Teilarbeiten auf einen Blick räumlich zusammensieht, während dort ihre Zerstreuung über große Flächen und die große Zahl der in jedem Sonderzweig Beschäftigten den Zusammenhang verdunklen.\(^57\) Was aber stellt den Zusammenhang her zwischen den unabhängigen Arbeiten von Viehzüchtern, Tannern, Schuster? Das \textit{Dasein} ihrer respektiven Produkte als Waren. Was charakterisiert dagegen die manufakturmäßige Teilung der Arbeit? Daß der Teilarbeiter keine Ware produziert.\(^58\) Erst das gemeinsame Produkt der Teilarbeiter verwandelt sich in Ware.\(^58a\) Die Teilung der Arbeit im Innern der Gesellschaft ist vermit-
the common product of all the detail laborers that becomes a commodity. Division of labor in society is brought about by the purchase and sale of the products of different branches of industry, while the connexion between the detail operations in a workshop is due to the sale of the labor-power of several workmen to one capitalist, who applies it as combined labor-power. The division of labor in the workshop implies concentration of the means of production in the hands of one capitalist; the division of labor in society implies their dispersion among many independent producers of commodities. While within the workshop, the iron law of proportionality subjects definite numbers of workmen to definite functions, in
telt durch den Kauf und Verkauf der Produkte verschiedener Arbeitszweige, der Zusammenhang der Teilarbeiten in der Manufaktur durch den Verkauf verschiedener Arbeitskräfte an denselben Kapitalisten, der sie als kombinierte Arbeitskraft verwendet. Die manufakturmäßige Teilung der Arbeit unterstellt Konzentration der Produktionsmittel in der Hand eines Kapitalisten, die gesellschaftliche Teilung der Arbeit Zersplitterung der Produktionsmittel unter viele voneinander unabhängige Warenproduzenten. Statt daß in der Manufaktur das eherne Gesetz der Verhältniszahl oder Proportionalität bestimmte Arbeitermassen unter Funktionen subsumiert, treiben Zufall und Willkür ihr buntes Spiel in der Verteilung der Warenproduzen-
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the society outside the workshop, chance and caprice have full play in distributing the producers and their means of production among the various branches of industry. The different spheres of production, it is true, constantly tend to an equilibrium: for, on the one hand, while each producer of a commodity is bound to produce a use-value, to satisfy a particular social want, and while the extent of these wants differs quantitatively, still there exists an inner relation which settles their proportions into a regular system, and that system one of spontaneous growth; and, on the other hand, the law of the value of commodities ultimately determines how much of its disposable working-time society can expend on each particular ten and ihrer Produktionsmittel unter die verschiedenen gesellschaftlichen Arbeitszweige. Zwar suchen sich die verschiedenen Produktionssphären beständig ins Gleichgewicht zu setzen, indem einerseits jeder Warenproduzent einen Gebrauchswert produzieren, also ein besondres gesellschaftliches Bedürfnis befriedigen muß, der Umfang dieser Bedürfnisse aber quantitativ verschieden ist und ein innres Band die verschiedenen Bedürfnismassen zu einem naturwühsgigen System verkettet; indem andererseits das Wertgesetz der Waren bestimmt, wieviel die Gesellschaft von ihrer ganzen disponiblen Arbeitszeit auf die Produktion jeder besondren Warenart verausgaben kann. Aber diese beständige Tendenz der verschiedenen Produktionssphären, sich
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class of commodities. But this constant tendency to equilibrium, of the various spheres of production, is exercised, only in the shape of a reaction against the constant upsetting of this equilibrium. The *a priori* system on which the division of labor, within the workshop, is regularly carried out, becomes in the division of labor within the society, an *a posteriori*, nature-imposed necessity, controlling the lawless caprice of the producers, and perceptible in the barometrical fluctuations of the market-prices.

57 In manufacture proper, he says, the division of labor appears to be greater, because “those employed in every different branch of the work can often be collected into the same workhouse, and placed at once under the view of the spectator. In those great manufactures, (!) on the contrary, ins Gleichgewicht zu setzen, betätigt sich nur als Reaktion gegen die beständige Aufhebung dieses Gleichgewichts. Die bei der Teilung der Arbeit im Innern der Werkstatt *a priori* und planmäßig befolgte Regel wirkt bei der Teilung der Arbeit im Innern der Gesellschaft nur *a posteriori* als innre, stumme, im Barometerwechsel der Marktpreise wahrnehmbare, die regellose Willkür der Warenproduzenten überwältigende Naturnotwendigkeit.

57 In den eigentlichen Manufakturen, sagt er, scheint die Teilung der Arbeit größer, weil „die in jedem einzelnen Arbeitszweig Beschäftigten oft in einem Arbeitshaus zusammen sein und vom Beobachter mit einem Blick übersehen werden können. In jenen großen Manufakturen (!) dagegen, wel-
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which are destined to supply the great wants of the great body of the people, every different branch of the work employs so great a number of workmen, that it is impossible to collect them all into the same workhouse ... the division is not near so obvious.” (A. Smith: “Wealth of Nations,” bk. i, ch. i.) The celebrated passage in the same chapter that begins with the words, “Observe the accommodation of the most common artificer or day-laborer in a civilised and thriving country,” etc., and then proceeds to depict what an enormous number and variety of industries contribute to the satisfaction of the wants of an ordinary laborer, is copied almost word for word from B. de Mandeville’s Remarks to his “Fable of the Bees, or Private Vices, Publick Benefits.” (First ed., without the remarks, 1706; with the remarks, 1714.)

58 “There is no longer anything which we can che dazu bestimmt sind, die Hauptbedürfnisse der großen Masse der Bevölkerung zu befriedigen, sind in jedem einzelnen Arbeitszweig so viele Arbeiter beschäftigt, daß man sie unmöglich in einem Arbeitshaus zusammenbringen kann ... die Teilung ist nicht annähernd so offensichtlich.“ (A. Smith, „Wealth of Nations“, b. I, ch. I.) Der berühmte Passus in demselben Kapitel, der mit den Worten beginnt: „Man betrachte die Habe des gewöhnlichsten Handwerkers oder Tagelöhners in einem zivilisierten und blühenden Lande usw.“ und dann weiter ausmalt, wie zahllos mannigfaltige Gewerbe zur Befriedigung der Bedürfnisse eines gewöhnlichen Arbeiters zusammenwirken, ist ziemlich wörtlich kopiert aus B. de Mandevilles Remarks zu seiner „Fable of the Bees, or, Private Vices, Publick Benefits.“ (Erste Ausgabe ohne Remarks 1705, mit den Remarks 1714.)

58 „Es gibt aber nichts mehr, was man als den
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call the natural reward of individual labor. Each laborer produces only some part of a whole, and each part, having no value or utility in itself, there is nothing on which the laborer can seize, and say: It is my product, this I will keep to myself.” (“Labor Defended against the Claims of Capital.” Lond., 1825, p. 25.) The author of this admirable work is the Th. Hodgskin I have already cited.

58a This distinction between division of labor in society and in manufacture, was practically illustrated to the Yankees. One of the new taxes devised at Washington during the civil war, was the duty of 6% “on all industrial products.” Question: What is an industrial product? Answer of the legislature: A thing is produced “when it is made,” and it is made when it is ready for sale. Now, for one example out of many. The New York and Philadelphia manufacturers had previ-
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ousy been in the habit of “making” umbrellas with all their belongings. But since an umbrella is a *mixtum compositum* of very heterogeneous parts, by degrees these parts became the products of various separate industries, carried on independently in different places. They entered as separate commodities into the umbrella manufactory, where they were fitted together. The Yankees have given to articles thus fitted together, the name of “assembled articles,” a name they deserve, for being an assemblage of taxes. Thus the umbrella “assembles,” first, 6% on the price of each of its elements, and a further 6% on its own total price.

Anarchy of market and despotism in the workshop cause each other. Bourgeois apologists contradict themselves because they try to defend both on general grounds.
Division of labor within the workshop implies the undisputed authority of the capitalist over men, that are but parts of a mechanism that belongs to him. The division of labor within the society brings into contact independent commodity-producers, who acknowledge no other authority but that of competition, of the coercion exerted by the pressure of their mutual interests; just as in the animal kingdom, the *bellum omnium contra omnes* more or less preserves the conditions of existence of every species. The same bourgeois mind which praises division of labor in the workshop, life-long annexation of the laborer to a partial operation, and his complete subjection to capital, as being an organisation of labor that in-
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creases its productiveness, that same bourgeois mind denounces with equal vigour every conscious attempt to socially control and regulate the process of production, as an inroad upon such sacred things as the rights of property, freedom and unrestricted play for the bent of the individual capitalist. It is very characteristic that the enthusiastic apologists of the factory system have nothing more damning to urge against a general organisation of the labor of society, than that it would turn all society into one immense factory.

Those who celebrate factories so much don’t want society to be turned into a factory.

From here to end of section: Historical overview with examples from the Asian mode of production and from guilds. It shows how prior societies systematically prevented the
division of labor in the workshop. Why? Because the individual laborer had to remain connected with his means of production? Does Marx mention here the discrepancy between the stability of Indian village and political storms in order to point this out: how close the individual was to his own means of production? Only after developed commodity production, which is already the preliminary step to the expropriation of the producers (see Umschlag des Appropriationsgesetzes) will the division of labor be able to enter the individual workshop. Example how the social relations of production and the organization of labor in the workshop are connected (general—singular (individual?)), and thus gives the transition to the next section.

477:1 If, in a society with capitalist production, anarchy in the social division of labor and despotism in that of the workshop are mutual conditions the one of the other, we find, on the contrary, in those earlier forms of society in which the separation of trades has been spontaneously developed, then crystallised, and finally made perma-

377:1/o Wenn die Anarchie der gesellschaftlichen und die Despotie der manufakturäßigen Arbeitsteilung einander in der Gesellschaft der kapitalistischen Produktionsweise bedingen, bieten dagegen frühere Gesellschaftsformen, worin die Besonderung der Gewerbe sich naturwüchsig entwickelt, dann kristallisiert und endlich gesetzlich be-
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nent by law, on the one hand, a specimen of the organisation of the labor of society, in accordance with an approved and authoritative plan, and on the other, the entire exclusion of division of labor in the workshop, or at all events a mere dwarflike or sporadic and accidental development of the same. 59

59 “On peut ... établir en règle générale, que moins l’autorité préside à la division du travail dans l’intérieur de la société, plus la division du travail se développe dans l’intérieur de l’atelier, et plus elle y est soumise à l’autorité d’un seul. Ainsi l’autorité dans l’atelier et celle dans la société, par rapport à la division du travail, sont en raison inverse l’une de l’autre.” (Karl Marx, “Misère,” etc., pp. 130–131.)

477:2/oo Those small and extremely ancient Indian communities, some of which festigt hat, einerseits das Bild einer plan- und autoritätsmäßigen Organisation der gesellschaftlichen Arbeit, während sie anderseits die Teilung der Arbeit innerhalb der Werkstatt ganz ausschließen oder nur auf einem Zwergmaßstab oder nur sporadisch und zufällig entwickeln. 59

59 „Man kann als allgemeine Regel aufstellen: Je weniger die Autorität der Teilung der Arbeit innerhalb der Gesellschaft vorsteht, desto mehr entwickelt sich die Arbeitsteilung im Innern der Werkstatt und um so mehr ist sie der Autorität eines einzelnen unterworfen. Danach steht die Autorität in der Werkstatt und die in der Gesellschaft, in bezug auf die Arbeitsteilung, im umgekehrten Verhältnis zueinander.“ (Karl Marx, l.c. p. 130, 131.)

378:1/o Jene uralternümlichen, kleinen indischen Gemeinwesen z.B., die zum Teil
have continued down to this day, are based on possession in common of the land, on the blending of agriculture and handicrafts, and on an unalterable division of labor, which serves, whenever a new community is started, as a plan and scheme ready cut and dried. Occupying areas of from 100 up to several thousand acres, each forms a compact whole producing all it requires. The chief part of the products is destined for direct use by the community itself, and does not take the form of a commodity. Hence, production here is independent of that division of labor brought about, in Indian society as a whole, by means of the exchange of commodities. It is the surplus alone that becomes a commodity, and a portion of even
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that, not until it has reached the hands of the State, into whose hands from time immemorial a certain quantity of these products has found its way in the shape of rent in kind. The constitution of these communities varies in different parts of India. In those of the simplest form, the land is tilled in common, and the produce divided among the members. At the same time, spinning and weaving are carried on in each family as subsidiary industries. Side by side with the masses thus occupied with one and the same work, we find the “chief inhabitant,” who is judge, police, and tax-gatherer in one; the book-keeper, who keeps the accounts of the tillage and registers everything relating thereto; another official, who prose-

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cutures criminals, protects strangers travelling through and escorts them to the next village; the boundary man, who guards the boundaries against neighbouring communities; the water-overseer, who distributes the water from the common tanks for irrigation; the Brahmin, who conducts the religious services; the schoolmaster, who on the sand teaches the children reading and writing; the calendar-Brahmin, or astrologer, who makes known the lucky or unlucky days for seed-time and harvest, and for every other kind of agricultural work; a smith and a carpenter, who make and repair all the agricultural implements; the potter, who makes all the pottery of the village; the barber, the washerman, who washes clothes, the silversmith, Grenzmann, der die Grenzen der Gemeinde gegen die Nachbargemeinden bewacht; den Wasseraufseher, der das Wasser aus den gemeinschaftlichen Wasserbehältern zu Ackerbauzwecken verteilt; den Braminen, der die Funktionen des religiösen Kultus verrichtet; den Schulmeister, der die Gemeindekinder im Sand schreiben und lesen lehrt; den Kalendarbramen, der als Astrolog die Zeiten für Saat, Ernte und die guten und bösen Stunden für alle besondren Ackerbauarbeiten angibt; einen Schmied und einen Zimmermann, welche alle Ackerbauwerkzeuge verfertigen und ausbessern; den Töpfer, der alle Gefäße für das Dorf macht; den Barbier, den Wäscher für die Reinigung der Kleider, den Silberschmied, hier und da den
here and there the poet, who in some communities replaces the silversmith, in others the schoolmaster. This dozen of individuals is maintained at the expense of the whole community. If the population increases, a new community is founded, on the pattern of the old one, on unoccupied land. The whole mechanism discloses a systematic division of labor; but a division like that in manufactures is impossible, since the smith and the carpenter, etc., find an unchanging market, and at the most there occur, according to the sizes of the villages, two or three of each, instead of one. The law that regulates the division of labor in the community acts with the irresistible authority of a law of Nature, at the same time that each individ-
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ual artificer, the smith, the carpenter, and so on, conducts in his workshop all the operations of his handicraft in the traditional way, but independently, and without recognising any authority over him. The simplicity of the organisation for production in these self-sufficing communities that constantly reproduce themselves in the same form, and when accidentally destroyed, spring up again on the spot and with the same name, this simplicity supplies the key to the secret of the unchangeableness of Asiatic societies, an unchangeableness in such striking contrast with the constant dissolution and refounding of Asiatic States, and the never-ceasing changes of dynasty. The structure of the economic elements of society remains un-
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touched by the storm-clouds of the political sky.

This division of labor is like a natural law, and like the natural laws it does not affect the freedom of the producers.


61 “Under this simple form ... the inhabitants of the country have lived from time immemorial. The boundaries of the villages have been but seldom altered; and though the villages themselves have been sometimes injured, and even desolated by war, famine, and disease, the same name, the same limits, the same interests, and even the same families, have continued for
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The inhabitants give themselves no trouble about the breaking up and division of kingdoms; while the village remains entire, they care not to what power it is transferred, or to what sovereign it devolves; its Internal economy remains unchanged.” (Th. Stamford Raffles, late Lieut. Gov. of Java: “The History of Java.” Lond., 1817, Vol. I., p. 285.)

The discussion of the guilds begins with an elaboration of a remark made in 422:2/423:

The rules of the guilds, as I have said before, by limiting most strictly the number of apprentices and journeymen that a single master could employ, prevented him from becoming a capitalist. Moreover, he could not employ his journeymen in many other handicrafts than the one in which he was a master. The guilds zealously repelled rationen fortgesetzt. Die Einwohner ließen sich durch den Zusammenbruch und die Teilung von Königreichen nicht anfechten; solange das Dorf ungeteilt bleibt, ist es ihnen gleichgültig, an welche Macht es abgetreten wird oder welchem Herrscher es zufällt. Seine innere Wirtschaft bleibt unverändert.“ (Th. Stamfort Raffles, late Lieut. Gov. of Java, „The History of Java“, Lond. 1817, v. I, p. 285.)

379:1/o Die Zunftgesetze, wie schon früher bemerkt, verhinderten planmäßig, durch äußerste Beschränkung der Gesellenzahl, die ein einzelner Zunftmeister beschäftigen durfte, seine Verwandlung in einen Kapitalisten. Ebenso konnte er Gesellen nur beschäftigen in dem ausschließlichen Handwerk, worin er selbst Meister war. Die Zunft wehrte ei-
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every encroachment by the capital of merchants, the only form of free capital with which they came in contact. A merchant could buy every kind of commodity, but labor as a commodity he could not buy. He existed only on sufferance, as a dealer in the products of the handicrafts. If circumstances called for a further division of labor, the existing guilds split themselves up into varieties, or founded new guilds by the side of the old ones; all this, however, without concentrating various handicrafts in a single workshop. Hence, the guild organisation, however much it may have contributed by separating, isolating, and perfecting the handicrafts, to create the material conditions for the existence of manufacture, excluded fersüchtig jeden Übergriff des Kaufmannskapitals ab, der einzig freien Form des Kapitals, die ihr gegenüberstand. Der Kaufmann konnte alle Waren kaufen, nur nicht die Arbeit als Ware. Er war nur geduldet als Verleger der Handwerksprodukte. Riefen äußere Umstände eine fortschreitende Teilung der Arbeit hervor, so zerspalteten sich bestehende Zünfte in Unterarten oder lagerten sich neue Zünfte neben die alten hin, jedoch ohne Zusammenfassung verschiedener Handwerke in einer Werkstatt. Die Zunftorganisation, sosehr ihre Besonderung, Isolierung und Ausbildung der Gewerbe zu den materiellen Existenzbedingungen der Manufakturperiode gehören, schloß daher die manufakturmäßige Teilung der Arbeit aus. Im großen und ganzen blie-
division of labor in the workshop. On the whole, the laborer and his means of production remained closely united, like the snail with its shell, and thus there was wanting the principal basis of manufacture, the separation of the laborer from his means of production, and the conversion of these means into capital.

480:1 While division of labor in society at large, whether such division be brought about or not by exchange of commodities, is common to economic formations of society the most diverse, division of labor in the workshop, as practised by manufacture, is a special creation of the capitalist mode of production alone.

380:1 Während die Teilung der Arbeit im Ganzen einer Gesellschaft, ob vermittelt oder unvermittelt durch den Warenaustausch, den verschiedenartigsten ökonomischen Gesellschaftsformationen angehört, ist die manufakturmäßige Teilung der Arbeit eine ganz spezifische Schöpfung der kapitalistischen Produktionsweise.
14.5. The Capitalist Character of Manufacture

This section shows how manufacture is the realization, objectification, of the capitalistic relations of production, and where its limits lie, which prevent it from being the ultimate capitalistic mode of production.

¶ It is no longer a mere tendency of capital to increase its size, but for technological reasons capitalist enterprises which are too small cannot function in those industries where manufactures have developed: Increasing minimum size of capital becomes a law.

480:2 An increased number of laborers under the control of one capitalist is the natural starting-point, as well of co-operation generally, as of manufacture in particular.

At the very beginning, the motivation of the capitalists to combine many workers was economic, not technological: the more workers the capitalist would employ, the more surplus-value he would get. From a technological point of view, this point of departure was therefore naturwüchsig. But once manufacture has been developed, the increase in establishments becomes a technical necessity:
14. Division of Labor and Manufacture

But the division of labor in manufacture makes this increase in the number of workmen a technical necessity.

It does so in two ways: (a) regarding the already existing technology, and (b) for the sake of possible further developments of the technology.

The minimum number that any given capitalist is bound to employ is here prescribed by the previously established division of labor. On the other hand, the advantages of further division are obtainable only by adding to the number of workmen, and this can be done only by adding multiples of the various detail groups.

↑ I.e., this increase cannot be incremental but it requires doubling or tripling of the original scale, so that the present economies of the division of labor can be maintained.

↓ Along with the number of workers also the constant capital must increase, even faster
than the variable capital due to the increased productivity:

But an increase in the variable component of the capital employed necessitates an increase in its constant component, too, in the workshops, implements, etc., and, in particular, in the raw material, the call for which grows quicker than the number of workmen. The quantity of it consumed in a given time, by a given amount of labor, increases in the same ratio as does the productive power of that labor in consequence of its division. Hence, it is a law, based on the very nature of manufacture, that the minimum amount of capital, which is bound to be in the hands of each capitalist, must keep increasing; in other words, that the transformation into capital of the social means of production

Mit dem variablen muß aber auch der konstante Bestandteil des Kapitals wachsen, neben dem Umfang der gemeinsamen Produktionsbedingungen, wie Baulichkeiten, Öfen usw., namentlich auch und viel rascher als die Arbeiteranzahl, das Rohmaterial. Seine Masse, verzehrt in gegebener Zeit durch gegebenes Arbeitsquantum, nimmt in demselben Verhältnis zu wie die Produktivkraft der Arbeit infolge ihrer Teilung. Wachsender Minimalumfang von Kapital in der Hand der einzelnen Kapitalisten oder wachsende Verwandlung der gesellschaftlichen Lebensmittel und Produktionsmittel in Kapital ist also ein aus dem technischen Charakter der Manufaktur entspringendes Gesetz.62
14. *Division of Labor and Manufacture*

and subsistence must keep extending. The footnote ends with an interesting quote from the *Poverty of Philosophy*:

62 “It is not sufficient that the capital” (the writer should have said the necessary means of subsistence and of production) “required for the subdivision of handicrafts should be in readiness in the society: it must also be accumulated in the hands of the employers in sufficiently large quantities to enable them to conduct their operations on a large scale . . . The more the division increases, the more does the constant employment of a given number of laborers require a greater outlay of capital in tools, raw material, etc.” (Storch: “Cours d’Econ. Polit.” Paris Ed., t. I., pp. 250, 251.) “La concentration des instruments de production et la division du travail sont aussi inséparables l’une de l’autre que le sont, dans le régime politique, la concentration

62 „Es genügt nicht, daß das zur Unterabteilung der Handwerke nötige Kapital“ (sollte heißen, die dazu nötigen Lebens- und Produktionsmittel) „sich in der Gesellschaft vorhanden vorfinde; es ist außerdem nötig, daß es in den Händen der Unternehmer in hinreichend beträchtlichen Massen akkumuliert sei, um sie zur Arbeit auf großer Stufenleiter zu befähigen . . . Je mehr die Teilung zunimmt, erheischt die beständige Beschäftigung einer selben Zahl von Arbeitern immer beträchtlicheres Kapital in Werkzeugen, Rohstoffen usw.“ (Storch, „Cours d’Écon. Polit.“, Pariser Ausg., t. I, p. 250, 251.) „Die Konzentration der Produktionsinstrumente und die Arbeitsteilung sind ebenso untrennbar voneinander wie auf dem Gebiete der Politik die Zentralisation der öffentlichen Gewal-
The common denominator of the next two paragraphs (in French it is more than two) is something like the following: In the dialectics between combination and separation, the advantages of the combination always fall to the capitalist, while the costs of the separation are borne by the worker. Now I am thinking there is only one paragraph, then a new subdivision starts.

1) Productive forces springing from the combination of the laborers appear as productive forces of capital (same as in simple co-operation)

2) “Manufacture . . . not only subjects the . . . workman to the discipline and command of capital, but, in addition creates a hierarchic gradation of the workmen themselves.” Furthermore, each individual worker is quasi cut into pieces (the English translation does not make it very clear, obviously the translator did not understand this point; but the French uses the word “morcelé” ::23377:2::: (check this page number!)

3) The labor-power becomes really, not only economically, the property of capital because the individual laborer can not even use his labor-power otherwise. Further development in 557:1/oo, is this p. 557:1/oo or a different portion of that paragraph, that not only use value
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but also exchange-value is lost. (In the beginning of capitalism, he only lacked the means of production.) This is very relevant. Those professional and technical laborers who still have some skills today are less exploited than the unskilled laborer who is even deprived of his skills.

4) (New Paragraph in F, G, and E): The mental part of the production process, which is no longer required for the detail laborer but only for the aggregate laborer as a whole, are separated from the workers and appropriated by capital. This process will be completed in great industry.

481/ο In manufacture, as well as in simple co-operation, the collective working organism is a form of existence of capital. The mechanism that is made up of numerous individual detail laborers belongs to the capitalist. Hence, the productive power resulting from a combination of labors appears as the productive power of capital.

The Moore-Aveling translation “appears to be” is wrong.

The productive powers not only seem to be springing from capital but their social form is such that socially they count as springing from capital. See 451:1 about this.

Manufacture proper not only subjects the previously independent workman to the discipline and command of capital, but, in addition, creates a hierarchic gradation of the workmen themselves.

Now there is no longer only a hierarchy between capitalist and laborer (but also discipline for the laborer) but also hierarchy between the laborers.

But the changes which the working class undergoes go beyond this:

While simple co-operation leaves the mode of working by the individual for the most part unchanged, manufacture thoroughly revolutionizes it, and seizes labor-power by its very roots. It converts the laborer into a
crippled monstrosity, by forcing his detail dexterity at the expense of a world of productive capabilities and instincts; just as in the States of La Plata they butcher a whole beast for the sake of his hide or his tallow. Not only is the detail work distributed to the different individuals, but the individual himself is made the automatic motor of a fractional operation, and the absurd fable of Menenius Agrippa, which makes man a mere fragment of his own body, becomes realised.

63 Dugald Stewart calls manufacturing laborers “living automatons . . . employed in the details of the work.” (l.c., p. 318.)

Sie verkrüppelt den Arbeiter in eine Abnormität, indem sie sein Detailgeschick treib- hausmäßig fördert durch Unterdrückung einer Welt von produktiven Trieben und Anlagen, wie man in den La-Plata-Staaten ein ganzes Tier abschlachtet, um sein Fell oder seinen Talg zu erbeuten. Die besonderen Teilarbeiten werden nicht nur unter verschiedene Individuen verteilt, sondern das Individuum selbst wird geteilt, in das automatische Trie- werk einer Teilarbeit verwandelt und die abgeschmackte Fabel des Menenius Agrippa verwirklicht, die einen Menschen als bloßes Fragment seines eignen Körpers darstellt.

63 Dugald Stewart nennt die Manufakturarbeiter „lebende Automaten . . ., die für Teilarbeiten ver- wandt werden“. (l.c. p. 318.)
64 In corals, each individual is, in fact, the stomach of the whole group; but it supplies the group with nourishment, instead of, like the Roman patrician, withdrawing it.

⇓ I.e., it is no longer just separation of labor from the means of production, but labor itself has become unuseable without capital.

If, at first, the workman sells his labor-power to capital, because the material means of producing a commodity fail him, now his very labor-power refuses its services unless it has been sold to capital. Its functions can be exercised only in an environment that exists in the workshop of the capitalist after the sale. By nature unfitted to make anything independently, the manufacturing laborer develops productive activity as a mere appendage of the capitalist’s workshop. 65

64 Bei den Korallen bildet jedes Individuum in der Tat den Magen für die ganze Gruppe. Es führt ihr aber Nahrungsstoff zu, statt wie der römische Patrizier ihn wegzuführen.

Wenn der Arbeiter ursprünglich seine Arbeitskraft an das Kapital verkauft, weil ihm die materiellen Mittel zur Produktion einer Ware fehlen, versagt jetzt seine individuelle Arbeitskraft selbst ihren Dienst, sobald sie nicht an das Kapital verkauft wird. Sie funktioniert nur noch in einem Zusammenhang, der erst nach ihrem Verkauf existiert, in der Werkstatt des Kapitalisten. Seiner natürlichen Beschaffenheit nach verunfähig, etwas Selbständiges zu machen, entwickelt
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As the chosen people bore in their features the sign manual of Jehovah, so division of labor brands the manufacturing workman as the property of capital.

65 “L’ouvrier qui porte dans ses bras tout un métier, peut aller partout exercer son industrie et trouver des moyens de subsister: l’autre (the manufacturing laborer) n’est qu’un accessoire qui, séparé de ses confrères, n’a plus ni capacité, ni indépendance, et qui se trouve force d’accepter la loi qu’on juge à propos de lui imposer.” (Storch, l.c., Petersb. edit., 1815, t. I., p. 204.)

From now until 484:2–485:0: How the working class changes.

65 „Der Arbeiter, der ein ganzes Handwerk beherrscht, kann überall arbeiten und seinen Unterhalt finden: der andere“ (der Manufakturarbeiter) „ist nur noch ein Zubehör und besitzt, von seinen Arbeitskollegen getrennt, weder Befähigung noch Unabhängigkeit und ist deshalb gezwungen, das Gesetz anzunehmen, das man für richtig hält, ihm aufzuerlegen.“ (Storch, l.c., édit. Petersb. 1815, t. I, p. 204.)
482:1 The knowledge, the judgement, and the will, which, though in ever so small a degree, are practised by the independent peasant or handicraftsman, in the same way as the savage makes the whole art of war consist in the exercise of his personal cunning these faculties are now required only for the workshop as a whole. Intelligence in production expands in one direction, because it vanishes in many others. What is lost by the detail laborers, is concentrated in the capital that employs them. It is a result of the division of labor in manufactures, that the laborer is brought face to face with the intellectual potencies of the material process of production, as the property of another, and as a ruling power. This separ-

382:1 Die Kenntnisse, die Einsicht und der Wille, die der selbständige Bauer oder Handwerker, wenn auch auf kleinem Maßstab, entwickelt, wie der Wilde alle Kunst des Kriegs als persönliche List ausübt, sind jetzt nur noch für das Ganze der Werkstatt erheischt. Die geistigen Potenzen der Produktion erweitern ihren Maßstab auf der einen Seite, weil sie auf vielen Seiten verschwinden. Was die Teilarbeiter verlieren, konzentriert sich ihnen gegenüber im Kapital. Es ist ein Produkt der manufakturmäßigen Teilung der Arbeit, ihnen die geistigen Potenzen des materiellen Produktionsprozesses als fremdes Eigentum und sie beherrschende Macht gegenüberzustellen. Dieser Scheidungsprozeß beginnt in der einfachen Kooperation, wo der Kapitalist
ration begins in simple co-operation, where the capitalist represents to the single workman, the oneness and the will of the associated labor. It is developed in manufacture which cuts down the laborer into a detail laborer. It is completed in modern industry, which makes science a productive force distinct from labor and presses it into the service of capital.\textsuperscript{67}

\textsuperscript{66} A. Ferguson, l.c., p. 281: “The former may have gained what the other has lost.”

\textsuperscript{67} “The man of knowledge and the productive laborer come to be widely divided from each other, and knowledge, instead of remaining the handmaid of labor in the hand of the laborer to increase his productive powers . . . has almost everywhere arrayed itself against labor . . . systematically deluding and leading them (the laborers) den einzelnen Arbeitern gegenüber die Einheit und den \textit{Willen} des gesellschaftlichen Arbeitskörpers vertritt. Er entwickelt sich in der Manufaktur, die den Arbeiter zum Teilarbeiter verstümmelt. Er vollendet sich in der großen Industrie, welche die Wissenschaft als selbständige Produktionspotenz von der Arbeit trennt und in den Dienst des Kapitals preßt.\textsuperscript{67}

\textsuperscript{66} A. Ferguson, l.c. p. 281: „Der eine mag gewonnen haben, was der andere verloren hat.“

\textsuperscript{67} „Der Mann des Wissens und der produktive Arbeiter sind weit voneinander getrennt, und die Wissenschaft, statt in der Hand des Arbeiters seine eigenen Produktivkräfte für ihn selbst zu vermehren, hat sich fast überall ihm gegenübergestellt . . . Kenntnis wird ein Instrument, fähig, von der Arbeit getrennt und ihr entgegengesetzt zu werden.“
astray in order to render their muscular powers entirely mechanical and obedient.” (W. Thompson: “An Inquiry into the Principles of the Distribution of Wealth.” London, 1824, p. 274.)

Increase of social at the expense of a decrease of the individual productive forces

How the division of labor depends on the ignorance of the workers.

483:1 In manufacture, in order to make the collective laborer, and through him capital, rich in social productive power, each laborer must be made poor in individual productive powers.

"Ignorance is the mother of industry as well as of superstition. Reflection and fancy are subject to err; but a habit of moving the hand or the foot is independent of either. Manufactures, accordingly, prosper most where the mind is least consulted, and where the workshop may . . . be considered as an engine, the
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parts of which are men.”  

As a matter of fact, some few manufacturers in the middle of the 18th century preferred, for certain operations that were trade secrets, to employ half-idiotic persons.  

68 A. Ferguson, l.c., p. 280.  


↓ How the division of causes the crippling of body and mind. The quote of Garnier illustrates that the ruling class does not want to remedy this, since it depends on it.

483:2 “The understandings of the greater part of men,” says Adam Smith, “are necessarily formed by their ordinary employments. The

383:4–6 „Der Geist der großen Mehrzahl der Menschen“, sagt A. Smith, „entwickelt sich notwendig aus und an ihren Alltagsverrichtungen.
man whose whole life is spent in performing a few simple operations ... has no occasion to exert his understanding ... He generally becomes as stupid and ignorant as it is possible for a human creature to become.”

After describing the dullness of the detail laborer he goes on:

“The uniformity of his stationary life naturally corrupts the courage of his mind ... It corrupts even the activity of his body and renders him incapable of exerting his strength with vigour and perseverance in any other employments than that to which he has been bred. His dexterity at his own particular trade seems in this manner to be acquired at the expense of his intellectual, social, and martial virtues. But in every improved and civilised society, this is

Ein Mensch, der sein ganzes Leben in der Ver-richtung weniger einfacher Operationen veraus-gabt ... hat keine Gelegenheit, seinen Verstand zu üben ... Er wird im allgemeinen so stu-pid und unwissend, wie es für eine menschliche Kreatur möglich ist.“

Nachdem Smith den Stumpfsinn des Teilar-beiters geschildert, fährt er fort:

„Die Einförmigkeit seines stationären Lebens verdirbt natürlich auch den Mut seines Gei-stes ... Sie zerstört selbst die Energie sei-nes Körpers und verunfähigtt ihn, seine Kraft schwunghaft und ausdauernd anzuwenden, au-ßer in der Detailbeschäftigung, wozu er her-an gezogen ist. Sein Geschick in seinem be-sondren Gewerke scheint so erworben auf Ko-sten seiner intellektuellen, sozialen und kriege-rischen Tugenden. Aber in jeder industriellen
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the state into which the laboring poor, that is, the great body of the people, must necessarily fall.”

70 A. Smith: “Wealth of Nations,” Bk. v., ch. i, art. ii. Being a pupil of A. Ferguson who showed the disadvantageous effects of division of labor, Adam Smith was perfectly clear on this point. In the introduction to his work, where he *ex professo* praises division of labor, he indicates only in a cursory manner that it is the source of social inequalities. It is not till the 5th Book, on the Revenue of the State, that he reproduces Ferguson. In my "Misère de la Philosophie," I have sufficiently explained the historical connexion between Ferguson, A. Smith, Lemontey, and Say, as regards their criticisms of Division of Labor, and have shown, for the first time, that Division and zivilisierten Gesellschaft ist dies der Zustand, worin der arbeitende Arme (the labouring poor), d.h. die große Masse des Volks notwendig verfallen muß.”

70 A. Smith, „Wealth of Nations“, b. V, ch. I, art. II. Als Schüler A. Fergusons, der die nachteiligen Folgen der Teilung der Arbeit entwickelt hatte, war A. Smith über diesen Punkt durchaus klar. Im Eingang seines Werks, wo die Teilung der Arbeit ex professo gefeiert wird, deutet er sie nur vorübergehend als Quelle der gesellschaftlichen Ungleichheiten an. Erst im 5. Buch über das Staatseinkommen reproduziert er Ferguson. Ich habe in „Misère de a Philosophie“ das Nötige über das historische Verhältnis von Ferguson, A. Smith, Lemontey und Say in ihrer Kritik der Teilung der Arbeit gegeben und dort auch zuerst die manufakturmäßige Teilung der Arbeit als spezifische Form der kapitali-
of Labor as practised in manufactures, is a specific form of the capitalist mode of production.

483:1 For preventing the complete deterioration of the great mass of the people by division of labor, A. Smith recommends education of the people by the State, but prudently, and in homeopathic doses. G. Garnier, his French translator and commentator, who, under the first French Empire, quite naturally developed into a senator, quite as naturally opposes him on this point. Education of the masses, he urges, violates the first law of the division of labor, and with it "our whole social system would be proscribed." "Like all other divisions of labor," he says, "that between hand labor and head

384:1–2 Um die aus der Teilung der Arbeit entspringende völlige Verkümmerung der Volksmasse zu verhindern, empfiehlt A. Smith Volksunterricht von Staats wegen, wenn auch in vorsichtig homöopathischen Dosen. Konsequent polemisiert dagegen sein französischer Übersetzer und Kommentator, G. Garnier, der sich unter dem ersten französischen Kaisertum naturgemäß zum Senator entpuppte. Volksunterricht verstoße wider die ersten Gesetze der Teilung der Arbeit und mit demselben „proskribiere man unser ganzes Gesellschaftssystem“. „Wie alle andren Teilungen der Arbeit“, sagte er, „wird die zwischen Handar-
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 labor\textsuperscript{71} is more pronounced and decided in proportion as society (he rightly uses this word, for capital, landed property and their State) becomes richer. This division of labor, like every other, is an effect of past, and a cause of future progress … ought the government then to work in opposition to this division of labor, and to hinder its natural course? Ought it to expend a part of the public money in the attempt to confound and blend together two classes of labor, which are striving after division and separation?"\textsuperscript{72}

\textsuperscript{71} Ferguson had already said, l.c., p. 281: “And thinking itself, in this age of separations, may become a peculiar craft.”

\textsuperscript{72} G. Garnier, vol. V. of his translation of A.
Smith, pp. 4–5.

Concluding remarks pointing out the exploitative character of this kind of division of labor.

484:2–485:0 Some crippling of body and mind is inseparable even from division of labor in society as a whole. Since, however, manufacture carries this social separation of branches of labor much further, and also, by its peculiar division, attacks the individual at the very roots of his life, it is the first to afford the materials for, and to give a start to, industrial pathology.\textsuperscript{73}

Now a quote:

“To subdivide a man is to execute him, if he deserves the sentence, to assassinate him if he

384:3–385:1 Eine gewisse geistige und körperliche Verkrüppelung ist unzertrennlich selbst von der Teilung der Arbeit im ganzen und großen der Gesellschaft. Da aber die Manufakturperiode diese gesellschaftliche Zerspaltung der Arbeitszweige viel weiter führt, andererseits erst mit der ihr eigentümlichen Teilung das Individuum an seiner Lebenswurzel ergreift, liefert sie auch zuerst das Material und den Anstoß zur industriellen Pathologie.\textsuperscript{73}

„Einen Menschen unterabteilen, heißt ihn hirrichten, wenn er das Todesurteil verdient, ihn
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The subdivision of labor is the assassination of a people.”


Ramazzini, Professor der praktischen Medizin zu Padua, veröffentlichte 1713 sein Werk „De morbis artificum“, 1777 ins Französische übersetzt, wieder abgedruckt 1841 in der „Encyclopédie des Sciences Médicales. 7me Div. Auteurs Classiques“. Die Periode der großen Industrie hat seinen Katalog der Arbeiterkrankheiten natürlich sehr vermehrt. Siehe u.a. „Hygiène physique et morale de l’ouvrier dans les grandes villes en général, et dans la ville de Lyon en particulier“. Par le Dr. A. L. Fonteret, Paris 1858, und [R. H. Rohatzsch,] „Die Krankheiten, welche verschiedenen Ständen, Altern und Geschlechtern eigenthümlich sind“, 6 Bände, Ulm 1840. Im Jahre 1854 ernannte die Society of Arts eine Un-
into industrial pathology. The list of documents collected by this commission is to be seen in the catalogue of the “Twickenham Economic Museum.” Very important are the official “Reports on Public Health.” See also Eduard Reich, M. D., “Ueber die Entartung des Menschen,” Erlangen, 1868.

74 (D. Urquhart: “Familiar Words.” Lond., 1855, p. 119.) Hegel held very heretical views on division of labor. In his “Rechtsphilosophie” he says: “By well educated men we understand in the first instance, those who can do everything that others do.”

Next comes an insert which partly repeats things developed before. Characterization of
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division of labor in manufacture as a means of exploitation, contrast to earlier social division of labor.

-Origin of manufacture.

485:1 Co-operation based on division of labor, in other words, manufacture, commences as a spontaneous formation. So soon as it attains some consistence and extension, it becomes the recognised methodical and systematic form of capitalist production. History shows how the division of labor peculiar to manufacture, strictly so called, acquires the best adapted form at first by experience, as it were behind the backs of the actors, and then, like the guild handicrafts, strives to hold fast that form when once found, and here and there succeeds in keeping it for centuries. Any al-

385:2 Die auf Teilung der Arbeit beruhende Kooperation oder die Manufaktur ist in ihren Anfängen ein naturwüchsiges Gebild. Sobald sie einige Konsistenz und Breite des Daseins gewonnen, wird sie zur bewußten, planmäßigen und systematischen Form der kapitalistischen Produktionsweise. Die Geschichte der eigentümliche Teilung der Arbeit zunächst erfahrungsmäßig, gleichsam hinter dem Rücken der handelnden Personen, die sachgemäßen Formen gewinnt, dann aber, gleich dem züngtigen Handwerke, die einmal gefundne Form traditionell festzuhalten
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...
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75 The simple belief in the inventive genius exercised a priori by the individual capitalist in division of labor, exists now-a-days only among German professors, of the stamp of Herr Roscher, who, to recompense the capitalist from whose Jovian head division of labor sprang ready formed, dedicates to him “various wages” (diverse Arbeitslöhne). The more or less extensive application of division of labor depends on length of purse, not on greatness of genius.

↓ Productive forces developed in manufacture are used for production of relative surplus-value, exploitation.

486:1 By decomposition of handicrafts, by specialisation of the instruments of labor, by the formation of detail laborers, and by grouping and combining the latter into a

386:1 Die manufakturmäßige Teilung der Arbeit schafft durch Analyse der handwerksmäßigen Tätigkeit, Spezifizierung der Arbeitsinstrumente, Bildung der Teilarbeiter, ih-
single mechanism, division of labor in manufacture creates a qualitative gradation, and a quantitative proportion in the social process of production; it consequently creates a definite organisation of the labor of society, and thereby develops at the same time new productive forces in the society. In its specific capitalist form and under the given conditions, it could take no other form than a capitalistic one. Manufacture is but a particular method of begetting relative surplus-value, or of augmenting at the expense of the laborer the self-expansion of capital usually called social wealth, “Wealth of Nations,” etc. It increases the social productive power of labor, not only for the benefit of the capitalist instead of for that of the laborer, but
it does this by crippling the individual laborers. It creates new conditions for the lordship of capital over labor. If, therefore, on the one hand, it presents itself historically as a progress and as a necessary phase in the economic development of society, on the other hand, it is a refined and civilised method of exploitation.

By contrast: the social division of labor in antiquity serves to improve the quality of product and capability of producer, not an instrument of exploitation!

486:2/ooo Political Economy, which as an independent science, first sprang into being during the period of manufacture, views the social division of labor only from the
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standpoint of manufacture, and sees in it only the means of producing more commodities with a given quantity of labor, and, consequently, of cheapening commodities and hurrying on the accumulation of capital. In most striking contrast with this accentuation of quantity and exchange-value, is the attitude of the writers of classical antiquity, who hold exclusively by quality and use-value. In consequence of the separation of the social branches of production, commodities are better made, the various bents and talents of men select a suitable field, and without some restraint no important results can be obtained anywhere. Hence both product and producer are improved by division of labor. If the growth of
the quantity produced is occasionally mentioned, this is only done with reference to the greater abundance of use-values. There is not a word alluding to exchange-value or to the cheapening of commodities. This aspect, from the standpoint of use-value alone, is taken as well by Plato,\(^\text{80}\) who treats division of labor as the foundation on which the division of society into classes is based, as by Xenophon,\(^\text{81}\) who with characteristic bourgeois instinct, approaches more nearly to division of labor within the workshop. Plato’s Republic, in so far as division of labor is treated in it, as the formative principle of the State, is merely the Athenian idealisation of the Egyptian system of castes, Egypt having served as the model of an industrial

durch die Teilung der Arbeit. Wird gelegentlich auch das Wachstum der Produktenmasse erwähnt, so nur mit Bezug auf die größere Fülle des Gebrauchswerts. Es wird mit keiner Silbe des Tauschwerts, der Verwohlfeilerung der Waren gedacht. Dieser Standpunkt des Gebrauchswerts herrscht sowohl bei Plato\(^\text{80}\), der die Teilung der Arbeit als Grundlage der gesellschaftlichen Scheidung der Stände behandelt, als bei Xenophon\(^\text{81}\), der mit seinem charakteristisch bürgerlichen Instinkt schon der Teilung der Arbeit innerhalb einer Werkstatt näher rückt. Platos Republik, soweit in ihr die Teilung der Arbeit als das gestaltende Prinzip des Staats entwickelt wird, ist nur atheniensische Idealisierung des ägyptischen Kastenwesens, wie Ägypten als industrielles
country to many of his contemporaries also, amongst others to Isocrates, and it continued to have this importance to the Greeks of the Roman Empire.

76 The older writers, like Petty and the anonymous author of “Advantages of the East India Trade,” bring out the capitalist character of division of labor as applied in manufacture more than A. Smith does.

77 Amongst the moderns may be excepted a few writers of the 18th century, like Beccaria and James Harris, who with regard to division of labor almost entirely follow the ancients. Thus, Beccaria: “Ciascuno prova coll’esperienza, che applicando la mano e l’ingegno sempre allo stesso genere di opere e di produtte, egli più facilì, più abbondanti e migliori ne traca risultati, di quello che se ciascuno isolatamente le cose
14. Division of Labor and Manufacture

tutte a se necessarie soltanto facesse . . . Dividen-
dosi in tal maniera per la comune e privata utilità
gli uomini in varie classi e condizioni.” (Ce-
Custodi, Parte Moderna, t. xi, p. 29.) James Har-
riss, afterwards Earl of Malmesbury, celebrated
for the “Diaries” of his embassy at St. Peters-
burg, says in a note to his “Dialogue Concerning
Happiness,” Lond., 1741, reprinted afterwards
in “Three Treatises, 3 Ed., Lond., 1772: “The
whole argument to prove society natural (i.e., by
division of employments) . . . is taken from the
second book of Plato’s Republic.”

78 Thus, in the Odyssey xiv., 228, ‘ἀλλος
γὰρ τ’ἀλλοισιν ἀνήρ ἐπιτέρπεται ἔργοις’ and
Archilochus quoted by Sextus Empiricus ‘ἀλλος
ἀλλω ἐπ’ ἔργῳ καρδίην ιαίνεται’ in , [greek: “”].

len würde . . . Auf diese Weise teilen sich die Men-
schen zum Nutzen der Allgemeinheit und zu ihrem
eigen Vorteil in verschiedene Klassen und Stände.“
(Cesare Beccaria, „Elementi di Econ. Publica“, ed.
Custodi, Part. Moderna, t. XI, p. 28.) James Har-
riss, später Earl of Malmesbury, berühmt durch die
„Diaries“ über seine Gesandtschaft in Petersburg,
sagt selbst in einer Note zu seinem „Dialogue con-
cerning Happiness“, London 1741, später wieder
abgedruckt in „Three Treatises etc.“, 3. ed., Lond.
1772: „Der ganze Beweis dafür, daß die Gesells-
schaft etwas Natürliches ist“ (nämlich durch die
„Teilung der Beschäftigungen“), „ist dem zweiten
Buch von Platos „Republik“ entnommen.“

78 So in der Odyssee, XIV, 228: „Denn ein and-
rer Mann ergötzt sich auch an andren Arbeiten“
und Archilochus beim Sextus Empiricus: „Jeder
erquickt seinen Sinn bei anderer Arbeit.“
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79 ‘Πολλ’ ἕπιστατο ἔργα, κακῶς δ’ ἕπιστατο πάντα’—Every Athenian considered himself superior as a producer of commodities to a Spartan; for the latter in time of war had men enough at his disposal but could not command money, as Thucydides makes Pericles say in the speech inciting the Athenians to the Peloponnesian war: “σωμασι τε ἐτοιμότεροι οἱ αὐτουργοὶ τῶν ἀνθρώπων ἢ κρήμασι πολεμεῖν” (Thuc.: Bk I. para. 141.) Nevertheless, even with regard to material production, αὐταρκεία, as opposed to division of labor remained their ideal, ‘παρ’ ὡν γὰρ τὸ, εὖ, παρὰ τούτων καὶ τὸ αὐταρκεῖς. It should be mentioned here that at the date of the fall of the 30 Tyrants there were still not 5,000 Athenians without landed property.

80 With Plato, division of labor within the community is a development from the multifarious requirements, and the limited capacities...
of individuals. The main point with him is, that the laborer must adapt himself to the work, not the work to the laborer; which latter is unavoidable, if he carries on several trades at once, thus making one or the other of them subordinate. Où γάρ ἐθέλει τὸ πραττόμενον τὴν τοῦ πράττοντος σχολὴν περιμένειν, ἀλλὰ ἀνάγκη τὸν πράττοντα τῷ πραττομένῳ ἔπαχολευθεῖν μὴ ἐν παρέργῳ μέρει. 'Ανάγκη. Ἐκ δὴ τούτων πλεῖω τε ἔχαστα γίγνεται καὶ καλλιον καὶ ὅριο, ὅταν εἰς ἐν κατὰ φύσιν καὶ ἐν καρφῷ σχολὴν τῶν ἄλλων ἄγων, πράττῃ. (Rep. I. 2. Ed. Baiter, Orelli, etc.) So in Thucydides, l.c., c. 142: "Seafaring is an art like any other, and cannot, as circumstances require, be carried on as a subsidiary occupation; nay, other subsidiary occupations cannot be carried on alongside of this one." If the work, says Plato, has to wait for the laborer, the critical point in the process is der Individuen. Hauptgesichtspunkt bei ihm, daß der Arbeiter sich nach dem Werk richten müsse, nicht das Werk nach dem Arbeiter, was unvermeidlich, wenn er verschiedene Künste zugleich, also eine oder die andre als Nebenwerk treibe. "Denn die Arbeit will nicht warten auf die freie Zeit dessen, der sie macht, sondern der Arbeiter muß sich an die Arbeit halten, aber nicht in leichtfertiger Weise.—Dies ist notwendig.—Daraus folgt also, daß man mehr von allem verfertigt und so wohl schöner als auch leichter, wenn einer nur eine Sache macht, seiner natürlichen Begabung gemäß und zur richtigen Zeit, frei von andern Geschäften.“ („De Republica“, II, 2. ed., Baiter, Orelli etc.) Ähnlich bei Thukydides, l.c. c. 142: „Das Seewesen ist eine Kunst so sehr wie irgend etwas andres und kann nicht bei etwa vorkommenden Fällen als Nebenwerk betrieben werden, sondern vielmehr nichts andres neben ihm als Neben-
missed and the article spoiled, ‘ἔργον καρόν, διόλλυται’ The same Platonic idea is found recurring in the protest of the English bleachers against the clause in the Factory Act that provides fixed mealtimes for all operatives. Their business cannot wait the convenience of the workmen, for “in the various operations of singeing, washing, bleaching, mangling, calendering, and dyeing, none of them can be stopped at a given moment without risk of damage ... to enforce the same dinner hour for all the workpeople might occasionally subject valuable goods to the risk of danger by incomplete operations.” Le platonisme où va-t-il se nicher!

81 Xenophon says, it is not only an honour to receive food from the table of the King of Per-
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sia, but such food is much tastier than other food.
“And there is nothing wonderful in this, for as
the other arts are brought to special perfection in
the great towns, so the royal food is prepared in a
special way. For in the small towns the same man
makes bedsteads, doors, ploughs, and tables: of-
ten, too, he builds houses into the bargain, and
is quite content if he finds custom sufficient for
his sustenance. It is altogether impossible for
a man who does so many things to do them all
well. But in the great towns, where each can
find many buyers, one trade is sufficient to main-
tain the man who carries it on. Nay, there is of-
ten not even need of one complete trade, but one
man makes shoes for men, another for women.
Here and there one man gets a living by sewing,
another by cutting out shoes; one does nothing
but cut out clothes, another nothing but sew the
pieces together. It follows necessarily then, that
erhalten, sondern diese Speisen seien auch viel
schmackhafter als andre. „Und dies ist nichts
Wunderbares, denn wie die übrigen Künste in den
großen Städten besonders vervollkommnet sind,
ebenso werden die königlichen Speisen ganz ei-
gens zubereitet. Denn in den kleinen Städten
macht derselbe Bettstelle, Türe, Pflug, Tisch; oft
baut er obendrein noch Häuser und ist zufrieden,
wenner er selbst so eine für seinen Unterhalt ausrei-
chende Kundschaft findet. Es ist rein unmöglich,
daß ein Mensch, der so vielerlei treibt, alles gut
mache. In den großen Städten aber, wo jeder ein-
zelle viele Käufer findet, genügt auch ein Hand-
werk, um seinen Mann zu nähren. Ja oft gehört
dazu nicht einmal ein ganzes Handwerk, sondern
der eine macht Mannsschuhe, der andre Weibers-
schuhe. Hier und da lebt einer bloß vom Nähen,
der andre vom Zuschneiden der Schuhe; der ei-
ne schneidet bloß Kleider zu, der andre setzt die
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he who does the simplest kind of work, undoubtedly does it better than anyone else. So it is with the art of cooking.” (Xen. Cyrop. I. viii., c. 2.) Xenophon here lays stress exclusively upon the excellence to be attained in use-value, although he well knows that the gradations of the division of labor depend on the extent of the market.

82 He (Busiris) divided them all into special castes . . . commanded that the same individuals should always carry on the same trade, for he knew that they who change their occupations become skilled in none; but that those who constantly stick to one occupation bring it to the highest perfection. In truth, we shall also find that in relation to the arts and handicrafts, they have outstripped their rivals more than a master does a bungler; and the contrivances for maintaining the monarchy and the other institutions

Stücke nur zusammen. Notwendig ist es nun, daß der Verrichter der einfachsten Arbeit sie unbedingt auch am besten macht. Ebenso steht’s mit der Kochkunst.“ (Xen., „Cyrop.“, l. VIII, c. 2.) Die zu erzielende Güte des Gebrauchswerts wird hier aus- schließlich fixiert, obgleich schon Xenophon die Stufenleiter der Arbeitsteilung vom Umfang des Markts abhängig weiß.

82 „Er“ (Busiris) „teilte alle in besondere Kas- sten . . . befahl, daß immer die nämlichen die glei- chen Geschäfte treiben sollten, weil er wußte, daß die, welche mit ihren Beschäftigungen wechseln, in keinem Geschäft gründlich werden; die aber, welche beständig bei denselben Beschäftigungen bleiben, jedes aufs vollendetste zustande bringen. Wirklich werden wir auch finden, daß sie in Beziehung auf Künste und Gewerbe ihre Riva- len mehr übertroffen haben als sonst der Meister den Stümper und in Beziehung auf die Einrich-
of their State are so admirable that the most celebrated philosophers who treat of this subject praise the constitution of the Egyptian State above all others. (Isocrates, Busiris, c. 8.)

83 Cf. Diodorus Siculus.

Inner limitations of divisions of labor from the point of view of capital, which do not yet make it the most adequate form of capitalistic production (because it is still too much built on the basis of the earlier mode of production).

↓ Laborer: Since the skill of the laborer is still the basis of manufacture, resistance and insubordination of the skilled laborers:

489:1/o During the manufacturing period proper, i.e., the period during which manufacture is the predominant form taken by capitalist production, many obstacles are opposed to the full development of the peculiar tendencies of manufacture. Although

389:1–2 Während der eigentlichen Manufakturperiode, d.h. der Periode, worin die Manufaktur die herrschende Form der kapitalistischen Produktionsweise, stößt die volle Ausführung ihrer eignen Tendenzen auf vielseitige Hindernisse. Obgleich sie, wie wir
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manufacture creates, as we have already seen, a simple separation of the laborers into skilled and unskilled, simultaneously with their hierarchic arrangement in classes, yet the number of the unskilled laborers, owing to the preponderating influence of the skilled, remains very limited. Although it adapts the detail operations to the various degrees of maturity, strength, and development of the living instruments of labor, thus conducing to exploitation of women and children, yet this tendency as a whole is wrecked on the habits and the resistance of the male laborers. Although the splitting up of handicrafts lowers the cost of forming the workman, and thereby lowers his value, yet for the more difficult detail work, a longer
apprenticeship is necessary, and, even where it would be superfluous, is jealously insisted upon by the workmen. In England, for instance, we find the laws of apprenticeship, with their seven years’ probation, in full force down to the end of the manufacturing period; and they are not thrown on one side till the advent of Modern Industry. Since handicraft skill is the foundation of manufacture, and since the mechanism of manufacture as a whole possesses no framework, apart from the laborers themselves, capital is constantly compelled to wrestle with the insubordination of the workmen.

Now a quote:

“By the infirmity of human nature,” says friend Ure, “it happens that the more skilful

„Die Schwäche der menschlichen Natur“, ruft Freund Ure aus, „ist so groß, daß der Arbeiter,
the workman, the more self-willed and intractable he is apt to become, and of course the less fit a component of a mechanical system in which ... he may do great damage to the whole.”

84 Ure, l.c., p. 20.

Hence throughout the whole manufacturing period there runs the complaint of want of discipline among the workmen.85 And had we not the testimony of contemporary writers, the simple facts, that during the period between the 16th century and the epoch of Modern Industry, capital failed to become the master of the whole disposable working-time of the manufacturing laborers, that manufactures are short-lived, and change their locality from one country to

je geschickter, desto eigenwilliger und schwieriger zu behandeln wird und folglich dem Gesamtmechanismus durch seine rappelköpfigen Launen schweren Schaden zufügt." 84

84 Ure, l.c. p. 20.

390:1 Durch die ganze Manufakturperiode läuft daher die Klage über den Disziplinmangel der Arbeiter.85 Und hätten wir nicht die Zeugnisse gleichzeitiger Schriftsteller, die einfachen Tatsachen, daß es vom 16. Jahrhundert bis zur Epoche der großen Industrie dem Kapital mißlingt, sich der ganzen disponiblen Arbeitszeit der Manufakturarbeiter zu bemächtigen, daß die Manufakturen kurzlebig sind und mit der Ein- oder Auswandlung der Arbeiter ihren Sitz in dem einen Land
another with the emigrating or immigrating workmen, these facts would speak volumes. “Order must in one way or another be established,” exclaims in 1770 the oft-cited author of the “Essay on Trade and Commerce.” “Order,” re-echoes Dr. Andrew Ure 66 years later, “Order” was wanting in manufacture based on “the scholastic dogma of division of labor,” and “Arkwright created order.”

85 This is more the case in England than in France, and more in France than in Holland.

Means of production: Technical basis too narrow.

490:1 At the same time manufacture was unable, either to seize upon the production of society to its full extent, or to revolu-

verlassen und in dem andren aufschlagen, würden Bibliotheken sprechen. „Ordnung muß auf die eine oder die andre Weise gestiftet werden“, ruft 1770 der wiederholt zitierte Verfasser des „Essay on Trade and Commerce“. Ordnung, hallt es 66 Jahre später zurück aus dem Mund des Dr. Andrew Ure, „Ordnung“ fehlte in der auf „dem scholastischen Dogma der Arbeit“ beruhenden Manufaktur, und „Arkwright schuf die Ordnung“.

85 Das im Text Gesagte gilt viel mehr für England als für Frankreich und mehr für Frankreich als Holland.

390:2 Zugleich konnte die Manufaktur die gesellschaftliche Produktion weder in ihrem ganzen Umfang ergreifen noch in ihrer
tionise that production to its very core. It towered up as an economic work of art, on the broad foundation of the town handicrafts, and of the rural domestic industries. At a given stage in its development, the narrow technical basis on which manufacture rested, came into conflict with requirements of production that were created by manufacture itself.

But manufacture itself creates the way out of this impasse by producing—machinery.

490:2/o One of its most finished creations was the workshop for the production of the instruments of labor themselves, including especially the complicated mechanical apparatus then already employed.

A machine-factory, says Ure, “displayed the division of labor in manifold gradations the
file, the drill, the lathe, having each its different workman in the order of skill.” (p. 21.)

This workshop, the product of the division of labor in manufacture, produced in its turn—machines. It is they that sweep away the handicraftsman’s work as the regulating principle of social production. Thus, on the one hand, the technical reason for the lifelong annexation of the workman to a detail function is removed. On the other hand, the fetters that this same principle laid on the dominion of capital, fall away.

This, of course, is a fitting transition to the next chapter.
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15.1. The Development of Machinery

The first paragraph is an introduction to the whole chapter, not just the first section:

492:1 John Stuart Mill says in his “Principles of Political Economy”:

“It is questionable if all the mechanical inventions yet made have lightened the day’s toil of any human being.”

391:1–3 John Stuart Mill sagt in seinen „Prinzipien der politischen Ökonomie“:

„Es ist fraglich, ob alle bisher gemachten mechanischen Erfindungen die Tagesmühle irgendeines menschlichen Wesens erleichtert haben.“

Mill’s aphorism introduces one of the main questions of chapter Fifteen: what is the
purpose of capitalist machinery? Marx’s answer is twofold. (1) In the footnote, he re-formulates the aphorism to bring out better what Mill probably meant with it:

86 Mill should have said, “OF ANY HUMAN BEING NOT FED BY OTHER PEOPLE’S LABOR,” for, without doubt, machinery has greatly increased the number of well-to-do idlers.

86 „It is questionable, if all the mechanical inventions yet made have lightened the day’s toil of any human being.“ Mill hätte sagen sollen, „of any human being not fed by other people’s labor“, denn die Maschinerie hat unstreitig die Zahl der vornehmen Müßiggänger sehr vermehrt.

Marx takes it here as a generally known fact that machinery increases the number of “well-to-do idlers” (rate of surplus value reflected in demography); more about this in 572:3/o at end of section ??.

(2) In the main text, Marx criticizes Mill for making the wrong assumptions:

That is, however, by no means the aim of the capitalistic application of machinery. Like every other increase in the productiveness of labour, the purpose of machinery is to cheapen commodities, and, by shortening that portion of the working-day, in which

Solches ist jedoch auch keineswegs der Zweck der kapitalistisch verwandten Maschinerie. Gleich jeder andern Entwicklung der Produktivkraft der Arbeit soll sie Waren verwohlfeilen und den Teil des Arbeitstags, den der Arbeiter für sich selbst braucht, verkürzen,
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the laborer works for himself, to lengthen the other portion that he gives, without an equivalent, to the capitalist. In short, it is a means for producing surplus-value.

↑ Interestingly, Marx juxtaposes the purpose of (1) “cheapening” the commodities as an independent purpose, instead of subordinate to, (2) increasing relative surplus-value. The capitalists are introducing machinery to increase their profits even if they are not aware that an enduring rise in profits can only come from a cheapening of the worker’s means of subsistence.

The question whether and how the capitalist application of machinery achieves this purpose, and what the implications of this process are for the laborer, will be developed in the present chapter. ↓ In order to determine the proper starting point for this inquiry, Marx looks at the commonalities and differences between machinery and manufactures:

492:2 In manufacture, the revolution in the mode of production has labor-power as its point of origin, and in modern industry the instruments of labor.

391:4 Die Umwälzung der Produktionsweise nimmt in der Manufaktur die Arbeitskraft zum Ausgangspunkt, in der großen Industrie das Arbeitsmittel.
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Both were technological innovations driven by the profit motive, but the division of labor in the manufactories develops the laborer himself and his work process, while machinery is a development of his tools. The question to be addressed in this first section is therefore the following:

Our first inquiry then is, how the instruments of labor are converted from tools into machines, or how a machine distinguishes itself from the implements of a handicraft?

The “or,” as so often, connects two aspects of the same thing: the first aspect sees it as a historical process, the forces at work, while the second aspect sees it from the point of view of the inner logic which generates these forces. “Distinguish itself” does not mean here “how machinery is special” but “which are the real characteristics differentiating hand tools from machinery.” Marx is therefore looking for the real definition of machinery. The real definition of machinery and the historical origin of capitalist machinery take up the first section.

Marx concludes his introductory preliminaries with an interesting methodological dis-
We are only concerned here with the grand and general characteristics; for epochs in the history of society are no more separated from each other by hard and fast lines of demarcation, than are geological epochs.

Große, allgemeine Charakterzüge should not be translated with “striking,” as the Moore-Aveling translation does. The basic regularities are likely to be enduring but, exactly because of their persistence, they are often not perceived as striking.

15.1.a. [Difference between Tool and Machine]

Now it starts. Marx first looks at the capitalist production process as a labor process, and in section ?? he will discuss the valorization aspect of it. Marx’s first project is the development of a real definition of machinery. For this, he examines two common definitions of a machine from the literature:
492:3/o Mathematicians and mechanicians, and in this they are followed by a few English economists, call a tool a simple machine, and a machine a complex tool. They see no essential difference between them, and even give the name of machine to the simple mechanical powers, the lever, the inclined plane, the screw, the wedge, etc.\(^\text{87}\) It is true, every machine is a combination of those simple powers, no matter how they may be disguised. From the economic standpoint however this explanation is useless, because it lacks the historical element.

\(^{87}\) See, for instance, Hutton: “Course of Mathematics.”

\(^{87}\) Sieh z.B. Huttons „Course of Mathematics“.

↑ Although it is undeniable that machines are composed of these simple mechanical ele-
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ments, Marx says that this “explanation” is useless for an economist—because “it lacks the historical element,” i.e., this explanation disregards the specific reasons that led to the development of machinery. A few paragraphs later, in 494:1, Marx gives an analysis in which the historical element is included.

The next explanation cannot be dismissed as quickly for methodological reasons. It does have some merit, but we will see later that it is still not quite correct. This definition recognizes that machinery replaces the workers, but only the worker in his function as motive power, not the worker as the operator of the tools. Marx will deal at length with this distinction later in this section:

One also finds the following explanation of the difference between tool and machine: in the case of a tool, man is the motive power, while the motive power of a machine is something different from man, as, for instance, an animal, water, wind, and so on.88

Andrerseits sucht man den Unterschied zwischen Werkzeug und Maschine darin, daß beim Werkzeug der Mensch die Bewegungskraft, bei der Maschine eine von der menschlichen verschiedene Naturkraft, wie Tier, Wasser, Wind usw.88

Marx does not say here whether or to what extent this definition must be rejected. Rather, he sends mixed signals. On the one hand, footnote 88 says that the book containing this
definition is “in many respects to be recommended:”

88 “From this point of view we may draw a sharp line of distinction between a tool and a machine: spades, hammers, chisels, etc., combinations of levers and of screws, in all of which, no matter how complicated they may be in other respects, man is the motive power, ... all this falls under the idea of a tool; but the plough, which is drawn by animal power, and wind-mills, etc., must be classed among machines.” (Wilhelm Schulz: “Die Bewegung der Produktion.” Zürich, 1843, p. 38.) In many respects a book to be recommended.

Danach wäre ein mit Ochsen bespannter Pflug, der den verschiedensten Produktionsepochen angehört, eine Maschine, Claussens...

Danach wäre ein mit Ochsen bespannter Pflug, der den verschiedensten Produktionsepochen angehört, eine Maschine, Claussens...

Despite these positive remarks in the footnote, Marx brings, in the main text, considerations that make it questionable that this definition is right:

According to this, a plough drawn by oxen, which is a contrivance common to the most different epochs, would be a machine, while...
Claussen’s circular loom, which, worked by a single laborer, weaves 96,000 picks per minute, would be a mere tool. Nay, this very loom, though a tool when worked by hand, would, if worked by steam, be a machine. And since the application of animal power is one of man’s earliest inventions, production by machinery would have preceded production by handicrafts.

We will see later that the replacement of the human as a power source is not the real definition of machinery; its real definition is the replacement of the human as the one who holds and operates the tools that manipulate the object of labor. (Note that such a replacement of the human worker is not the same as the enhancement of the worker’s powers. The introduction of machinery in socialism will have as much the purpose to enhance the worker’s powers as to relieve him from chores.)

Marx will also argue that, once the human as operator of tools has been replaced, also his replacement as a power source is imminent. The error of the present definition is therefore
that it does not capture the main driving force leading to the industrial revolution, but instead uses a secondary criterion which is a consequence of this main driving force. At the end of the paragraph Marx anticipates the right definition of machinery, but he will develop it later in more detail:

When in 1735, John Wyatt brought out his spinning machine, and began the industrial revolution of the 18th century, not a word did he say about an ass driving it instead of a man, and yet this part fell to the ass. He described it as a machine “to spin without fingers.”

Footnote 89 gives more historical details, leading to a general plea how important it would be to write a history of technology. Marx’s comparison of such a history with Darwin’s work shows how much social relevance Marx sees in the direct mode of interaction between
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Humans and nature:

89 Before his time, spinning machines, although very imperfect ones, had already been used, and Italy was probably the country of their first appearance. A critical history of technology would show how little any of the inventions of the 18th century are the work of a single individual. Hitherto there is no such book. Darwin has interested us in the history of Nature’s Technology, i.e., in the formation of the organs of plants and animals, which organs serve as instruments of production for sustaining life. Does not the history of the productive organs of man, of organs that are the material basis of all social organisation, deserve equal attention? And would not such a history be easier to compile, since, as Vico says, human history differs from natural history in this, that we have made the former, but not the latter?

Not only would such an inquiry be easier than Darwin’s work, it would also be extremely important for the understanding of society:

89 ctd Technology discloses man’s mode of dealing with Nature, the process of production by which he sustains his life, and thereby also lays bare the mode of formation of his social relations, and of the mental conceptions that flow from them.

The central role which Marx sees here for the relations in production resonates with something Marx had said in chapter One, 172:1/o.

In the second half of footnote 89 Marx criticizes the abstract physicalist materialism in favor of the truly materialist and therefore scientific method. For this he switches somewhat abruptly from technology to religion, saying that even in religion a materialist approach is necessary, one which not only deciphers the content of the historical forms but also derives the origin of these forms themselves:

89 ctd Every history of religion, even, that fails to take account of this material basis, is uncriti-

89 ctd Selbst alle Religionsgeschichte, die von dieser materiellen Basis abstrahiert, ist—unkritisch.
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Now Marx begins his own analysis of what a machine is and how it differs from a handicraft tool. In order to arrive at a real definition of the machine, he begins not with the individual
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machine but with the totality, the “machine system” (which will then be discussed in earnest in 499:1). He divides the machine system into three parts, and then narrows down to that part which is most important for the origin of machinery:

494:1 All fully developed machinery consists of three essentially different parts, the motor mechanism, the transmitting mechanism, and finally the tool or working machine. The motor mechanism is that which puts the whole in motion. It either generates its own motive power, like the steam-engine, the caloric engine, the electromagnetic machine, etc., or it receives its impulse from some already existing natural force, like the water-wheel from a head of water, the wind-mill from wind, etc. The transmitting mechanism, composed of flywheels, shafting, toothed wheels, pullies,
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straps, ropes, bands, pinions, and gearing of the most varied kinds, regulates the motion, changes its form, where necessary, as for instance, from linear to circular, and divides and distributes it among the working machines.

Factories at Marx’s time had one huge motor (typically a steam engine) which drove many machines through an intricate mechanical transmission mechanism. Today, this transmission of power is usually less conspicuous using a hydraulic or compressed air system. Also, in many cases, cheap electric power has made a central driving motor unnecessary: many machines have several electric motors built in.

After this brief technological survey Marx concludes that the third part is the main part, with the other two parts playing subordinate roles:

These two first parts of the whole mechanism exist solely for putting the working
machines in motion, by means of which motion the object of labor is seized upon and modified as desired.

Next Marx brings some historical stylized facts which confirm this conclusion that the third part is the primary part which deserves our main attention:

The tool machine or working machine is that part of the machinery with which the industrial revolution of the 18th century started. And to this day it constantly serves as such a starting-point, whenever a handicraft, or a manufacture, is turned into an industry carried on by machinery.

This last sentence is reminiscent of 247:3 at the beginning of chapter Four, where Marx says something similar about the money form of capital.

A closer look at the above-defined working machine proper shows that the familiar handicraft tools can still be recognized in it:

494:2/o On a closer examination of the
working machine proper, we find in it, as a general rule, though often, no doubt, under very altered forms, the apparatus and tools used by the handicraftsman or manufacturing workman; with this difference, that instead of being human implements, they are the implements of a mechanism, or mechanical implements. Either the entire machine is only a more or less altered mechanical edition of the old handicraft tool, as, for instance, the power-loom, or the working parts fitted in the frame of the machine are old acquaintances, as spindles are in a mule, needles in a stocking-loom, saws in a sawing-machine, and knives in a chopping machine.

maschine oder eigentliche Arbeitsmaschinen näher an, so erscheinen im großen und ganzen, wenn auch oft in sehr modifizierter Form, die Apparate und Werkzeuge wieder, womit der Handwerker und Manufakturarbeiter arbeitet, aber statt als Werkzeuge des Menschen jetzt als Werkzeuge eines Mechanismus oder als mechanische. Entweder ist die ganze Maschine nur eine mehr oder minder veränderte mechanische Ausgabe des alten Handwerksinstruments, wie bei dem mechanischen Webstuhl, oder die am Gerüst der Arbeitsmaschine angebrachten tätigen Organe sind alte Bekannte, wie Spindeln bei der Spinnmaschine, Nadeln beim Strumpfwirkerstuhl, Sägeblätter bei der Sägemaschine, Messer bei der Zerhackmaschine usw.
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Especially in the original form of the power-loom, we recognise, at the first glance, the ancient loom. In its modern form, the power-loom has undergone essential alterations.

The working machine consists of tools interacting with the object of labor (which, at least in the beginning, are similar to the handicraft implements), and the mechanism holding the tools. This distinction is not only apparent in the machine itself but also in the production process which produces the machine.

The distinction between these tools and the body proper of the machine, exists from their very birth; for they continue for the most part to be produced by handicraft, or by manufacture, and are afterwards fitted into the body of the machine, which is the product of machinery.

Footnote 91 makes the correction that this latter difference is apparently fading away with 1876.
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the further development of machinery:

91 It is only during the last 15 years (i.e., since about 1850), that a constantly increasing portion of these machine tools have been made in England by machinery, and that not by the same manufacturers who make the machines. Instances of machines for the fabrication of these mechanical tools are the automatic bobbin-making engine, the card-setting engine, shuttle-making machines, and machines for forging mule and throttle spindles.

From this closer look at the tool machine Marx concludes that the machine is a mechanism replacing the worker. Marx immediately adds that the question whether or not the motive force is human is secondary, does not change the essence of the matter. Even if humans remain the motive force, the difference between a tool and a machine is clearly discernible. The machine proper is therefore a mechanism that, when the appropriate motive power is fed into it, performs with its tools

Die Werkzeugmaschine ist also ein Mechanismus, der nach Mitteilung der entsprechenden Bewegung mit seinen Werkzeugen die-
the same operations that were formerly done by the workman with similar tools. Whether the motive power is derived from man, or from some other machine, makes no difference in this respect. From the moment that the tool proper is taken from man, and fitted into a mechanism, it is machine and no longer a mere implement. The difference strikes one at once, even in those cases where man himself continues to be the prime mover.

The advantage of the machine is not the external power supply, but the fact that a machine can manipulate a much larger number of tools than a human.

The number of implements that he himself can use simultaneously, is limited by the number of his own natural instruments of production, by the number of his bodily or-
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gans. In Germany, they tried at first to make one spinner work two spinning-wheels, that is, to work simultaneously with both hands and both feet. This was too strenuous. Later, a treadle spinning-wheel with two spindles was invented, but adepts in spinning, who could spin two threads at once, were almost as scarce as two-headed men. The Jenny, on the other hand, even at its very birth, spun with 12–18 spindles, and the stocking-loom knits with many thousand needles at once. The number of tools that a machine can bring into play simultaneously is from the very first emancipated from the organic limits that hedge in the tools of a handicraftsman.

This last sentence is important: a machine, even one that is driven by human power, over-
comes the limitation that a human, with only two arms and legs, can only operate a limited number of tools. The next paragraph brings several specific examples all of which prove that the essential driving moment in the development of machinery was not the replacement of human motive power, but the multiplication of the tools.

First example: with those tools in which the exercise of power was clearly separable from the direction of the activity, the direction of the activity often was mechanized first, while the exercise of power still remained with the human operator:

495:1/oo In many manual implements the distinction between man as mere motive power, and man as the workman or operator properly so called, is brought into striking contrast. For instance, the foot is merely the prime mover of the spinning-wheel, while the hand, working with the spindle, and drawing and twisting, performs the real operation of spinning. It is this last part of the handicraftsman’s implement that

394:1/oo An vielem Handwerkszeug besitzt der Unterschied zwischen dem Menschen als bloßer Triebkraft und als Arbeiter mit dem eigentlichen Operateur eine sinnlich besondere Existenz. Z.B. beim Spinnrad wirkt der Fuß nur als Triebkraft, während die Hand, die an der Spindel arbeitet, zupft und dreht, die eigentliche Spinnoperation verrichtet. Grade diesen letzten Teil des Handwerksinstruments ergreift die industrielle Revoluti-
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is first seized upon by the industrial revolution, leaving to the workman, in addition to his new labor of watching the machine with his eyes and correcting its mistakes with his hands, the merely mechanical part of being the moving power.

Now Marx discusses another special case: tools which from the beginning required so little direction that the overwhelming task of humans was to supply power. Marx says two things about these tools:

• They were the first to be powered by a non-human source of power and in this way “stretched” to be machines long before the manufacturing period. It is a “stretch” instead of natural growth, because these machines did not have to imitate human dexterity.

• Their conversion into machines did not cause the industrial revolution.

On the other hand, implements, in regard to which man has always acted as a simple
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motive power, as, for instance, by turning the crank of a mill, by pumping, by moving up and down the arm of a bellows, by pounding with a mortar, etc., such implements soon call for the application of animals, water and wind as motive powers. Here and there, long before the period of manufacture, and also, to some extent, during that period, these implements pass over into machines, but without creating any revolution in the mode of production. It becomes evident, in the period of Modern Industry, that these implements, even under their form of manual tools, are already machines. For instance, the pumps with which the Dutch, in 1836–7, emptied the Lake of Harlem, were constructed on the principle
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of ordinary pumps; the only difference being, that their pistons were driven by cyclopean steam-engines, instead of by men. The common and very imperfect bellows of the blacksmith is, in England, occasionally converted into a blowing-engine, by connecting its arm with a steam-engine.

Footnotes 92 and 93 comment on the early replacement of human power by other sources. Regarding the replacement of human power by animals Marx says that animals were often treated better than humans.

92 Moses says: “Thou shalt not muzzle the ox that treads the corn.” The Christian philanthropists of Germany, on the contrary, fastened a wooden board round the necks of the serfs, whom they used as a motive power for grinding, in order to prevent them from putting flour into their mouths with their hands.

Footnote 93 gives some anecdotes about the early use of wind as motive power:
93 It was partly the want of streams with a good fall on them, and partly their battles with superabundance of water in other respects, that compelled the Dutch to resort to wind as a motive power. The wind-mill itself they got from Germany, where its invention was the origin of a pretty squabble between the nobles, the priests, and the emperor, as to which of those three the wind “belonged.” The air makes bondage, was the cry in Germany, at the same time that the wind was making Holland free. What it reduced to bondage in this case, was not the Dutchman, but the land for the Dutchman. In 1836, 12,000 windmills of 6,000 horse-power were still employed in Holland, to prevent two-thirds of the land from being reconverted into morasses.

93 Teils Mangel an lebendigem Wassergefälle, teils Kampf gegen sonstigen Wasserüberfluß zwangen die Holländer zur Anwendung des Winds als Triebkraft. Die Windmühle selbst erhielten sie aus Deutschland, wo diese Erfindung einen artigen Kampf zwischen Adel, Pfaffen und Kaiser hervorrief, wem denn von den drei der Wind „gehöre“. Luft macht eigen, hieß es in Deutschland, während der Wind Holland frei macht. Was er hier eigen machte, war nicht der Holländer, sondern der Grund und Boden für den Holländer. Noch 1836 wurden 12 000 Windmühlen von 6000 Pferdekraft in Holland verwandt, um zwei Drittel des Lands vor Rückverwandlung in Morast zu schützen.

Next in the lineup of motive powers Marx talks about the steam engine: it itself did not cause the industrial revolution either, but on the contrary, the industrial revolution required a
revolutionized steam engine. This is the transition for Marx to speak about the replacement of human power with machine power: although this is not the differentia specifica (Marx does not use this word here although it would be appropriate) of machinery, it does not lag far behind the introduction of machinery, because human power very quickly becomes too limited to drive the many tools the machine is holding:

The steam-engine itself, such as it was at its invention, during the manufacturing period at the close of the 17th century, and such as it continued to be down to 1780, did not give rise to any industrial revolution. It was, on the contrary, the invention of machines that made a revolution in the form of steam-engines necessary.

It was, indeed, very much improved by Watt’s first so-called single acting engine; but, in this form, it continued to be a mere machine for


Sie wurde zwar schon sehr verbessert durch Watts erste, sogenannte einfach wirkende Kampfmaschine, blieb aber in dieser Form bloße Hebe-
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raising water, and the liquor from salt mines.

Now how the development of machines (even human-driven machines) affects the motive power:

As soon as man, instead of working with an implement on the object of his labor, becomes merely the motive power of an implement-machine, it is a mere accident that motive power takes the disguise of human muscle; and it may equally well take the form of wind, water or steam. Of course, this does not prevent such a change of form from producing great technical alterations in the mechanism that was originally constructed to be driven by man alone. Now-a-days, all machines that have their way to make, such as sewing-machines, bread-making machines, etc., are, unless from Sobald der Mensch, statt mit dem Werkzeug auf den Arbeitsgegenstand, nur noch als Triebkraft auf eine Werkzeugmaschine wirkt, wird die Verkleidung der Triebkraft in menschliche Muskel zufällig und kann Wind, Wasser, Dampf usw. an die Stelle treten. Dies schließt natürlich nicht aus, daß solcher Wechsel oft große technische Änderungen des ursprünglich für menschliche Treibkraft allein konstruierten Mechanismus bedingt. Heutzutage werden alle Maschinen, die sich erst Bahn brechen müssen, wie Nähmaschinen, Brotbereitungsmaschinen usw., wenn sie den kleinen Maßstab nicht von vornher-
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their very nature their use on a small scale is excluded, constructed to be driven both by human and by purely mechanical motive power.

After having discussed certain early machines which had not precipitated the industrial revolution, Marx discusses now that type of machine which did:

497:1 The machine which is the starting-point of the industrial revolution supersedes the workman, who handles a single tool, by a mechanism operating with a number of similar tools, and set in motion by a single motive power, whatever the form of that power may be.  

396:1 Die Maschine, wovon die industrielle Revolution ausgeht, ersetzt den Arbeiter, der ein einzelnes Werkzeug handhabt, durch einen Mechanismus, der mit einer Masse derselben oder gleichartiger Werkzeuge auf einmal operiert und von einer einzigen Triebkraft, welches immer ihre Form, bewegt wird.

"The union of all these simple instruments, but only as an elementary factor of production by machinery.

Hier haben wir die Maschine, aber erst als einfaches Element der maschinenmäßigen Produktion.

95 „Die Vereinigung aller dieser einfachen In-
set in motion by a single motor, constitutes a ma-

chine.” (Babbage, l.c.)

strumente, durch einen einzigen Motor in Bewe-
gung gesetzt, bildet eine Maschine.“ (Babbage, l.c. [p. 136.])

15.1.c. [Evolution of Machinery]

The real definition of machinery is therefore: an apparatus which replaces the laborer holding the tools and handling the tools like a laborer would. This is definition shows how machines can be improved: if they handle more tools, if they handle them faster and with more precision. Marx’s next subject is therefore the development of the machine over time. The first development after the transition from hand implements to machinery (in which the tools were no longer operated by humans) was, as already remarked earlier, the replacement of man also as motive power. The machines simply became too big.

497:2–499 Increase in the size of the ma-

chine, and in the number of its working tools, calls for a more massive mechanism to drive it; and this mechanism requires, in order to overcome its resistance, a might-
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ier moving power than that of man, apart from the fact that man is a very imperfect instrument for producing uniform continued motion. But assuming that he is acting simply as a motor, that a machine has taken the place of his tool, it is evident that he can be replaced by natural forces.

Now a description of the powers which replaced the humans: horses, water, wind, steam engine. Specification of Watt’s invention as general agent. Therefore: the development of the individual machine gives rise to the development of the power sources and transmission mechanisms.

Of all the great motors handed down from the manufacturing period, horse-power is the worst, partly because a horse has a head

Von allen aus der Manufakturperiode überlieferten großen Bewegungskräften war die Pferdekraft die schlechtesten, teils weil ein

nes eignen Widerstands eine mächtigere Triebkraft als die menschliche, abgesehen davon, daß der Mensch ein sehr unvollkommnes Produktionsinstrument gleichförmiger und kontinuierlicher Bewegung ist. Vorausgesetzt, daß er nur noch als einfache Triebkraft wirkt, also an die Stelle seines Werkzeugs eine Werkzeugmaschine getreten ist, können Naturkräfte ihn jetzt auch als Triebkraft ersetzen.
of his own, partly because he is costly, and the extent to which he is applicable in factories is very restricted.\textsuperscript{96} Nevertheless the horse was extensively used during the infancy of Modern Industry. This is proved, as well by the complaints of contemporary agriculturists, as by the term “horse-power,” which has survived to this day as an expression for mechanical force. Wind was too inconstant and uncontrollable, and besides, in England, the birthplace of Modern Industry, the use of water-power preponderated even during the manufacturing period.

\textsuperscript{96} In January, 1861, John C. Morton read before the Society of Arts a paper on “The forces employed in agriculture.” He there states: “Every improvement that furthers the uniformity of Pferd seinen eignen Kopf hat, teils wegen seiner Kostspieligkeit und des beschränkten Umfangs, worin es in Fabriken allein anwendbar ist.\textsuperscript{96} Dennoch wurde das Pferd häufig während der Kinderzeit der großen Industrie angewandt, wie außer dem Jammer gleichzeitiger Agronomen schon der bis heute überlieferte Ausdruck der mechanischen Kraft in Pferdekraft bezeugt. Der Wind war zu unstet und unkontrollierbar, und die Anwendung der Wasserkraft überwog außerdem in England, dem Geburtsort der großen Industrie, schon während der Manufakturperiode.

\textsuperscript{96} John C. Morton verlas Dezember 1859 in der Society of Arts einen Aufsatz über „die in der Agrikultur angewandten Kräfte“. Es heißt darin u.a.: „Jede Verbeßrung, welche die Gleichförmig-
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the land makes the steam-engine more and more applicable to the production of pure mechanical force … Horse-power is requisite wherever crooked fences and other obstructions prevent uniform action. These obstructions are vanishing day by day. For operations that demand more exercise of will than actual force, the only power applicable is that controlled every instant by the human mind—in other words, man-power.” Mr. Morton then reduces steam-power, horse-power, and man-power, to the unit in general use for steam-engines, namely, the force required to raise 33,000 lbs. one foot in one minute, and reckons the cost of one horse-power from a steam-engine to be 3d., and from a horse to be 5 1/2 d. per hour. Further, if a horse must fully maintain its health, it can work no more than 8 hours a day. Three at the least out of every seven horses used on tillage land during the only power applicable is that controlled every instant by the human mind—in other words, man-power.” Mr. Morton then reduces steam-power, horse-power, and man-power, to the unit in general use for steam-engines, namely, the force required to raise 33,000 lbs. one foot in one minute, and reckons the cost of one horse-power from a steam-engine to be 3d., and from a horse to be 5 1/2 d. per hour. Further, if a horse must fully maintain its health, it can work no more than 8 hours a day. Three at the least out of every seven horses used on tillage land during
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the year can be dispensed with by using steam-power, at an expense not greater than that which, the horses dispensed with, would cost during the 3 or 4 months in which alone they can be used effectively. Lastly, steam-power, in those agricultural operations in which it can be employed, improves, in comparison with horse-power, the quality of the work. To do the work of a steam-engine would require 66 men, at a total cost of 15s. an hour, and to do the work of a horse, 32 men, at a total cost of 8s. an hour.

[8x94]↓ Embedded in this discussion of motive powers Marx makes a side remark about how the development of machinery leads to the development of science:

In the 17th century attempts had already been made to turn two pairs of millstones with a single water-wheel. But the increased size of the gearing was too much for the
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water-power, which had now become insufficient, and this was one of the circumstances that led to a more accurate investigation of the laws of friction. In the same way the irregularity caused by the motive power in mills that were put in motion by pushing and pulling a lever, led to the theory, and the application, of the fly-wheel, which afterwards plays so important a part in Modern Industry.\(^7\) In this way, during the manufacturing period, were developed the first scientific and technical elements of Modern Mechanical Industry.

\(^7\) Faulhaber, 1625; De Cous, 1688.

↓ Back to the discussion of motive powers. The deficiencies of water power were overcome by steam power.

Transmissionsmechanismus geriet aber jetzt in Konflikt mit der nun unzureichenden Wasserkraft, und dies ist einer der Umstände, der zur genauern Untersuchung der Reibungsgesetze trieb. Ebenso führte das ungleichförmige Wirken der Bewegungskraft bei Mühlen, die durch Stoßen und Ziehen mit Schwengeln in Bewegung gesetzt wurden, auf die Theorie und Anwendung des Schwungrads,\(^7\) das später eine so wichtige Rolle in der großen Industrie spielt. In dieser Art entwickelte die Manufakturperiode die ersten wissenschaftlichen und technischen Elemente der großen Industrie.

\(^7\) Faulhaber, 1625; De Cous, 1688.
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Arkwright’s throstle-spinning mill was from the very first turned by water. But for all that, the use of water, as the predominant motive power, was beset with difficulties. It could not be increased at will, it failed at certain seasons of the year, and, above all, it was essentially local.\(^98\) Not till the invention of Watt’s second and so-called double-acting steam-engine, was a prime mover found, that begot its own force by the consumption of coal and water, whose power was entirely under man’s control, that was mobile and a means of locomotion, that was urban and not, like the waterwheel, rural, that permitted production to be concentrated in towns instead of, like the water-wheels, being scattered up and down the country.\(^99\)

that was of universal technical application, and, relatively speaking, little affected in its choice of residence by local circumstances. The greatness of Watt’s genius showed itself in the specification of the patent that he took out in April, 1784. In that specification his steam-engine is described, not as an invention for a specific purpose, but as an agent universally applicable in Mechanical Industry. In it he points out applications, many of which, as for instance, the steam-hammer, were not introduced till half a century later. Nevertheless he doubted the use of steam-engines in navigation. His successors, Boulton and Watt, sent to the exhibition of 1851 steam-engines of colossal size for ocean steamers. 

über das Land zu zerstreuen, universell in seiner technologischen Anwendung, in seiner Residenz verhältnismäßig wenig durch lokale Umstände bedingt. Das große Genie Watts zeigt sich in der Spezifikation des Patents, das er April 1784 nahm, und worin seine Dampfmaschine nicht als eine Erfindung zu besondren Zwecken, sondern als allgemeiner Agent der großen Industrie schildert wird. Er deutet hier Anwendungen an, wovon manche, wie z.B. der Dampfhammer, mehr als ein halbes Jahrhundert später erst eingeführt wurden. Jedoch bezweifelte er die Anwendbarkeit der Dampfmaschine auf See- schifffahrt. Seine Nachfolger, Boulton und Watt, stellten 1851 die kolossalste Dampfmaschine für Ocean steamers auf der Londoner
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98 The modern turbine frees the industrial exploitation of water-power from many of its former fetters.

99 “In the early days of textile manufactures, the locality of the factory depended upon the existence of a stream having a sufficient fall to turn a water-wheel; and, although the establishment of the water-mills was the commencement of the breaking up of the domestic system of manufacture, yet the mills necessarily situated upon streams, and frequently at considerable distances the one from the other, formed part of a rural, rather than an urban system; and it was not until the introduction of the steam-power as a substitute for the stream that factories were congregated in towns, and localities where the coal and water required for the production of steam were

Industrieausstellung aus.

98 Die moderne Erfindung der Turbinen befreit die industrielle Ausbeutung der Wasserkraft von vielen früheren Schranken.

99 „In der Frühzeit der Textilmanufaktur war der Standort der Fabrik von der Existenz eines Wasserlaufs abhängig, der genügend Gefälle hatte, um ein Wasserrad zu drehen; und obwohl nun die Einrichtung der Wassermühlen den Beginn der Auflösung des Systems der Hausindustrie bedeutete, stellten die Mühlen, die notwendigerweise an Wasserläufen gelegen sein mußten und häufig in beträchtlicher Entfernung voneinander standen, eher einen Teil eines ländlichen als eines städtischen Systems dar; erst durch die Einführung der Dampfkraft als Ersatz für den Wasserlauf wurden die Fabriken in Städten und an Orten zusammen gedrängt, wo Kohle und Wasser, die zur Dampfer-

1896
found in sufficient quantities. The steam-engine is the parent of manufacturing towns.” (A. Redgrave in “Reports of the Insp. of Fact., 30th April, 1860,” p. 36.)

Not all of these deficiencies and their remedies were technological. Some (rural vs. urban setting, independence of local conditions) were situated in the totality of production relations.

After discussing how the development of machinery affected the development of motive power, now the opposite effect: how the development of motive power acts back on the machinery. Since the newly developed more powerful motive power can drive many machines at once, the machine system is born. This in turn leads to the development of the transmission apparatus, the third aspect of the machine system discussed earlier:

499:1 As soon as tools had been converted from being manual implements of man into implements of a mechanical apparatus, of a machine, the motive mechanism also acquired an independent form, en-
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tirely emancipated from the restraints of human strength. Thereupon the individual machine, that we have hitherto been considering, sinks into a mere factor in production by machinery. One motive mechanism was now able to drive many machines at once. The motive mechanism grows with the number of the machines that are turned simultaneously, and the transmitting mechanism becomes a wide-spreading apparatus.

¶ Now a look at the machine system itself:

499:2 We now proceed to distinguish the co-operation of a number of machines of one kind from a complex system of machinery.

This is reminiscent of the two basic forms of division of labor discussed in 461:2.
500/o In the one case, the product is entirely made by a single machine, which performs all the various operations previously done by one handicraftsman with his tool; as, for instance, by a weaver with his loom; or by several handicraftsman successively, either separately or as members of a system of Manufacture. For example, in the manufacture of envelopes, one man folded the paper with the folder, another laid on the gum, a third turned the flap over, on which the device is impressed, a fourth embossed the device, and so on; and for each of these operations the envelope had to change hands. One single envelope machine now performs all these operations at once, and makes more than 3,000 envelopes in an 399:2/o In dem einen Fall wird das ganze Machwerk von derselben Arbeitsmaschine verrichtet. Sie führt alle die verschiedenen Operationen aus, welche ein Handwerker mit seinem Werkzeug, z.B. der Weber mit seinem Webstuhl, verrichtete oder welche Handwerker mit verschiedenen Werkzeugen, sei es selbständig oder als Glieder einer Manufaktur, der Reihe nach ausführten. Z.B. in der modernen Manufaktur von Briefkuverts falte ein Arbeiter das Papier mit dem Falzbein, ein anderer legte den Gummi auf, ein dritter schlug die Klappe um, auf welche die Devise aufgedrückt wird, ein vierter bossierte die Devise usw., und bei jeder dieser Teiloperationen mußte jede einzelne Enveloppe die Hände wechseln. Eine einzige Envelop-
hour. In the London exhibition of 1862, there was an American machine for making paper cornets. It cut the paper, pasted, folded, and finished 300 in a minute. Here, the whole process, which, when carried on as Manufacture, was split up into, and carried out by, a series of operations, is completed by a single machine, working a combination of various tools.

The footnote rebuts the myth that machinery first comes to those operations which had been simplified by the division of labor.

From the standpoint of division of labor in Manufacture, weaving was not simple, but, on the contrary, complicated manual labor; and con-

Vom Standpunkt der manufakturmäßigen Teilung war Weben keine einfache, sondern viel-mehr eine komplizierte handwerksmäßige Arbeit,
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sequently the power-loom is a machine that does very complicated work. It is altogether erroneous to suppose that modern machinery originally appropriated those operations alone, which division of labor had simplified. Spinning and weaving were, during the manufacturing period, split up into new species, and the implements were modified and improved; but the labor itself was in no way divided, and it retained its handicraft character. It is not the labor, but the instrument of labor, that serves as the starting-point of the machine.

Going back to the main text, the distinction between process-co-operation and parallel execution of many identical operations can only be made for the individual machine. In the factories, the simple co-operation of many similar machines is always the starting point.

Now, whether such a machine be merely a reproduction of a complicated manual implement, or a combination of various sim-
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ple implements specialised by Manufacture, in either case, in the factory, i.e., in the workshop in which machinery alone is used, we meet again with simple co-operation; and, leaving the workman out of consideration for the moment, this co-operation presents itself to us, in the first instance, as the conglomeration in one place of similar and simultaneously acting machines. Thus, a weaving factory is constituted of a number of power-looms, working side by side, and a sewing factory of a number of sewing-machines all in the same building.

At first, these machines are just added together, although at Marx’s time they usually were integrated from the beginning by a shared power supply:

But there is here a technical oneness in the whole system, owing to all the machines nation verschiedenartiger, manufakturmäßig partikularisierter einfacher Instrumente—in der Fabrik, d.h. in der auf Maschinenbetrieb gegründeten Werkstatt, erscheint jedes-mal die einfache Kooperation wieder, und zwar zunächst (wir seh'n hier vom Arbeiter ab) als räumliche Konglomeration gleichar-tiger und gleichzeitig zusammenwirkender Arbeitsmaschinen. So wird eine Webfabrik durch das Nebeneinander vieler mechanischen Webstühle und eine Nähfabrik durch das Nebeneinander vieler Nähmaschinen in demselben Arbeitsgebäude gebildet.

Aber es existiert hier eine technische Ein-heit, indem die vielen gleichartigen Arbeits-
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receiving their impulse simultaneously, and in an equal degree, from the pulsations of the common prime mover, by the intermediary of the transmitting mechanism; and this mechanism, to a certain extent, is also common to them all, since only particular ramifications of it branch off to each machine. Just as a number of tools, then, form the organs of a machine, so a number of machines of one kind constitute the organs of the motive mechanism.

But inherent in the machine system is the tendency to deepen the integration:

501:1/o A system of machinery in the true sense of the word, however, does not take the place of these independent machines, until the object of labor goes through a connected series of detail processes, that are

maschinen gleichzeitig und gleichmäßig ihren Impuls empfangen vom Herzsclag des gemeinsamen ersten Motors, auf sie übertragen durch den Transmissionsmechanismus, der ihnen auch teilweis gemeinsam ist, indem sich nur besondere Ausläufe davon für jede einzelne Werkzeugmaschinen verästeln. Ganz wie viele Werkzeuge die Organe einer Arbeitsmaschinen, bilden viele Arbeitsmaschinen jetzt nur noch gleichartige Organe desselben Bewegungsmechanismus.

400:1/o Ein eigentliches Maschinensystem tritt aber erst an die Stelle der einzelnen selbständigen Maschine, wo der Arbeitsgegenstand eine zusammenhängende Reihe verschiedener Stufenprozesse durchläuft, die von
carried out by a chain of machines of various kinds, the one supplementing the other. Here we have again the co-operation by division of labor that characterizes Manufacture; only now, it is a combination of detail machines. The special tools of the various detail workmen, such as those of the beaters, cambers, spinners, etc., in the woollen manufacture, are now transformed into the tools of specialised machines, each machine constituting a special organ, with a special function, in the system. In those branches of industry in which the machinery system is first introduced, Manufacture itself furnishes, in a general way, the natural basis for the division, and consequent organisation, of the process of production.\textsuperscript{101}

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The principles of the division of labor were inherited from the manufactories. The footnote says generally how different branches of industry learn from each other.

101 Before the epoch of Mechanical Industry, the wool manufacture was the predominating manufacture in England. Hence it was in this industry that, in the first half of the 18th century, the most experiments were made. Cotton, which required less careful preparation for its treatment by machinery, derived the benefit of the experience gained on wool, just as afterwards the manipulation of wool by machinery was developed on the lines of cotton-spinning and weaving by machinery. It was only during the 10 years immediately preceding 1866, that isolated details of the wool manufacture, such as woolcombing, were incorporated in the factory system. "The
application of power to the process of combing wool ... extensively in operation since the introduction of the combing machine, especially Lister’s ... undoubtedly had the effect of throwing a very large number of men out of work. Wool was formerly combed by hand, most frequently in the cottage of the comber. It is now very generally combed in the factory, and hand-labor is superseded, except in some particular kinds of work, in which hand-combed wool is still preferred. Many of the hand-combers found employment in the factories, but the produce of the hand-combers bears so small a proportion to that of the machine, that the employment of a very large number of combers has passed away.” (“Rep. of Insp. of Fact. for 31st Oct., 1856,” p. 16.)

One big difference between the system in the manufactories and these fully mechanized
systems is that the stages in this system are no longer tied to human capabilities. This process is no longer subjective:

Nevertheless an essential difference at once manifests itself. In Manufacture it is the workmen who, with their manual implements, must, either singly or in groups, carry on each particular detail process. If, on the one hand, the workman becomes adapted to the process, on the other, the process was previously made suitable to the workman. This subjective principle of the division of labor no longer exists in production by machinery. Here, the process as a whole is examined objectively, in itself, that is to say, without regard to the question of its execution by human hands, it is analysed into its constituent phases; and the
problem, how to execute each detail process, and bind them all into a whole, is solved by the aid of machines, chemistry, etc.\textsuperscript{102} But, of course, in this case also, theory must be perfected by accumulated experience on a large scale. Each detail machine supplies raw material to the machine next in order; and since they are all working at the same time, the product is always going through the various stages of its fabrication, and is also constantly in a state of transition, from one phase to another. Just as in Manufac-
ture, the direct co-operation of the detail laborers establishes a numerical proportion between the special groups, so in an organ-
ised system of machinery, where one detail machine is constantly kept employed by an-
bei natürlich nach wie vor die theoretische Konzeption durch gehäufte praktische Erfah-
rung auf großer Stufenleiter vervollkomm-
net werden muß. Jede Teilmaschine liefert der zunächst folgenden ihr Rohmaterial, und da sie alle gleichzeitig wirken, befindet sich das Produkt ebenso fortwährend auf den ver-
chiedenen Stufen seines Bildungsprozesses, wie im Übergang aus einer Produtionspha-
se in die andre. Wie in der Manufaktur die unmittelbare Kooperation der Teilarbeiter be-
stimmt Verhältniszahlen zwischen den be-
sondren Arbeitergruppen schafft, so in dem gegliederten Maschinensystem die beständi-
ge Beschäftigung der Teilmaschinen durch einander ein bestimmtes Verhältnis zwischen ihrer Anzahl, ihrem Umfang und ihrer Ge-
other, a fixed relation is established between their numbers, their size, and their speed.

The principle of the factory system, then, is to substitute ... the partition of a process into its essential constituents, for the division or gradation of labour among artisans.” (Andrew Ure: “The Philosophy of Manufactures,” Lond., 1835, p. 20.)

The removal of the human element from this system allows the processes to become more and more continuous:

The collective machine, now an organised system of various kinds of single machines, and of groups of single machines, becomes more and more perfect, the more the process as a whole becomes a continuous one, i.e., the less the raw material is interrupted in its passage from its first phase to its last;

Die kombinierte Arbeitsmaschine, jetzt ein gegliedertes System von verschiedenartigen einzelnen Arbeitsmaschinen und von Gruppen derselben, ist um so vollkommener, je kontinuierlicher ihr Gesamtprozeß, d.h. mit je weniger Unterbrechung das Rohmaterial von seiner ersten Phase zu seiner letzten über-
in other words, the more its passage from one phase to another is effected, not by the hand of man, but by the machinery itself. In Manufacture the isolation of each detail process is a condition imposed by the nature of division of labor, but in the fully developed factory the continuity of those processes is, on the contrary, imperative.

The whole of these parts, integrated by its dependence on the prime mover, is the automaton. But the human element re-enters in the need for human control:

502:1/o A system of machinery, whether it reposes on the mere co-operation of similar machines, as in weaving, or on a combination of different machines, as in spinning, constitutes in itself a huge automaton, whenever it is driven by a self-acting prime mover. But although the factory as a
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whole be driven by its steam-engine, yet either some of the individual machines may require the aid of the workman for some of their movements (such aid was necessary for the running in of the mule carriage, before the invention of the self-acting mule, and is still necessary in fine-spinning mills); or, to enable a machine to do its work, certain parts of it may require to be handled by the workman like a manual tool; this was the case in machine-makers’ workshops, before the conversion of the slide rest into a self-actor. As soon as a machine executes, without man’s help, all the movements requisite to elaborate the raw material, needing only attendance from him, we have an automatic system of machinery, and one that is Motor getrieben wird. Indes kann das Gesamtsystem z.B. von der Dampfmaschine getrieben werden, obgleich entweder einzelne Werkzeugmaschinen für gewisse Bewegungen noch den Arbeiter brauchen, wie die zum Einfahren der Mule nötige Bewegung vor der Einführung der selfacting mule und immer noch bei Feinspinnerei, oder aber bestimmte Teile der Maschine zur Verrichtung ihres Werks gleich einem Werkzeug vom Arbeiter gelenkt werden müssen, wie beim Maschinenbau vor der Verwandlung des slide rest (ein Drehapparat) in einen selfactor. Sobald die Arbeitsmaschine alle zur Bearbeitung des Rohstoffs nötigen Bewegungen ohne menschliche Beihilfe verrichtet und nur noch menschlicher Nachhilfe bedarf, haben
susceptible of constant improvement in its details. Such improvements as the apparatus that stops a drawing frame, whenever a sliver breaks, and the self-acting stop, that stops the power-loom so soon as the shuttle bobbin is emptied of weft, are quite modern inventions.

Why the paper industry is such a good example:

As an example, both of continuity of production, and of the carrying out of the automatic principle, we may take a modern paper mill. In the paper industry generally, we may advantageously study in detail not only the distinctions between modes of production based on different means of production,
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but also the connexion of the social conditions of production with those modes: for the old German paper-making furnishes us with a sample of handicraft production; that of Holland in the 17th and of France in the 18th century with a sample of manufacturing in the strict sense; and that of modern England with a sample of automatic fabrication of this article. Besides these, there still exist, in India and China, two distinct antique Asiatic forms of the same industry.

At the end a description of a fully-developed machine system at Marx’s time:

503:1 An organised system of machines, to which motion is communicated by the transmitting mechanism from a central automaton, is the most developed form of pro-

402:1 Als gegliedertes System von Arbeitsmaschinen, die ihre Bewegung nur vermittelst der Transmissionsmaschinerie von einem zentralen Automaten empfangen, be-
duction by machinery. Here we have, in the place of the isolated machine, a mechanical monster whose body fills whole factories, and whose demon power, at first veiled under the slow and measured motions of his giant limbs, at length breaks out into the fast and furious whirl of his countless working organs.

sitzt der Maschinenbetrieb seine entwickelteste Gestalt. An die Stelle der einzelnen Maschine tritt hier ein mechanisches Ungeheuer, dessen Leib ganze Fabrikgebäude füllt und dessen dämonische Kraft, erst versteckt durch die fast feierlich gemeßne Bewegung seiner Riesenglieder, im fieberhaft tollen Wirbeltanz seiner zahllosen eigentlichen Arbeitsorgane ausbricht.

15.1.d. [Development of Industries Producing Machines, Demand for Machines, Transportation and Communication]

Each such system of machines must itself be produced. This necessity generates additional developmental impulses:

Of course, the first machines were not produced by specialists who would only produce machines, but by workers who had obtained their skills from producing other things in arti-
san workshops or manufactures.

The very first sentence here is an echo of 133:1:

503:2/oo There were mules and steam-engines before there were any laborers, whose exclusive occupation it was to make mules and steam-engines; just as men wore clothes before there were such people as tailors. The inventions of Vaucanson, Arkwright, Watt, and others, were, however, practicable, only because those inventors found, ready to hand, a considerable number of skilled mechanical workmen, placed at their disposal by the manufacturing period. Some of these workmen were independent handicraftsman of various trades, others were grouped together in manufactures, in which, as before-mentioned, division of

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labor was strictly carried out.

This dependence of machinery on handicraft labor and manufactories (manual division of labor) is a contradiction. It first leads to changes in the manufactories themselves.

As inventions increased in number, and the demand for the newly discovered machines grew larger, the machine-making industry split up, more and more, into numerous independent branches, and division of labor in these manufactures was more and more developed. Here, then, we see in Manufacture the immediate technical foundation of Modern Industry. Manufacture produced the machinery, by means of which Modern Industry abolished the handicraft and manufacturing systems in those spheres of production that it first seized upon.

Mit der Zunahme der Erfindungen und der wachsenden Nachfrage nach den neu erfundenen Maschinen entwickelte sich mehr und mehr einerseits die Sondrung der Maschinenfabrikation in mannigfaltige selbständige Zweige, andererseits die Teilung der Arbeit im Innern der maschinenbauenden Manufakturen. Wir erblicken hier also in der Manufaktur die unmittelbare technische Grundlage der großen Industrie. Jene produzierte die Maschinerie, womit diese in den Produktionssphären, die sie zunächst ergriff, den handwerks- und manufakturmäßigen Betrieb aufhob.
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But these changes are not enough; manual division of labor is a too narrow basis for machinery and must eventually be abolished.

The factory system was therefore raised, in the natural course of things, on an inadequate foundation. When the system attained to a certain degree of development, it had to root up this ready-made foundation, which in the meantime had been elaborated on the old lines, and to build up for itself a basis that should correspond to its methods of production. Just as the individual machine retains a dwarfish character, so long as it is worked by the power of man alone, and just as no system of machinery could be properly developed before the steam-engine took the place of the earlier motive powers, animals, wind, and even water; so, too, Modern

Der Maschinenbetrieb erhob sich also naturwüchsig auf einer ihm unangemessen materiellen Grundlage. Auf einem gewissen Entwicklungsgrad mußte er diese erst fertig vorgefundene und dann in ihrer alten Form weiter ausgearbeitete Grundlage selbst umwälzen und sich eine seiner eigenen Produktionsweise entsprechende neue Basis schaffen. Wie die einzelne Maschine zwergmäßig bleibt, solange sie nur durch Menschen bewegt wird, wie das Maschinensystem sich nicht frei entwickeln konnte, bevor an die Stelle der vorgefundenen Triebkräfte—Tier, Wind und selbst Wasser—die Dampfmaschine trat, ebenso war die
Industry was crippled in its complete development, so long as its characteristic instrument of production, the machine, owed its existence to personal strength and personal skill, and depended on the muscular development, the keenness of sight, and the cunning of hand, with which the detail workmen in manufactures, and the manual laborers in handicrafts, wielded their dwarfish implements’.

↑ In this last overlong sentence, Marx already identifies the concrete element which held the development back: the human element, which was increasingly removed from the mechanized labor process itself, still lingered in the production process of the machinery. ↓ This incoherence makes itself felt in the following manner:

Thus, apart from the dearness of the machines made in this way, a circumstance that is ever present to the mind of the capital-

Abgesehen von der Verteurung der Maschinen infolge dieser Ursprungsweise—ein Umstand, welcher das Kapital als bewußtes Mo-
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ist, the expansion of industries carried on by means of machinery, and the invasion by machinery of fresh branches of production, were dependent on the growth of a class of workmen, who, owing to the almost artistic nature of their employment, could increase their numbers only gradually, and not by leaps and bounds.

↑ Two things were hindering the extension of machinery. One was: machines built by hand were too expensive. This obstacle imposed itself on capital as a conscious motive, capitalists were aware of this and this impeded their will to expand. The other obstacle worked more in a background, automatically, namely the number of workers skilled enough to produce machines could be increased only gradually.

↓ But this is only the economic side of it. The basis is also too narrow technologically:

But besides this, at a certain stage of its development, Modern Industry became technologically incompatible with the basis fur-
nished for it by handicraft and Manufacture. The increasing size of the prime movers, of the transmitting mechanism, and of the machines proper, the greater complication, multiformity and regularity of the details of these machines, as they more and more departed from the model of those originally made by manual labor, and acquired a form, untrammelled except by the conditions under which they worked,\textsuperscript{103} the perfecting of the automatic system, and the use, every day more unavoidable, of a more refractory material, such as iron instead of wood—the solution of all these problems, which sprang up by the force of circumstances, everywhere met with a stumbling-block in the personal restrictions, which even the collective
tive laborer of Manufacture could not break through, except to a limited extent. Such machines as the modern hydraulic press, the modern power-loom, and the modern carding engine, could never have been furnished by Manufacture.

Here again Marx comments on it how these obstacles impose themselves: by spontaneously arising tasks and problems.

The power-loom was at first made chiefly of wood; in its improved modern form it is made of iron. To what an extent the old forms of the instruments of production influenced their new forms at first starting, is shown by, amongst other things, the most superficial comparison of the present power-loom with the old one, of the modern blowing apparatus of a blast-furnace with the first inefficient mechanical reproduction of the ordinary bellows, and perhaps more strikingly

Arbeiterpersonal nur dem Grad, nicht dem Wesen nach durchbricht. Maschinen z.B. wie die moderne Druckerpresse, der moderne Dampfwebstuhl und die moderne Kardiermaschine, konnten nicht von der Manufaktur geliefert werden.

103 Der mechanische Webstuhl in seiner ersten Form besteht hauptsächlich aus Holz, der verbesserte, moderne, aus Eisen. Wie sehr im Anfang die alte Form des Produktionsmittels seine neue Form beherrscht, zeigt u.a. die oberflächlichste Vergleichung des modernen Dampfwebstuhls mit dem alten, der modernen Blasinstrumente in Eisengießereien mit der ersten unbeholflichen mechanischen Wiedergeburt des gewöhnlichen Blasbalgs, und vielleicht schlagender als alles andre
than in any other way, by the attempts before the invention of the present locomotive, to construct a locomotive that actually had two feet, which after the fashion of a horse, it raised alternately from the ground. It is only after considerable development of the science of mechanics, and accumulated practical experience, that the form of a machine becomes settled entirely in accordance with mechanical principles, and emancipated from the traditional form of the tool that gave rise to it.

Not only from the side of production but also from the utilization of machinery: Machinery spreads necessarily from one branch of production to another, and this also calls for improved means of transport and communication.

505:1/o A radical change in the mode of production in one sphere of industry involves a similar change in other spheres. This happens at first in such branches of industry...
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dustry as are connected together by being separate phases of a process, and yet are isolated by the social division of labor, in such a way, that each of them produces an independent commodity. Thus spinning by machinery made weaving by machinery a necessity, and both together made the mechanical and chemical revolution that took place in bleaching, printing, and dyeing, imperative. So too, on the other hand, the revolution in cotton-spinning called forth the invention of the gin, for separating the seeds from the cotton fibre; it was only by means of this invention, that the production of cotton became possible on the enormous scale at present required. But more especially, the revolution in the modes of production...
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of industry and agriculture made necessary a revolution in the general conditions of the social process of production, i.e., in the means of communication and of transport. In a society whose pivot, to use an expression of Fourier, was agriculture on a small scale, with its subsidiary domestic industries, and the urban handicrafts, the means of communication and transport were so utterly inadequate to the productive requirements of the manufacturing period, with its extended division of social labor, its concentration of the instruments of labor, and of the workmen, and its colonial markets, that they became in fact revolutionised. In the same way the means of communication and transport handed down from the manufac-

gungen des gesellschaftlichen Produktionsprozesses, d.h. den Kommunikations- und Transportmitteln. Wie die Kommunikations- und Transportmittel einer Gesellschaft, deren Pivot, um mich eines Ausdrucks Fouriers zu bedienen, die kleine Agrikultur mit ihrer häuslichen Nebenindustrie und das städtische Handwerk waren, den Produktionsbedürfnissen der Manufakturperiode mit ihrer erweiterten Teilung der gesellschaftlichen Arbeit, ihrer Konzentration von Arbeitsmitteln und Arbeiten und ihren Kolonialmärkten durchaus nicht mehr genügen konnten, daher auch in der Tat umgewälzt wurden, so verwandelten sich die von der Manufakturperiode überlieferten Transport- und Kommunikationsmittel bald in uner-
turing period soon became unbearable tram-
mels on Modern Industry, with its feverish haste of production, its enormous extent, its constant flinging of capital and labor from one sphere of production into another, and its newly-created connexions with the markets of the whole world. Hence, apart from the radical changes introduced in the construction of sailing vessels, the means of communication and transport became gradually adapted to the modes of production of mechanical industry, by the creation of a system of river steamers, railways, ocean steamers, and telegraphs. But the ’huge masses of iron that had now to be forged, to be welded, to be cut, to be bored, and to be shaped, demanded, on their part, cyclopean trägliche Hemmschuhe für die große Industrie mit ihrer fieberhaften Geschwindigkeit der Produktion, ihrer massenhaften Stufenleiter, ihrem beständigen Werfen von Kapital-und Arbeitermassen aus einer Produktions sphäre in die andre und ihren neugeschaffnenn weltmarktlchen Zusammenhängen. Abgesehen von ganz umgewälztem Segelschiffbau, wurde das Kommunikations- und Transportwesen daher allmählich durch ein System von Flußdampfschiffen, Eisenbahnen, ozeanischen Dampfschiffen und Telegraphen der Produktionsweise der großen Industrie angepaßt. Die furchtbaren Eisenmassen aber, die jetzt zu schmieden, zu schweißen, zu schneiden, zu bohren und zu formen waren, erforderten ihrerseits zyklopische Maschinen, de-
machines, for the construction of which the methods of the manufacturing period were utterly inadequate.

104 Eli Whitney’s cotton gin had until very recent times undergone less essential changes than any other machine of the 18th century. It is only during the last decade (i.e., since 1856) that another American, Mr. Emery, of Albany, New York, has rendered Whitney’s gin antiquated by an improvement as simple as it is effective.

This contradiction requires machinery to be produced by machinery. Only then can machinery “stand on its own feet”. Today we see a similar situation in computer programming: only after computers learn to program computers, instead of people having to do this, will computers truly stand on their own feet.

506:1 Modern Industry had therefore itself to take in hand the machine, its characteristic instrument of production, and to


405:1 Die große Industrie mußte sich also ihres charakteristischen Produktionsmittels, der Maschine selbst, bemächtigen und...
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construct machines by machines. It was not till it did this, that it built up for itself a fitting technical foundation, and stood on its own feet. Machinery, simultaneously with the increasing use of it, in the first decades of this century, appropriated, by degrees, the fabrication of machines proper. But it was only during the decade preceding 1866, that the construction of railways and ocean steamers on a stupendous scale called into existence the cyclopean machines now employed in the construction of prime movers.

Technical conditions to make this possible:

506:2/o The most essential condition to the production of machines by machines was a prime mover capable of exerting any amount of force, and yet under perfect con-
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trol. Such a condition was already supplied by the steam-engine. But at the same time it was necessary to produce the geometrically accurate straight lines, planes, circles, cylinders, cones, and spheres, required in the detail parts of the machines. This problem Henry Maudsley solved in the first decade of this century by the invention of the slide rest, a tool that was soon made automatic, and in a modified form was applied to other constructive machines besides the lathe, for which it was originally intended. This mechanical appliance replaces, not some particular tool, but the hand itself, which produces a given form by holding and guiding the cutting tool along the iron or other material operated upon. Thus it became possible
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to produce the forms of the individual parts of machinery

“with a degree of ease, accuracy, and speed, that no accumulated experience of the hand of the most skilled workman could give.”

105 “The Industry of Nations,” Lond., 1855, Part II., p. 239. This work also remarks: ‘Simple and outwardly unimportant as this appendage to lathes may appear, it is not, we believe, averring too much to state, that its influence in improving and extending the use of machinery has been as great as that produced by Watt’s improvements of the steam-engine itself. Its introduction went at once to perfect all machinery, to cheapen it, and to stimulate invention and improvement.’

Schärfe von Schneideinstrumenten usw. gegen oder über das Arbeitsmaterial, z.B. Eisen. So gelang es, die geometrischen Formen der einzelnen Maschinenteile

„mit einem Grad von Leichtigkeit, Genauigkeit und Raschheit zu produzieren, den keine gehäufte Erfahrung der Hand des geschicktesten Arbeiters verleihen konnte“. 105

105 „The Industry of Nations“, Lond. 1855, Part II, p. 239. Es heißt ebendaselbst: „So einfach und äußerlich unbedeutend, wie dieses Zubehör zur Drehbank erscheinen mag, glauben wir doch nicht zu viel zu behaupten, wenn wir feststellen, daß sein Einfluß auf die bessere und ausgedehntere Verwendung von Maschinen ebenso groß gewesen ist wie der, den Watts Verbesserungen der Dampfmaschine hervorgerufen haben. Seine Einführung hatte sofort eine Vervollkommnung und Verbilli-
If we now fix our attention on that portion of the machinery employed in the construction of machines, which constitutes the operating tool, we find the manual implements re-appearing, but on a cyclopean scale. The operating part of the boring machine is an immense drill driven by a steam-engine; without this machine, on the other hand, the cylinders of large steam-engines and of hydraulic presses could not be made. The mechanical lathe is only a cyclopean reproduction of the ordinary foot-lathe; the planing machine, an iron carpenter, that works on iron with the same tools that the human carpenter employs on wood; and the saw, the cutting-off machine, the milling machine — all serve to show how the idea, first conceived in the mind of the human architect, has been carried into effect by the genius of the mechanical inventor, who has employed the grandeur of his art to the development of this new civilisation.

Betrachten wir nun den Teil der zum Maschinenbau angewandten Maschinierie, der die eigentliche Werkzeugmaschine bildet, so erscheint das handwerksmäßige Instrument wieder, aber in zyklopischem Umfang. Der Operateur der Bohrmaschine z.B. ist ein ungeheurer Bohrer, der durch eine Dampfmaschine getrieben wird und ohne den umgekehrt die Zylinder großer Dampfmaschinen und hydraulischer Pressen nicht produziert werden könnten. Die mechanische Drechselbank ist die zyklopische Wiedergeburt der gewöhnlichen Fußdrechselbank, die Hobelmaschine ein eiserner Zimmermann, der mit denselben Werkzeugen in
The instrument that, on the London wharves, cuts the veneers, is a gigantic razor; the tool of the shearing machine, which shears iron as easily as a tailor’s scissors cut cloth, is a monster pair of scissors; and the steamhammer works with an ordinary hammer head, but of such a weight that not Thor himself could wield it. These steamhammers are an invention of Nasmyth, and there is one that weighs over 6 tons and strikes with a vertical fall of 7 feet, on an anvil weighing 36 tons. It is mere child’s-play for it to crush a block of granite into powder, yet it is no less capable of driving, with a succession of light taps, a nail into a piece of soft wood.
One of these machines, used for forging paddle-wheel shafts in London, is called “Thor.” It forges a shaft of 16 1/2 tons with as much ease as a blacksmith forges a horseshoe.

Wood-working machines that are also capable of being employed on a small scale are mostly American inventions.

Summary conclusion of the whole section which now stresses more the differences than the common features of hand tools and machinery. Co-operation *technical* necessity!
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purely subjective; it is a combination of detail laborers; in its machinery system, Modern Industry has a productive organism that is purely objective, in which the laborer becomes a mere appendage to an already existing material condition of production. In simple co-operation, and even in that founded on division of labor, the suppression of the isolated, by the collective, workman still appears to be more or less accidental. Machinery, with a few exceptions to be mentioned later, operates only by means of associated labor, or labor in common. Hence the co-operative character of the labor-process is, in the latter case, a technical necessity dictated by the instrument of labor itself.
Notwendigkeit.

In this section, Marx described the evolution of machinery as the exercise of the forces which he identified at the beginning as the driving forces for the development of machinery. The replacement of the worker was the starting point, and the development is only finished after also the production of machinery itself is mechanized.
This chapter discusses changes in the rate of surplus-value caused by variations in productivity of labor, intensity of labor, and length of the working day—under the assumption that the worker’s real wage income remains constant. It is a continuation of chapter Nine, which discussed changes in the rate of surplus-value if the length of the working-day is varied.

The first two paragraphs develop the assumptions just mentioned. Marx begins with a summary of the mechanisms determining the value of labor-power.
The value of labor-power is determined by the value of the habitually necessary means of consumption of the average laborer. The quantity of these means of consumption—although their form may vary—is given at any particular epoch in a particular society. It is therefore to be treated as a constant magnitude. What changes, is the value of this quantity.

Moore and Aveling translate “gegeben” with “known,” which is the epistemic fallacy.

The reader should keep in mind that the value of labor-power determines the total daily or weekly wage income, not the hourly wage. In the discussion of wages in 683:3 and 701:1, Marx will say that a simple reformulation is needed to translate the results gained here into laws governing the wages themselves.

Since the quantity of the workers’ consumption goods is assumed constant, all those
factors cannot be discussed here which affect the magnitude of wages and profits through the kinds and amounts of use-values necessary to reproduce labor-power:

There are, besides, two other factors that enter into the determination of the value of labor-power. One, the expenses of developing that power, which expenses vary with the mode of production; the other, its natural diversity, the difference between the labor-power of men and women, of children and adults. The employment of these different sorts of labor-power, an employment which is again conditional on the mode of production, makes a great difference in the cost of maintaining the family of the laborer, and in the value of the labor-power of the adult male. Both these factors, however, are excluded in the following investigation.\(^9\)

Zwei andre Faktoren gehn in die Wertbestimmung der Arbeitskraft ein. Einerseits ihre Entwicklungskosten, die sich mit der Produktionsweise ändern, andrerseits ihre Naturdifferenz, ob sie männlich oder weiblich, reif oder unreif. Der Verbrauch dieser differenten Arbeitskräfte, wieder bedingt durch die Produktionsweise, macht großen Unterschied in den Reproduktionskosten der Arbeiterfamilie und dem Wert des erwachsenen männlichen Arbeiters. Beide Faktoren bleiben jedoch bei der folgenden Untersuchung ausgeschlossen.\(^9\)
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In footnote 9b, Engels names a third case which is also not discussed here:

9b Note in the 3rd German edition.—The case considered at pages 300–302 is here of course also omitted.—F. E.

Engels refers here to the situation where the individual value of the product is below its social value, which may lead to extra surplus-value, see 433:2/oo. Engels’s assumption in the footnote is related to the assumption Marx makes in the main text right after that footnote:

655:2 I assume (1) that commodities are sold at their value; (2) that the price of labor-power rises occasionally above its value, but never sinks below it.

In both Marx’s and Engels’s assumptions, market prices reflect social values. The assumption that labor-power is sold at its value is also made in 430:1/o.

If all assumptions hold that have been listed so far, then wages and surplus-value are determined by three factors: productivity, intensity, and length of the working-day.

655:3/o On this assumption we have seen 542:3/o Dies einmal unterstellt, fand sich,
that the relative magnitudes of surplus-value and of price of labor-power are determined by three circumstances; (1) the length of the working-day, or the extensive magnitude of labor; (2) the normal intensity of labor, its intensive magnitude, whereby a given quantity of labor is expended in a given time; (3) the productive power of labor, whereby the same quantum of labor yields, in a given time, a greater or lesser quantum of product, dependent on the degree of development in the conditions of production.

daß die relativen Größen von Preis der Arbeitskraft und von Mehrwert durch drei Umstände bedingt sind: 1. die Länge des Arbeits tags oder die extensive Größe der Arbeit; 2. die normale Intensität der Arbeit oder ihre intensive Größe, so daß ein bestimmtes Arbeits quantum in bestimmter Zeit verausgabt wird; 3. endlich die Produktivkraft der Arbeit, so daß je nach dem Entwicklungsgrad der Produktionsbedingungen dasselbe Quantum Arbeit in derselben Zeit ein größeres oder kleineres Quantum Produkt liefert.
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Mathematically, these relations can be expressed by the four parameters

\[ l = \text{length of working day} \]
\[ i = \text{intensity of labor} \]
\[ m = \text{“habitually necessary” means of subsistence} \]
\[ q = \text{productive power of labor} \]
and the three derived variables

\[ u = \text{value produced per day} = l \times i \]

\[ v = \text{value of labor-power per day} = \frac{m}{q} \]

\[ s = \text{surplus-value per day} = l \times i - \frac{m}{q} \]

Very different combinations are clearly possible, according as one of the three factors is constant and two variable, or two constant and one variable, or lastly, all three simultaneously variable. And the number of these combinations is augmented by the fact that, when these factors simultaneously vary, the amount and direction of their respective variations may differ. In what fol-

Sehr verschiedene Kombinationen sind offenbar möglich, je nachdem einer der drei Faktoren konstant und zwei variabel, oder zwei Faktoren konstant und einer variabel, oder endlich alle gleichzeitig variabel sind. Die
e Kombinationen werden noch dadurch ver-

mannigfacht, daß bei gleichzeitiger Variation verschiedener Faktoren die Größe und Rich-
tung der Variation verschieden sein können.
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lows the chief combinations alone are considered.

A modern economist would represent the variations Marx is going to discuss now as the partial derivatives of \( s \) with respect to \( q \), \( i \), and \( l \). In modern economics this is called a “comparative statics” analysis.

I. Length of Working Day and Intensity of Labor Constant, Productivity Variable

As announced in the section title, Marx first discusses the situation where \( l \) and \( i \) are constant and only the productivity \( q \) varies. And as announced at the very beginning of the chapter, in 655:1, \( m \) is kept constant as well. Let us first see how a modern mathematical economist would analyze this situation. Surplus-value depends on the four basic parameters \( l \), \( i \), \( m \), and \( q \) through the following equation:

\[
s = l \times i - \frac{m}{q}.
\]  

(17.1)
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Taking time derivatives with \( l, i, \) and \( m \) treated as constants gives

\[
\dot{s} = \frac{m}{q^2} \dot{q} = v \times \frac{\dot{q}}{q}
\]

from which follows

\[
\frac{\dot{s}}{s} = \frac{\dot{q}}{q} / \frac{s}{v}
\]

i.e., the relative increase in surplus-value (perhaps expressed in percentage points) is equal to the relative increase in productivity divided by the rate of exploitation.

Where a modern economist would see one law, symbolized by (17.1) or (17.3), Marx speaks of three different laws:

656:1 On these assumptions the value of labor-power, and the magnitude of surplus-value, are determined by three laws.

543:1 Unter dieser Voraussetzung sind Wert der Arbeitskraft und Mehrwert durch drei Gesetze bestimmt.

Marx will derive these three laws by a dialectical derivation with two \( \sigma \)-transforms. I will attempt to show that it is justified to speak of three laws because three different generative mechanisms are at work. In other words, formula (17.1) or (17.3) is the symbolic represen-
I.a. [First Law: Total Value Created is Constant]

Firstly, a working day of given length always represents itself in the same amount of value, no matter how much the productivity of labor may change and, with it, the mass of the product, therefore the price of each individual commodity.

The quantity of value does not depend on productivity but is determined by labor-time alone. This law was introduced in chapter One, see \textit{129:3/o}. The great exception to this law, the introduction of new machinery which leads to extra surplus-value, was explicitly ruled out in footnote \textit{9b} to paragraph \textit{655:1} earlier in this chapter here.

Although this is an important and by no means obvious economic law, it has a very simple mathematical form: it says that the formula for $u$, the value produced per day, $u = l \times i$, does
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not have \( q \) in it.

\[
\begin{align*}
\text{value product of one day} &= l \times i \quad \text{constant} \\
\text{use-value product of one day} &= l \times i \times q \quad \text{changes with productivity.}
\end{align*}
\]

⇓ If one divides these two equations, one gets the value of the individual article, which changes inversely with productivity.

If the value created by a working-day of 12 hours be, say, six shillings, then, although the mass of the articles produced varies with the productive power of labor, the only result is that the value represented by six shillings is spread over a greater or lower number of articles.

⇑ Instead of the value of the individual article Marx discusses here its inverse, the “spread” of a given value over a greater or lower number of articles.

543:3 Das Wertprodukt eines zwölfstündigen Arbeitstags ist 6 sh. z.B., obgleich die Masse der produzierten Gebrauchswerte mit der Produktivkraft der Arbeit wechselt, der Wert von 6 sh. sich also über mehr oder weniger Waren verteilt.
I.b. [Second Law: Increases in Productivity lead to Increases in Surplus-value]

Even though an increase in productivity does not lead to an increase in value, the second law states that it leads to an increase in *surplus-value* and a decrease in the value of labor-power.

656:3 Secondly, surplus-value and the value of labor-power vary in opposite directions. A variation in the productive power of labor, its increase or diminution, causes a variation in the opposite direction in the value of labor-power, and in the same direction in surplus-value.


⇑ The second sentence of this two-sentence paragraph states the second law. Marx does not specify whether it is a law about the value of labor-power or about surplus-value. The same mechanism affects both: a rise (fall) in the productivity of labor leads both to a fall (rise) in the value of labor-power and a rise (fall) in surplus-value. The first sentence of the paragraph is an explanation, given beforehand, why this one cause, a change in the productivity of labor, has such a double outcome: because value of labor-power and surplus-
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Value always move in opposite directions to each other.

A modern mathematical economist would see a proof of this law in its very formulation. First sentence: since the surplus-value is total value produced minus value of the labor-power consumed (see chapter Seven, 302:2), surplus-value and value of labor-power vary inversely with each other. First half of second sentence: on the other hand, as discussed in chapter Twelve, value of labor-power varies inversely with productivity. Second half of second sentence: If one puts these two inverse relations together, one gets a direct relationship between surplus-value and productivity.

But Marx would not consider such a concatenation of equations to be a proof, since this purely mathematical operation is silent about the causalities involved. Marx’s proof of the second law takes up the next two paragraphs. ↓ It can be viewed as a dialectical derivation which takes off from the first law.

656:4/o The value created by a working day of 12 hours is a constant quantity, say, six shillings.

The dialectic comes in with the observation that this constant is the sum of two variables. This is a σ-transform, the discovery of a not entirely obvious contradiction: how can a
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constant be the sum of two variables?

This constant quantity is the sum of the surplus-value plus the value of the labor-power, which latter value the laborer replaces by an equivalent.

There is only one way to resolve this contradiction. Two variables can only then have a constant as their sum if their variations are opposite to each other.

It is self-evident that, if a constant quantity consists of two parts, neither of them can increase without the other diminishing.

For value of labor-power and surplus-value, the following must therefore be true (if they are the component parts of a constant magnitude):

Let the two parts at starting be equal; 3 shillings value of labor-power, 3 shillings surplus-value. Then the value of the labor-power cannot rise from three shillings to four, without the surplus-value falling from 3 shillings to 2, and the surplus-value cannot rise from 3 shillings to 4, without the labor-power falling from 3 shillings to 2.

Der Wert der Arbeitskraft kann nicht von 3 auf 4 steigen, ohne daß der Mehrwert von 3 auf 2 fällt, und der Mehrwert kann nicht von 3 auf 4 steigen, ohne daß der Wert der Arbeitskraft von 3 auf 2 fällt.
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three shillings to two; and the surplus-value cannot rise from three shillings to four, without the value of labor-power falling from three shillings to two.

⇑ This statement is entirely symmetric in value of labor-power and surplus-value. It does not say anything about causality, only association. This association must hold if the sum of value of labor-power and surplus-value is a constant. The next step must therefore be to check whether causal mechanisms exist which generate this association.

⇓ But before checking whether such causal mechanisms exist, Marx makes a brief digression in order to draw out an implication of this negative association between value of labor-power and surplus-value: it is not possible that both rise at the same time. The rise of one always goes at the expense of the other.

Under these circumstances, therefore, no change can take place in the absolute magnitude, either of the surplus-value, or of the value of labor-power, without a simultaneous change in their relative magnitudes, \textit{i.e.},

Unter diesen Umständen also ist kein Wechsel in der absoluten Größe, sei es des Werts der Arbeitskraft, sei es des Mehrwerts, möglich ohne gleichzeitigen Wechsel ihrer relativen oder verhältnismäßigen Größen. Es ist
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relatively to each other. It is impossible for them to rise or fall simultaneously.

↑ The relative magnitudes can be obtained by the trivial mathematical operation of dividing the absolute magnitudes by each other. Why does Marx even bother with this mathematically trivial reformulation? Because in the real world, relative changes are sustained by different mechanisms and also have different effects than absolute changes. Changes in the absolute magnitude of the value of labor-power are caused by changes in productivity, while changes in the relative magnitudes are the results of distributional battles between the classes.

↓ After this digression about relative magnitudes, Marx looks for the causal mechanisms which maintain this negative association between value of labor-power and surplus-value. For this, Marx adds yet another variable to the association, namely, productivity:

657:1 Further, the value of labor-power cannot fall, and consequently surplus-value cannot rise, without a rise in the productive power of labor.

↓ But with productivity of labor we have found the variable whose change causes the
other changes. The remainder of this sentence no longer talks about association but about causality:

For instance, in the above case, the value of the labor-power cannot sink from three shillings to two, unless an increase in the productive power of labor makes it possible to produce in 4 hours the same quantity of means of consumption as previously required 6 hours to produce. On the other hand, the value of the labor-power cannot rise from three shillings to four, without a decrease in the productive power of labor, whereby eight hours become requisite to produce the same quantity of means of consumption, for the production of which six hours previously sufficed.

↓ In other words, that what first was only known to be an association is now seen to be a

z.B. im obigen Fall kann der Wert der Arbeitskraft nicht von 3 auf 2 sh. sinken, ohne daß erhöhte Produktivkraft der Arbeit erlaubt, in 4 Stunden dieselbe Masse Lebensmittel zu produzieren, die vorher 6 Stunden zu ihrer Produktion erheischten. Umgekehrt kann der Wert der Arbeitskraft nicht von 3 auf 4 sh. steigen, ohne daß die Produktivkraft der Arbeit fällt, also 8 Stunden zur Produktion derselben Masse von Lebensmitteln erheischt sind, wozu früher 6 Stunden genügten.
causal effect going from productivity to value of labor-power to surplus-value.

It follows from this, that an increase in the productive power of labor causes a fall in the value of labor-power and a consequent rise in surplus-value, while, on the other hand, a decrease in such productive power causes a rise in the value of labor-power, and a fall in surplus-value.

This formulation, echoing the statement of the law at the beginning of 656:3, concludes the proof of this law. This proof did not consist in the extraneous and unmediated concatenation of mathematical relationships, but in a dialectical derivation. Note that the result of this dialectic is an entirely linear causality—but this causality starts in the hidden sphere of production. The above $\sigma$-transform allowed us to go from the starting point on the surface (the constancy of the total value created) to the underlying sphere of production.

Marx does not stay long with this linear causal but immediately finds another $\sigma$-transform. Since the relationship between productivity and surplus-value is a direct relationship, i.e., since an increase in productivity leads to an increase in surplus-value, one might
think that productivity is the source of surplus-value. Against this, Marx brings the observation that it is not a proportional relationship, i.e., not a relationship of the form $s = a \times q$ with a constant $a$. An increase in productivity by 3 percent, say, does therefore not lead to an increase of surplus-value by 3 percent. Marx introduces this observation as something that Ricardo overlooked:

657:2/6 In formulating this law, Ricardo overlooked one circumstance; although a change in the magnitude of the surplus-value or surplus-labor has as its condition a change in the opposite direction in the magnitude of the value of labor-power, or in the quantity of necessary labor, it by no means follows that they vary in the same proportion. They do increase or diminish by the same quantity. But their proportional increase or diminution depends on their original magnitudes before the change in the

544:1 Bei Formulierung dieses Gesetzes übersah Ricardo einen Umstand: Obgleich der Wechsel in der Größe des Mehrwerts oder der Mehrarbeit einen umgekehrten Wechsel in der Größe des Werts der Arbeitskraft oder der notwendigen Arbeit bedingt, folgt keineswegs, daß sie in derselben Proportion wechseln. Sie nehmen zu oder ab um dieselbe Größe. Das Verhältnis aber, worin jeder Teil des Wertprodukts oder des Arbeitstags zu oder abnimmt, hängt von der ursprünglichen Teilung ab, die vor dem Wechsel in der Pro-
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productive power of labor took place.

This is a verbal description of the mathematical equation (17.3): \( \frac{ds}{s} \) is not equal to \( \frac{dq}{q} \), but instead the following relationship holds: \( \frac{ds}{s} = \frac{dq}{q} / \frac{s}{v} \). In words, the percentage by which surplus-value increases is the percentage by which productivity increases divided by the rate of exploitation. Instead of writing out this relationship as a mathematical formula, as is the custom in modern economics, Marx gives a numerical example. To make it easier for the modern reader to follow the math, the translation converted the british pounds used by Marx into dollars. As in 430:1/0, one hour of work is represented in 12 cents.

If the value of the labor-power be 96 cents, or the necessary labor-time 8 hours, and the surplus-value be 48 cents, or the surplus-labor 4 hours, and if, in consequence of an increase in the productive power of labor, the value of the labor-power falls to 72 cents, or the necessary labor to 6 hours, the surplus-value will rise to 72 cents, or the surplus-labor to 6 hours. The same quan-

War der Wert der Arbeitskraft 4 sh. oder die notwendige Arbeitszeit 8 Stunden, der Mehrwert 2 sh. oder die Mehrarbeit 4 Stunden und fällt, infolge erhöhter Produktivkraft der Arbeit, der Wert der Arbeitskraft auf 3 sh. oder die notwendige Arbeit auf 6 Stunden, so steigt der Mehrwert auf 3 sh. oder die Mehrarbeit auf 6 Stunden. Es ist dieselbe Größe von 2 Stunden oder 1 sh., die dort zugefügt,
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quantity, 24 cents or 2 hours, is added in one case and subtracted in the other. But the proportional change of magnitude is different in each case. While the value of the labor-power falls from 96 cents to 72, *i.e.*, by 1/4 or 25%, the surplus-value rises from 48 cents to 72, *i.e.*, by 1/2 or 50%. It therefore follows that the proportional increase or diminution in surplus-value, consequent on a given change in the productive power of labor, depends on the original magnitude of that portion of the working day which embodies itself in surplus-value; the smaller that portion, the greater is the proportional change; the greater that portion, the less is the proportional change.

In this situation, the parameter values of *l*, *i*, and *m*, which remain fixed, are (with the
arbitrary introduction of widgets as use-value units of the workers’ consumption goods):

\[ l = \text{length of working day} = 12 \text{ hours/day} \]

\[ i = \text{intensity of labor} = 12 \text{ cents/hour} \]

\[ m = \text{workers’ consumption} = 8 \text{ widgets/day} \]

Therefore

\[ u = \text{value produced per day} = l \times i = $1.44/\text{day} \]
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Before the increase in productivity, the other parameters are:

\[ q_0 = \text{productive power of labor} = \frac{m}{12 \text{ cents}} = 1 \text{ widget} \]

\[ v_0 = \text{value of daily labor-power} = \frac{m}{q_0} = 96 \text{ cents/day} \]

\[ s_0 = \text{surplus-value per day} = l \times i - \frac{m}{q_0} = 48 \text{ cents/day} \]

After the productivity increase, the parameters are

\[ q_1 = \text{productive power of labor} = \frac{m}{8 \text{ cents}} = 1 \text{ widget} \]

\[ v_1 = \text{value of daily labor-power} = \frac{m}{q_1} = 72 \text{ cents/day} \]

\[ s_1 = \text{surplus-value per day} = l \times i - \frac{m}{q_1} = 72 \text{ cents/day} \]
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The ratios computed by Marx in the text are

\[
\frac{\Delta v}{v} = \frac{v_1 - v_0}{v_0} = -\frac{1}{4} \quad (17.4)
\]

\[
\frac{\Delta s}{s} = \frac{s_1 - s_0}{s_0} = \frac{1}{2} \quad (17.5)
\]

Clearly, the proportional decrease of \(v\) is not equal to the proportional increase of \(s\). Instead, since \(\Delta s = -\Delta v\), the following equation

\[
\frac{\Delta s}{s} = -\frac{\Delta v}{v} / \frac{s}{v} \quad (17.6)
\]

always holds.

Equation (17.6) looks similar to (17.3), but it relates the proportional increase of \(s\) only to the proportional decrease in \(v\), not to the more basic proportional increase in productivity \(q\). Had Marx computed the change in productivity itself instead of the change in variable capital, he would have obtained

\[
\frac{\Delta q}{q} = \frac{q_1 - q_0}{q_0} = \frac{1}{2} \quad (17.7)
\]
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which happens in this particular example to be equal to $\frac{\Delta s}{s}$ — but this is a fluke; in general, $\frac{\Delta q}{q}$ and $\frac{\Delta s}{s}$ are unequal.

In Marx’s example, the rate of exploitation is rather low, it is only 50%. Therefore a small increase in productivity is rewarded by a large increase in surplus-value. This was, presumably, the situation during the industrial revolution. Today the opposite case is more relevant (which Marx discusses somewhere in Grundrisse): if the rate of exploitation is already high, then increases in productivity will not make that much difference. Here it would be much more profitable to increase intensity.

I.c. [Third Law: Causality from Productivity to Surplus-Value]

In the formulation of the second law, the value of labor-power and surplus-value were treated in a strictly parallel fashion. The same mechanism, an increase in productivity, affects both variable capital and surplus-value. This parallel formulation was even maintained at the beginning of the proof. But the very last step of the proof, which identified the causality involved, suddenly no longer makes any mention of surplus-value but only talks about the link from productivity to the value of labor-power. Surplus-value is only affected indirectly,
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by a change in the value of labor-power. The third law emphasizes this one-sided causal directionality behind the negative correlation between value of labor-power and surplus-value. An increase in surplus-value can never be the cause, but always only the consequence, of a decrease in the value of labor-power (i.e., in the value of the workers’ habitual means of subsistence, whose mass is here considered constant). This was already discussed in chapter Twelve, 430:1/o.

Even if the capitalists have the market power to increase their profit margins, profits are not created in circulation but in production. If the length of the working-day is fixed, then a durable increase in profits can only come from a decrease of the value of labor-power, i.e. an increase in productivity. But the motivation of the capitalist focuses on profits, not the value of labor-power. The third law says: the capitalists’ efforts to increase profits will only then lead to a durable increase in profits if they have the effect of lowering the value of the
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Methods to increase surplus-value which do not go through the value of the workers’ means of subsistence must therefore be illusory:

10 To this third law MacCulloch has made, amongst others, this absurd addition, that a rise in surplus-value, unaccompanied by a fall in the value of labor-power, can occur through the abolition of taxes payable by the capitalist. The abolition of such taxes makes no change whatever in the quantity of surplus-value that the capitalist extorts at first-hand from the laborer. It alters only the proportion in which that surplus-value is divided between himself and third persons. It consequently makes no alteration whatever in the relation between surplus-value and value of labor-power. MacCulloch’s exception therefore proves only his misapprehension of the rule, a misfortune that as often happens to him in the vulgarisation of Ricardo, as it does to J. B. Say in the vulgarisation of Adam Smith.
Until now, the third law was only formulated but not yet proved. Here is its proof:

658:2 Since the working-day is constant in magnitude, and is represented by a value of constant magnitude, since, to every variation in the magnitude of surplus-value, there corresponds an inverse variation in the value of labor-power, and since the value of labor-power cannot change, except in consequence of a change in the productive power of labor, it clearly follows, under these conditions, that every change in the magnitude of surplus-value arises from an inverse change in the magnitude of the value of labor-power.

545:1 Da der Arbeitstag von konstanter Größe ist, sich in einer konstanten Wertgröße darstellt, jedem Größenwechsel des Mehrwerts ein umgekehrter Größenwechsel im Wert der Arbeitskraft entspricht und der Wert der Arbeitskraft nur wechseln kann mit einem Wechsel in der Produktivkraft der Arbeit, folgt unter diesen Bedingungen offensichtlich, daß jeder Größenwechsel des Mehrwerts aus einem umgekehrten Größenwechsel im Wert der Arbeitskraft entspringt.

One sees that this third law is not due to the separate action of an independent causal mechanism but a consequence of the constraints imposed in the given situation. Although the theoretical derivation of this law is simple, the law itself is by no means trivial and obvi-
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ous if one applies it to the real world. Whatever means the capitalist may apply to increase profits, be it cost savings or innovation in production or figuring out what the customers want to buy, etc., the third law says that it can only then permanently increase surplus-labor if it has the effect of lowering the reproduction costs of the laborer. The next passage expresses this idea in terms of absolute and relative changes in value of labor-power and surplus-value:

If, then, as we have already seen, there can be no change of absolute magnitude in the value of labor-power, and in surplus-value, unaccompanied by a change in their relative magnitudes, so now it follows that no change in their relative magnitudes is possible, without a change in the absolute magnitude of the value of labor-power.

↑ Although this looks like a symmetric counterpart of the law derived in 656:4/o, it is really its negation. Whereas the earlier law ruled out a situation in which both wage and surplus-value rise at the same time, this law here rules out a situation in which a few minutes or hours of the working-day are directly reallocated from necessary labor to surplus-labor.

Wenn man daher gesehen, daß kein absolu-ter Größenwechsel im Wert der Arbeitskraft und des Mehrwerts möglich ist ohne einen Wechsel ihrer relativen Größen, so folgt jetzt, daß kein Wechsel ihrer relativen Wertgrößen möglich ist ohne einen Wechsel in der abso-luten Wertgröße der Arbeitskraft.

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It is not possible to directly move the divider between necessary labor and surplus-labor as suggested in 429:2/o. This is only true under the assumption that prices are equal to values; but given this assumption, the capitalists cannot directly transfer surplus-value from the workers to themselves. An increase in surplus-value can only happen indirectly, as the consequence of a fall in the value of labor-power. \[\text{The next paragraph shows that this indirectness can be beneficial to the working class:}\]

\[\text{l.d. [A rise in the workers' consumption]}\]

658:3/o According to the third law, a change in the magnitude of surplus-value presupposes a movement in the value of labor-power, brought about by a variation in the productive power of labor.


Assume, for instance, that capitalists introduce technical innovations in order to increase their profits, and the value of labor-power indeed falls. But the price paid for labor-power does not fall immediately or does not fall as far as it should. (The consideration of the
process of adjustment can be considered a $\sigma$-transform.) Then the efforts of the capitalists to increase profits lead to higher wages for the workers.

The limit of this change is given by the altered value of labor-power. Nevertheless, even when circumstances allow the law to operate, subsidiary movements may occur. For example: if in consequence of the increased productive power of labor, the value of labor-power falls from 96 cents to 72, or the necessary labor-time from 8 hours to 6, the price of labor-power may possibly not fall below 88 cents, 84 cents, or 76 cents, and the surplus-value consequently not rise above 56 cents, 60 cents, or 68 cents. The amount of this fall, the lowest limit of which is 72 cents (the new value of labor-power), depends on the relative weight, which the
Changes in Price of Labor-Power and Surplus-Value

pressure of capital on the one side, and the resistance of the laborer on the other, throw into the scale.

In his calculation of surplus-value, Marx seems to be off by 1 shilling. Instead of surplus-values of 3 sh. 4 d., 3sh. 6 d., and 3 sh. 10 d., the right number seem to be 2 sh. 4 d., 2sh. 6 d., and 2 sh. 10 d. On the German side, I left Marx’s original numbers, but I adjusted the dollar amounts given in the English.

One might think that this advantage for the working-class is only temporary, because the price of labor-power has risen above its value. But in this situation, the pressure of the capitalist class to drive the price of labor-power down to its value is mitigated because capitalist profits rise as well. The capitalists may not object to the rise in wages because the purchasing power of their profits increases as well, and their accumulation and consumption plans can proceed without obstacles. The higher wages may even be perceived as an advantage, since they ensure labor peace and willing performance by the workers. This effect is also known in modern macroeconomics as the “ratchet effect” of consumption: once personal consumption has been allowed to increase, it is very difficult to get it back down to the previous lower level.
The limiting case in the direction favorable to the workers is described in Marx’s next example, which makes a break with the assumption from 655:1 that real wages are constant:

659:1 The value of labor-power is determined by the value of a given quantity of necessary means of consumption. It is the value and not the mass of these means of consumption that varies with the productive power of labor. It is, however, possible that, owing to an increase of productive power, both the laborer and the capitalist may simultaneously be able to appropriate a greater quantity of means of consumption, without any change in the price of labor-power or in surplus-value. If the value of labor-power be 72 cents, and the necessary labor-time amount to 6 hours, if the surplus-value likewise be 72 cents, and
the surplus-labor 6 hours, then if the productive power of labor were doubled without altering the ratio of necessary labor to surplus-labor, there would be no change of magnitude in surplus-value and price of labor-power. The only result would be that each of them would represent twice as many use-values as before; these use-values being twice as cheap as before. Although labor-power would be unchanged in price, it would be above its value.

↑ The movements which are in full compliance with the constraint that real wages are constant generate therefore forces that push for a change in real wages. Through its own dialectics, therefore, this process subverts the presuppositions on which it is based.

↓ At the very end, Marx shows that this leakage, which allows workers to capture parts of the productivity increase and add it to their socially accepted consumption norm, is strictly limited: it can improve the absolute position of the laborer, but it will not narrow the gulf
I. Length and Intensity Constant, Productivity Variable

between laborer and capitalist, indeed this gulf will probably widen:

If, however, the price of labor-power had fallen, not to 36 cents, the lowest possible point consistent with its new value, but to 68 cents or 60 cents, still this falling price would represent an increased mass of means of consumption. In this way it is possible with an increasing productive power of labor, for the price of labor-power to keep on falling, and yet this fall to be accompanied by a constant growth in the mass of the laborer’s means of consumption. But relatively, compared with surplus-value, the value of labor-power would fall continuously, and thus the abyss between the laborer’s position and that of the capitalist would keep widening.\(^{11}\)
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11 “When an alteration takes place in the productiveness of industry, and that either more or less is produced by a given quantity of labor and capital, the proportion of wages may obviously vary, whilst the quantity, which that proportion represents, remains the same, or the quantity may vary, whilst the proportion remains the same.” ([J. Cazenove,] Outlines of Political Economy, etc., p. 67.)

I.e. [Ricardo]

The section concludes with brief remarks about Ricardo, who first formulated these laws. On this occasion, Marx distinguishes the rate of surplus-value from the rate of profits:

660:1 Ricardo was the first who accurately formulated the three laws we have above stated. But he falls into the following errors: (1) he looks upon the special con-

546:1/o Ricardo hat die oben aufgestellten drei Gesetze zuerst streng formuliert. Die Mängel seiner Darstellung sind, 1. daß er die besonderen Bedingungen, innerhalb deren
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ditions under which these laws hold good as the general and sole conditions of capitalist production. He knows no change, either in the length of the working-day, or in the intensity of labor; consequently with him there can be only one variable factor, viz., the productive power of labor; (2), and this error vitiates his analysis much more than (1), he has not, any more than have the other economists, investigated surplus-value as such, i.e., independently of its particular forms, such as profit, rent, etc. He therefore confounds together the laws of the rate of surplus-value and the laws of the rate of profit. The rate of profit is, as we have already said, the ratio of the surplus-value to the total capital advanced; the rate jene Gesetze gelten, für die sich von selbst verstehenden, allgemeinen und ausschließlichsten Bedingungen der kapitalistischen Produktion ansieht. Er kennt keinen Wechsel, weder in der Länge des Arbeitstags noch in der Intensität der Arbeit, so daß bei ihm die Produktivität der Arbeit von selbst zum einzigen variablen Faktor wird;—2. aber, und dies verfälscht seine Analyse in viel höherem Grad, hat er ebensowenig wie die anderen Ökonomen jemals den Mehrwert als solchen untersucht, d.h. unabhängig von seinen besonder Formen, wie Profit, Grundrente usw. Er wirft daher die Gesetze über die Rate des Mehrwerts unmittelbar zusammen mit den Gesetzen der Profitrate. Wie schon gesagt, ist die Profitrate das Verhält-
of surplus-value is the ratio of the surplus-value to the variable part of that capital. Assume that a capital $C$ of £500 is made up of raw material, instruments of labor, etc. ($c$) to the amount of £400; and of wages ($v$) to the amount of £100; and further, that the surplus-value ($s$) is £100. Then we have rate of surplus-value $s/v = £100/£100 = 100\%$. But the rate of profit $s/c = £100/£500 = 20\%$. It is, besides, obvious that the rate of profit may depend on circumstances that in no way affect the rate of surplus-value. I shall show in Book III that, with a given rate of surplus-value, we may have any number of rates of profit, and that various rates of surplus-value may, under given conditions, express themselves in a single rate of profit.
II. Working Day Constant, Productivity of Labor Constant, Intensity of Labor Variable

The second section discusses variations in intensity, always contrasting them with the variations in productivity discussed in the first section. Marx asks whether the three laws derived in the first section are still valid.

660:2/o Increased intensity of labor means increased expenditure of labor in a given time. Hence a working-day of more intense labor is embodied in more products than is one of less intense labor, the length of each day being the same. Increased productive

547:1 Wachsende Intensität der Arbeit unterstellt vermehrte Ausgabe von Arbeit in demselben Zeitraum. Der intensivere Arbeitstag verkörpert sich daher in mehr Produkten als der minder intensive von gleicher Stundenzahl. Mit erhöhter Produktivkraft lie-
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power of labor also, it is true, will supply more products in a given working-day. But in this latter case, the value of each single product falls, for it costs less labor than before; in the former case, that value remains unchanged, for each article costs the same labor as before. Here we have an increase in the number of products, unaccompanied by a fall in their individual prices: as their number increases, so does the sum of their prices. By contrast, if the productive power increases, then the same value is only represented in a greater mass of products.

This is however not the whole story. Two paragraphs later, in 661:2/o, Marx says that this effect is negated if intensity rises everywhere.

This discussion of intensity seems different than that in chapter Fifteen, section ??, especially footnote 157 to paragraph 533:2/o. In that earlier discussion, intensity does not
II. Length and Productivity Constant, Intensity Variable

affect the value produced at all, unless the intensity is so strong that it requires a shortened working-day. In the present discussion, intensity affects the value produced, but if the intensification is generalized, then the increase in value produced is lost again.

\[\text{If the intensity of labor exceeds the social norm, then more value is produced per hour. The first of the three laws from the first section no longer holds: if intensity varies, the value product of a day’s labor is not constant but variable.}\]

Hence the length of the working-day being constant, a day’s labor of increased intensity will be embodied in an increased value and, the value of money remaining unchanged, in more money. The value created varies with the extent to which the intensity of labor deviates from its normal intensity in the society. A given working-day, therefore, no longer creates a constant, but a variable value; in a day of 12 hours of ordinary intensity, the value created is, say $1.44, but with

Bei gleichbleibender Stundenzahl verkörpert sich also der intensivere Arbeitstag in höherem Wertprodukt, also, bei gleichbleibendem Wert des Geldes, in mehr Geld. Sein Wertprodukt variiert mit den Abweichungen seiner Intensität von dem gesellschaftlichen Normalgrad. Derselbe Arbeitstag stellt sich also nicht wie vorher in einem konstanten, sondern in einem variablen Wertprodukt dar, der intensivere, zwölfstündige Arbeitstag z.B. in 7 sh., 8 sh. usw. statt in 6 sh. wie der
17. Changes in Price of Labor-Power and Surplus-Value

increased intensity, the value created may be $1.68, $1.92, or more.

Second law: surplus-value and wages are no longer necessarily negatively related.

It is clear that, if the value created by a day’s labor increases from, say, $1.44 to $1.92, then the two parts into which this value is divided, viz., price of labor-power and surplus-value, may both of them increase simultaneously, and either equally or unequally. They may both simultaneously increase from 72 cents to 96.

But even if hourly wages rise, this does not necessarily raise the wages above the value of the labor-power consumed, since higher intensity also results in greater wear and tear.

Here, the rise in the price of labor-power does not necessarily imply that the price has risen above the value of labor-power. On the contrary, the rise in price may be accompa-
II. Length and Productivity Constant, Intensity Variable

...findet stets statt, wenn die Preiserhöhung der Arbeitskraft ihren beschleunigten Verschleiß nicht kompensiert.

Regarding the third law, the effect of intensity on surplus-value is more direct than that of productivity. This gives an important difference between increases in intensity and increases in productivity as means to increase surplus-value: Higher productivity leads to higher relative surplus-value only if the products produced enter the habitual consumption of the workers. By contrast, higher intensity always leads to higher surplus-value.

661:1 We know that, with transitory exceptions, a change in the productive power of labor does not cause any change in the value of labor-power, nor consequently in the magnitude of surplus-value, unless the products of the industries affected are articles habitually consumed by the laborers. In the present case this condition no longer ap-
17. Changes in Price of Labor-Power and Surplus-Value

plies. For when the variation is either in the duration or in the intensity of labor, there is always a corresponding change in the magnitude of the value created, independently of the nature of the article in which that value is embodied.

Higher intensity of labor seems therefore more advantageous to the capitalist than higher productivity. But higher intensity differs from increases in productivity in yet another way, which reduces this advantage again. (This might be considered the negation of the first difference.)

661:2/o If the intensity of labor were to increase simultaneously and equally in every branch of industry, then the new and higher degree of intensity would become the normal degree for the society, and would therefore cease to be taken account of.

But this is only true nationally. On an international scale, the advantages of higher...
II. Length and Productivity Constant, Intensity Variable

intensity remain. (This would then be the negation of the negation):

But still, even then, the intensity of labor would be different in different countries, and would modify the international application of the law of value. The more intense working-day of one nation would be represented by a greater sum of money than would the less intense day of another nation.\(^\text{12}\)

\(^{12}\) “All things being equal, the English manufacturer can turn out a considerably larger amount of work in a given time than a foreign manufacturer, so much as to counterbalance the difference of the working-days, between 60 hours a week here, and 72 or 80 elsewhere.” (Rep. of Insp. of Fact. for 31st Oct., 1855, p. 65.) The most infallible means for reducing this qualitative difference between the English and Con-

Indes blieben selbst dann die durchschnittlichen Intensitätsgrade der Arbeit bei verschiedenen Nationen verschieden und modifizierten daher die Anwendung des Wertgesetzes auf unterschiedne Nationalarbeitstage. Der intensivere Arbeitstag der einen Nation stellt sich in höherem Geldausdruck dar als der minder intensive der andren.\(^\text{12}\)

\(^{12}\) „Bei sonst gleichen Umständen kann der englische Fabrikant in einer bestimmten Zeit eine beträchtlich größere Menge von Arbeit herausholen, als ein ausländischer Fabrikant, so viel, um den Unterschied der Arbeitstage zwischen 60 Stunden wöchentlich hier und 72 bis 80 Stunden anderwärts auszugleichen.“ („Reports of Insp. of Fact. for 31st Oct. 1855“, p. 65.) Größere gesetzliche Verkürzung des Arbeitstags in den kon-
tinental working hour would be a law shortening quantitatively the length of the working-day in Continental factories.

↑ Obviously, Marx is thinking here of the evidence cited in chapter Fifteen, for instance Gardner’s experiment in 535/o.

The Moore-Aveling translation of this footnote makes a point not given in the German: the legal shortening of the labor day would be a quantitative measure, while the result would be a qualitative change in the working day. I.e., this is an example where quantity turns into quality. Again Marx stresses here that a too long working-day decreases surplus-value, something he already said in chapter 10 and/or 15.

III. Productivity and Intensity Constant, Working Day Variable

Now we turn to the third possibility of keeping two variables constant and varying the third, namely, we are varying the length of the working-day.
III. Productivity and Intensity Constant, Working Day Variable

662:1 The working-day may vary in two ways. It may be made either longer or shorter.

548:2 Der Arbeitstag kann nach zwei Richtungen variieren. Er kann verkürzt oder verlängert werden.

This short paragraph in the German edition is supplemented, in the English edition, by a much longer discussion, enumerating the form which our above three laws obtain in the present situation. According to a footnote in the Vintage edition, this passage is not present in any of the German editions of Capital. It first appears in the French translation of 1872, and was presumably inserted by Engels into the first English translation.

From our present data, and within the limits of the assumptions made previously we obtain the following laws: (1.) The working-day creates a greater or lesser amount of value in proportion to its length—thus, a variable and not a constant quantity of value. (2.) Every change in the relation between the magnitudes of surplus-value and of the value of labor-power arises from a change
in the absolute magnitude of the surplus-labor, and consequently of the surplus-value. (3.) The absolute value of labor-power can change only in consequence of the reaction exercised by the prolongation of surplus-labor upon the wear and tear of labor-power. Every change in this absolute value is therefore the effect, but never the cause, of a change in the magnitude of surplus-value.

↑ I.e., the three laws are overturned completely and replaced by their opposites.

We begin with the case in which the working-day is shortened.
III. Productivity and Intensity Constant, Working Day Variable

III.a. [Shortening of the work day]

The results will be qualitatively different depending on whether the work day is lengthened or shortened. Marx first discusses a situation where the work day is *shortened*.

662:6 (1.) A shortening of the working-day under the conditions given above leaves the value of labor-power and, with it, the necessary labor-time unaltered. It reduces the surplus-labor and surplus-value. Along with the absolute magnitude of the latter, its relative magnitude also falls, *i.e.* its magnitude relatively to the value of labor-power whose magnitude remains unaltered. Only by lowering the price of labor-power below its value could the capitalist save himself harmless.

If intensity and productivity of the working-day remain constant, then a shortening of the working day without lowering wages will lead to lower surplus-value. Remember that...
Marx is holding the real daily value of labor-power constant; a shortening of hours would therefore have to be accompanied by a rise in hourly wages. \(\downarrow\) *Such a situation*, Marx argues, *rarely occurs in reality*. Usually productivity and intensity increase when the working-day is shortened:

> 663:1 All the usual arguments against the shortening of the working-day assume that it takes place under the conditions we have here supposed to exist; but in reality the very contrary is the case: a change in the productive power and intensity of labor either precedes, or immediately follows, a shortening of the working-day.\(^{13}\)

> 13 “There are compensating circumstances … which the working of the Ten Hours’ Act has brought to light.” (Rep. of Insp. of Fact. for 31st Oct. 1848,” p. 7.)

In other words, the capitalist system finds ways to neutralize the profit-damaging effects
of a shortening of the working-day. The result which one would expect according the mathematical formula does therefore not obtain. Next, let us see what happens if the working-day is lengthened.

III.b. [Lengthening of the work day]

663:2 (2.) Lengthening of the working-day. Let the necessary labor-time be 6 hours, or the value of labor-power 72 cents; also let the surplus-labor be 6 hours or the surplus-value 72 cents. The whole working-day then amounts to 12 hours and is embodied in a value of $1.44. If, now, the working-day be lengthened by 2 hours and the price of labor-power remain unaltered, the surplus-value increases both absolutely and relatively. Although there is no absolute
17. Changes in Price of Labor-Power and Surplus-Value

change in the value of labor-power, it suffers a relative fall.

After deriving his result in terms of absolute changes, Marx re-states it in terms of relative changes. This procedure is analogous to 658:2. But the result is the exact opposite. Earlier, the relative change was result of an absolute change in the value of labor-power, now it is the result of an absolute change in surplus-value:

Under the conditions assumed in 1. there could not be a change of relative magnitude in the value of labor-power without a change in its absolute magnitude. Here, on the contrary, the change of relative magnitude in the value of labor-power is the result of the change of absolute magnitude in surplus-value.

A longer work day allows wages and profits to rise simultaneously:

663:3 Since the value in which a day’s labor is embodied, increases with the length of

549:2 Da das Wertprodukt, worin sich der Arbeitstag darstellt, mit seiner eignen Verlän-
Productivity and Intensity Constant, Working Day Variable

that day, it is evident that the surplus-value and the price of labor-power may simultaneously increase, either by equal or unequal quantities.

This is the same result as with intensification of labor, see 660:2/o:

This simultaneous increase is therefore possible in two cases, one, the actual lengthening of the working-day, the other, an increase in the intensity of labor unaccompanied by such lengthening.

Such a simultaneous rise in price of labor-power and surplus-value may occur when wages are paid as time wages, as long as the incremental wage due to longer hours exceeds the higher reproduction cost necessary to allow full recovery of the labor-power. But if the working-day is made too long, the price of labor-power falls below its value:

664:1 When the working-day is prolonged, the price of labor-power may fall below its value, although that price be nom-

549:3 Mit verlängertem Arbeitstag kann der Preis der Arbeitskraft unter ihren Wert fallen, obgleich er nominell unverändert bleibt.
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inaly unchanged or even rise. The value of a day’s labor-power is, as will be remembered, estimated from its normal average duration, or from the normal duration of life among the laborers, and from corresponding normal transformations of organised bodily matter into motion, in conformity with the nature of man. Up to a certain point, the increased wear and tear of labor-power, inseparable from a lengthened working-day, may be compensated by higher wages. But beyond this point the wear and tear increases in geometrical progression, and every condition suitable for the normal reproduction and functioning of labor-power is suppressed. The price of labor-power and the degree of its exploita-

oder selbst steigt. Der Tageswert der Arbeitskraft ist nämlich, wie man sich erinnern wird, geschätzt auf ihre normale Durchschnittsdauer oder die normale Lebensperiode des Arbeiters und auf entsprechenden, normalen, der Menschennatur angemessenen Umsatz von Lebenssubstanz in Bewegung. Bis zu einem gewissen Punkt kann der von Verlängerung des Arbeitstags untrennbare größere Verschleiß der Arbeitskraft durch größeren Ersatz kompensiert werden. Über diesen Punkt hinaus wächst der Verschleiß in geometrischer Progression und werden zugleich alle normalen Reproduktions- und Betätigungsbedingungen der Arbeitskraft zerstört. Der Preis der Arbeitskraft und ihr Exploitationsgrad hören auf, miteinander kommensu-
IV. Simultaneous Variations in Length, Productivity, and Intensity of Labor

One sees that the effects of shortening the workday are not symmetric to those of lengthening it. This is why Marx investigated them separately.

14 “The amount of labor which a man had undergone in the course of 24 hours might be approximately arrived at by an examination of the chemical changes which had taken place in his body, changed forms in matter indicating the anterior exercise of dynamic force.” (Grove: “On the Correlation of Physical Forces.”)

664:2 Obviously, a large number of combinations are here possible. Any two of the

550:1 Es ist hier offenbar eine große Anzahl Kombinationen möglich. Je zwei Fakto-

rable Größen zu sein.

14 „Die Arbeitsmenge, die ein Mann im Laufe von 24 Stunden geleistet hat, kann annähernd durch eine Untersuchung der chemischen Veränderungen bestimmt werden, die in seinem Körper stattgefunden haben, da veränderte Formen in der Materie die vorherige Anspannung von Bewegungskraft anzeigen.“ (Grove, „On the Correlation of Physical Forces“, [p. 308, 309].)
17. Changes in Price of Labor-Power and Surplus-Value

Factors may vary and the third remain constant, or all three may vary at once. They may vary either in the same or in different degrees, in the same or in opposite directions, with the result that the variations counteract one another, either wholly or in part. Nevertheless the analysis of every possible case is easy in view of the results given in I., II., and III. The effect of every possible combination may be found by treating each factor in turn as variable, and the other two constant for the time being.

This should not be understood to mean that one can use a linear superposition of the earlier results. E.g. if the working day was shortened, it was not realistic to assume that production and intensity are constant. Each case must still be considered separately, because each case might lead to a different $\sigma$ transform.
We shall, therefore, notice, and that briefly, but two important cases.

IV. Simultaneous Variations

IV.a. [Fall in Productivity Compensated by a Longer Working-Day]

664:3 A. Diminishing productive power of labor with a simultaneous lengthening of the working-day.

664:4/o In speaking of diminishing productive power of labor, we here refer to diminution in those industries whose products determine the value of labor-power; such a diminution, for example, as results from decreasing fertility of the soil, and from the corresponding dearness of its products. Take the working-day at 12 hours and the corresponding dearness of its products.

550:2 1. Abnehmende Produktivkraft der Arbeit mit gleichzeitiger Verlängerung des Arbeitstags:

550:3 Wenn wir hier von abnehmender Produktivkraft der Arbeit sprechen, so handelt es sich von Arbeitszweigen, deren Produkte den Wert der Arbeitskraft bestimmen, also z.B. von abnehmender Produktivkraft der Arbeit infolge zunehmender Unfruchtbarkeit des Bodens und entsprechender Verfeinerung der Bodenprodukte. Der Arbeitstag sei
17. *Changes in Price of Labor-Power and Surplus-Value*

value created by it at $1.44, of which one half replaces the value of the labor-power, the other forms the surplus-value. Suppose, in consequence of the increased dearness of the products of the soil, that the value of labor-power rises from 72 cents to 96, and therefore the necessary labor-time from 6 hours to 8.

What happens to surplus-value in this situation depends on whether the working-day is lengthened, and by how much. Marx discusses three cases, each of which keeps a different magnitude constant (presumably due to the action of a different generative mechanism):

If there be no change in the length of the working-day, the surplus-labor would fall from 6 hours to 4, the surplus-value from 72 cents to 48. If the day be lengthened by 2 hours, *i.e.*, from 12 hours to 14, the surplus-labor remains at 6 hours, the surplus-value
IV. Simultaneous Variations

at 72 cents, but the surplus-value decreases compared with the value of labor-power, as measured by the necessary labor-time. If the day be lengthened by 4 hours, viz., from 12 hours to 16, the proportional magnitudes of surplus-value and value of labor-power, of surplus-labor and necessary labor, continue unchanged, but the absolute magnitude of surplus-value rises from 72 cents to 96, that of the surplus-labor from 6 hours to 8, an increment of 33 1/3%.

The organizing principle behind the above list was the different generative mechanisms keeping the different magnitudes constant. Next, Marx gives a summary which emphasizes the possible outcomes. The first case of a constant working-day and diminishing surplus-value is left out. Marx only discusses outcomes in which surplus-value is at least absolutely constant (although relatively it may fall):

Therefore, with diminishing productive power...
of labor and a simultaneous lengthening of the working-day, the absolute magnitude of surplus-value may continue unaltered, at the same time that its relative magnitude diminishes; its relative magnitude may continue unchanged, at the same time that its absolute magnitude increases; and, provided the lengthening of the day be sufficient, both may increase.

Next, Marx brings a specific historical example of such a lengthening of the working-day. Between 1799 and 1815, prices of necessities increased, and daily wages increased as well, although not as much. This did not cause a fall in profits, although Ricardo and West had assumed so, since they overlooked the increase in intensity and length of the work day.

In the period between 1799 and 1815 the increasing price of provisions led in England to a nominal rise in wages, although the real wages, expressed in the
IV. Simultaneous Variations

workers’ means of consumption, fell. From this fact West and Ricardo drew the conclusion, that the diminution in the productive power of agricultural labor had brought about a fall in the rate of surplus-value, and they made this assumption of a fact that existed only in their imaginations, the starting-point of important investigations into the relative magnitudes of wages, profits, and rent. But, as a matter of fact, surplus-value had at that time, thanks to the increased intensity of labor, and to the prolongation of the working-day, increased both in absolute and relative magnitude. This was the period in which the right to prolong the hours of labor to an outrageous extent was established; the period that was especially bensmitteln ausgedrückten Arbeitslöhne fielen. Hieraus schlossen West und Ricardo, daß die Verminderung der Produktivität der Ackerbauarbeit ein Fallen der Mehrwertsrate verursacht hätte, und machten diese nur in ihrer Phantasie gültige Annahme zum Ausgangspunkt wichtiger Analysen über das relative Größenverhältnis von Arbeitslohn, Profit und Grundrente. Dank der gesteigerten Intensität der Arbeit und der erzwungenen Verlängerung der Arbeitszeit war aber der Mehrwert damals absolut und relativ gewachsen. Es war dies die Periode, worin die maßlose Verlängerung des Arbeitstags sich das Bürgerrecht erwarb, die Periode, speziell charakterisiert durch beschleunigte Zunahme hier des Kapitals, dort des Pauperismus.
characterised by an accelerated accumulation of capital here, by pauperism there.\textsuperscript{16}

Marx refers here to West’s [\textcite{We15}] and Ricardo’s [\textcite{Ric15}]. These pamphlets were contributions to the 1815 controversy about the Corn Laws.

Footnotes 15 and 16 bring quotes from Malthus and the Essays on Political Economy which stress the things Ricardo and West had overlooked, namely, the prolongation and intensification of the working-day.

\textsuperscript{15} “Corn and labor rarely march quite abreast; but there is an obvious limit, beyond which they cannot be separated. With regard to the unusual exertions made by the laboring classes in periods of dearness, which produce the fall of wages noticed in the evidence” (namely, before the Parliamentary Committee of Inquiry, 1814–15), “they are most meritorious in the individuals, and certainly favour the growth of capital. But no man of humanity could wish to see them constant and unremitted. They are most admirable as a tem-

\textsuperscript{15} „Korn und Arbeit stimmen selten vollkommen überein; aber es gibt eine offensichtliche Grenze, über die hinaus sie nicht getrennt werden können. Die außergewöhnlichen Anstrengungen der arbeitenden Klassen in Zeiten der Teuerung, die den Rückgang der Löhne bewirken, von dem in den Aussagen“ (nämlich vor den parlamentarischen Untersuchungsausschüssen 1814/15) „die Rede war, gereichen den einzelnen sehr zum Verdienst und begünstigen sicher das Anwachsen des Kapitals. Aber kein human Empfindender kann
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porary relief; but if they were constantly in action, effects of a similar kind would result from them, as from the population of a country being pushed to the very extreme limits of its food.” (Malthus: “Inquiry into the Nature and Progress of Rent,” Lond., 1815, p. 48, note.) All honour to Malthus that he lays stress on the lengthening of the hours of labor, a fact to which he elsewhere in his pamphlet draws attention, while Ricardo and others, in face of the most notorious facts, make invariability in the length of the working-day the groundwork of all their investigations. But the conservative interests, which Malthus served, prevented him from seeing that an unlimited prolongation of the working-day, combined with an extraordinary development of machinery, and the exploitation of women and children, must inevitably have made a great portion of the working-class “supernumerary,” par-

wünschen, daß sie ungemindert und ununterbrochen vor sich gehen. Sie sind höchst bewundernswert als zeitweilige Abhilfe; aber wenn sie immer stattfänden, so würden sie ähnlich wirken wie eine im Verhältnis zu ihrer Subsistenz bis an die alleräußerste Grenze getriebene Bevölkerung.“ (Malthus, „Inquiry into the Nature and Progress of Rent“, Lond. 1815, p. 48, Note.) Es macht Malthus alle Ehre, daß er den Ton legt auf die auch die auch an anderer Stelle in seinem Pamphlet direkt besprochne Verlängerung des Arbeitstags, während Ricardo und andre, im Angesicht der schreiendsten Tatsachen, die konstante Größe des Arbeitstags allen ihren Untersuchungen zugrund legten. Aber die konservativen Interessen, deren Knecht Malthus war, hinderten ihn zu sehn, daß die maßlose Verlängerung des Arbeitstags, zugleich mit außerordentlicher Entwicklung der Maschinerie und der Exploitation der Weiber- und
ticularly whenever the war should have ceased, and the monopoly of England in the markets of the world should have come to an end. It was, of course, far more convenient, and much more in conformity with the interests of the ruling classes, whom Malthus adored like a true priest, to explain this “over-population” by the eternal laws of Nature, rather than by the historical laws of capitalist production.

16 “A principal cause of the increase of capital, during the war, proceeded from the greater exertions, and perhaps the greater privations of the laboring classes, the most numerous in every society. More women and children were compelled by necessitous circumstances, to enter upon laborious occupations, and former workmen were, from the same cause, obliged to devote a greater portion of their time to increase production.” (Es-


16 „Eine grundlegende Ursache des Anwachzens des Kapitals während des Krieges lag in den größeren Anstrengungen und vielleicht auch den größeren Entbehrungen der arbeitenden Klassen, die in jeder Gesellschaft die zahlreichsten sind. Durch die Dürftigkeit ihrer Lage wurden mehr Frauen und Kinder genötigt, Arbeit zu nehmen; und jene, die schon früher Arbeiter waren, waren aus demselben Grunde gezwungen, einen größe-
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says on Pol. Econ., in which are illustrated the principal causes of the present national distress. Lond., 1830, p. 248.)

IV.b. [Shortening of Working-Day While Productivity and Intensity of Labor Increase]

666:1 B. Increasing intensity and productive power of labor with simultaneous shortening of the working-day.

666:2/o In one respect, increased productive power and greater intensity of labor have a like effect. They both augment the mass of articles produced in a given time. Both, therefore, shorten that portion of the working-day which the laborer needs to pro-

551:2 2. Zunehmende Intensität und Produktivkraft der Arbeit mit gleichzeitiger Verkürzung des Arbeitstags:

552:1 Gesteigerte Produktivkraft der Arbeit und ihre wachsende Intensität wirken nach einer Seite hin gleichförmig. Beide vermehren die in jedem Zeitabschnitt erzielte Produktenmasse. Beide verkürzen also den Teil des Arbeitstags, den der Arbeiter zur Pro-
duce his means of subsistence or their equivalent.

Marx first describes the limits beyond which this shortening of the working-day cannot go, and then explores the conditions under which these limits can be reached.

The minimum length of the working-day is fixed by this necessary but contractible portion of it.

\[ \downarrow \] Under capitalism this minimal limit of the working-day can never be reached. Can it be reached under socialism? Yes it can, but in this case the necessary labor itself will be lengthened:

If the whole working-day were to shrink to the length of this portion, surplus-labor would vanish, a consummation utterly impossible under the régime of capital. Only a removal of the capitalist form of production allows to reduce the length of the working-day to the necessary labor-time. But, other
things being equal, the latter would in that case extend its limits. On the one hand, because the notion of “means of subsistence” would considerably expand, and the laborer would lay claim to an altogether different standard of life. On the other hand, because a part of what is now surplus-labor, would then count as necessary labor; I mean the labor of forming a fund for reserve and accumulation.

This is one of the few places in *Capital* where Marx speaks about socialism. While the previous paragraph emphasized the similarity of the effects of intensity and productivity, the next paragraph makes an interesting remark regarding the differences between higher productivity and higher intensity of labor: Higher productivity is a cause and higher intensity an effect of the shortening of the labor time.

The more the productive power of labor increases, the more can the working-
day be shortened; and the more the working-day is shortened, the more can the intensity of labor increase.

Besides higher productivity in the direct labor process, Marx mentions two more ways of economizing the overall expenditure of labor in society: the economy of means of production, and the avoidance of the waste of labor outside the production of commodities.

From a social point of view, the productivity of labor can also be increased by its economy, increases in the same ratio as the economy of labor, which includes not only economy of the means of production, but also the avoidance of all useless labor.

This last-mentioned economy cannot be achieved in capitalism:

The capitalist mode of production, while on the one hand enforcing economy in each individual business, on the other hand begets, by its anarchical system of competition,
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The most outrageous squandering of labor-power and of the social means of production, not to mention the creation of a vast number of employments, at present indispensable, but in themselves superfluous.

The inequality of the distribution of labor between the classes is the “absolute limit” preventing this waste of labor.

667:2 The intensity and productive power of labor being given, the time which society is bound to devote to material production is shorter, and as a consequence, the time at its disposal for the free development, intellectual and social, of the individual is greater, in proportion as the work is more and more evenly divided among all the able-bodied members of society, and as a particular class is more and more deprived of the power to

552:3 Intensität und Produktivkraft der Arbeit gegeben, ist der zur materiellen Produktion notwendige Teil des gesellschaftlichen Arbeitstags um so kürzer, der für freie, geistige und gesellschaftliche Betätigung der Individuen eroberte Zeitteil also um so größer, je gleichmäßig der Arbeit unter alle werkfähigen Glieder der Gesellschaft verteilt, je weniger eine Gesellschaftsschichte die Naturnotwendigkeit der Arbeit von sich selbst ab- und
shift the natural burden of labor from its own shoulders to those of another layer of society. In this direction, the shortening of the working-day finds at last a limit in the generalisation of labor. In capitalist society spare time is acquired for one class by converting the whole life-time of the masses into labor-time.

This discussion of the society-wide economizing of labor ends the chapter. The need for more free time for the working-class is a pervasive theme in Capital, see 414:1/o and elsewhere.
18. Various Formulae for the Rate of Surplus-Value

In this short chapter, Marx argues that $s/v$ is the correct formula for the rate of surplus-value, while the formula $s/(s+v)$ is a “false” expression of the degree of exploitation (668:2/0). Such an argument is incomprehensible to modern economists, who would say that it is a matter of definition, and that it is in principle possible to work with either definition. How can a mathematical definition be false?

To answer this we need to know that Marx had a different understanding of mathematics than most modern mathematicians. In the modern understanding, a variable is a number which does not have a given value but can assume different values. For Marx, however, a
variable is a number in motion. The concept of motion is absent in modern math. Surplus-value comes from the fact that part of capital is not constant but variable, it moves. The rate of surplus-value is the rate at which that part of the capital moves which is in motion.

While this chapter discusses a formula used by the economists which is a false expression of reality, the next chapter will discuss something much more pernicious, namely, a social form on the surface of the economy, used by the surface agents every day, which is a false expression of the underlying relations.

We have seen that the rate of surplus-value is represented by the following formulae:

\[ \text{Formulae for Rate of Surplus-Value} \]
The first two of these formulae represent, as a ratio of values, that which, in the third, is represented as a ratio of the times during which those values are produced. These formulae, which can be used interchangeably, are conceptually strict.

⇑ “Conceptually strict” presumably means that these formulas are an accurate representation of the concepts involved. ⇦ Classical political economy contains the essence of these formulas but not the formulas themselves:
18. Formulae for Rate of Surplus-Value

We therefore find them implied, but not worked out consciously, in classical Political Economy.

However if classical political economy does use explicit formulas, they have a different form:

There we meet, however, with the following derivative formulae.

\[
\begin{align*}
II. \quad \text{surplus-labor} & \quad \text{working-day} \\
\text{surplus-value} & \quad \text{value of the product} \\
\text{surplus-product} & \quad \text{total product}.
\end{align*}
\]

One and the same ratio is expressed here alternately as a ratio of labor-times, of the
values in which those labor-times are embodied, and of the products in which those values exist. It is of course understood that, by “Value of the Product”, is meant only the value newly created in a working-day, the constant part of the value of the product being excluded.

These formulas are mathematically equivalent expressions of a certain proportion, but this proportion is a false expression of the rate of exploitation.

668:2/o In all of these formulae (II.), the actual degree of exploitation of labor, or the rate of surplus-value, is falsely expressed.

553:4–554:1 In all of these formulae (II.), the actual degree of exploitation of labor, or the rate of surplus-value, is falsely expressed.

In order to show that this is a false expression Marx brings a numerical example:

Let the working-day be 12 hours. Then, making the same assumptions as in former instances, the real degree of exploitation of

Der Arbeitstag sei 12 Stunden. Mit den anderen Annahmen unsere früheren Beispiels stellt sich in diesem Fall der wirkliche Ex-
18. Formulae for Rate of Surplus-Value

labor will be represented in the following proportions.

\[
\frac{6 \text{ hours surplus labor}}{6 \text{ hours necessary labor}} = \frac{\text{surplus-value of 3 sh.}}{\text{variable capital of 3 sh.}} = 100\%.
\]

From formulae II. we get very differently,

\[
\frac{6 \text{ hours surplus-labor}}{\text{Working-day of 12 hours}} = \frac{\text{surplus-value 3 sh.}}{\text{value created of 6 sh.}} = 50\%.
\]

\[\downarrow\] This second formula does not express the rate of self-expansion of the variable capital but the ratio in which the product is divided between capitalist and laborer.

669:1/o These derivative formulae express the exploitationsgrad der Arbeit dar in den Proportionen:

\[
\frac{6 \text{ Stunden Mehrarbeit}}{6 \text{ Stunden notwendige Arbeit}} = \frac{\text{Mehrwert von 3 sh.}}{\text{Variables Kapital von 3 sh.}} = 100\%.
\]

Nach den Formeln II erhalten wir dagegen:

\[
\frac{6 \text{ Stunden Mehrarbeit}}{\text{Arbeitstag von 12 Stunden}} = \frac{\text{Mehrwert von 3 sh.}}{\text{Wertprodukt von 6 sh.}} = 50\%.
\]

554:2/o Diese abgeleiteten Formeln drücken
press, in reality, only the proportion in which the working-day, or the value produced by it, is divided between capitalist and laborer.

As in chapter Nineteen, Marx’s first proof that this expression is false is a quantitative proof. If the derivative formula were correct, the rate of surplus-value could not be 100 percent or higher.

If considered as immediate expressions of the degree of self-expansion of capital, they give rise to the following erroneous law: Surplus-labor or surplus-value can never reach 100%.

Such an erroneous law can be found in the literature.

18. **Formulae for Rate of Surplus-Value**

to this letter later on; in spite of its erroneous theory of rent, it sees through the nature of capitalist production.

⇓ The rest of the footnote is a digression by Engels:

17 \(ctd\) \{**Note added in the 3rd German edition:**

It may be seen from this how favorably Marx judged his predecessors, whenever he found in them real progress, or new and sound ideas. The subsequent publications of Robertus’ letters to Rud. Meyer has shown that the above acknowledgment by Marx wants restricting to some extent. In those letters this passage occurs: “Capital must be rescued not only from labor, but from itself, and that will be best effected, by treating the acts of the industrial capitalist as economic and political functions, that have been delegated to him with his capital, and by treating his profit as a form of salary, because we still know no other social organization. But salaries may be

auf diese Schrift zurück, die trotz ihrer falschen Theorie von der Grundrente das Wesen der kapitalistischen Produktion durchschaut.


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Now Marx explains how these formulae give rise to this law.

Since the surplus-labor is only an aliquot part of the working-day, or since surplus-value is only an aliquot part of the value
dürfen aber geregelt werden und auch ermäßigt, wenn sie dem Lohn zu viel nehmen. So ist auch der Einbruch von Marx in die Gesellschaft—so möchte ich sein Buch nennen—abzuwehren ... Überhaupt ist das Marx'sche Buch nicht sowohl eine Untersuchung über das Kapital als eine Polemik gegen die heutige Kapitalform, die er mit dem Kapitalbegriff selbst verwechselt, woraus eben seine Irrtümer entstehn. („Briefe etc. von Dr. Rodbertus-Jagetzow“, herausgg. von Dr. Rud. Meyer, Berlin 1881, I. Bd., p. 111, 48. Brief von Rodbertus.—In solchen ideologischen Gemeinplätzen versanden die in der Tat kühnen Anläufe der R.'schen „sozialen Briefe“.—F.E.)
18. Formulae for Rate of Surplus-Value

den kann, ist die Mehrarbeit notwendigerweise stets kleiner als der Arbeitstag oder der Mehrwert stets kleiner als das Wertprodukt.

However this equality is not possible:

Um sich zu verhalten wie 100/100, müßten sie aber gleich sein. Damit die Mehrarbeit den ganzen Arbeitstag absorbiere (es handelt sich hier um den Durchschnittstag der Arbeitswoche, des Arbeitsjahrs usw.), müßte die notwendige Arbeit auf Null sinken. Verschwindet aber die notwendige Arbeit, so verschwindet auch die Mehrarbeit, da letztere nur eine Funktion der erstern.

⇑ This mathematical exception is generated by a $\sigma$-transform: if the cost of living falls to zero, then the workers do not have to sell their labor-power. Compare 747:2–750:0. Instead of saying this directly, Marx uses the much more abstract argument that surplus-labor is a
function of the necessary labor. This argument reveals at the same time why necessary labor, or the variable capital, must be in the denominator, instead of the total capital.

The ratio \( \frac{\text{surplus-labor}}{\text{working-day}} = \frac{\text{surplus-value}}{\text{value created}} \) can therefore never reach the limit 100/100, still less rise to 100 + x/100.

Now Marx explains that this law is a false law, i.e., that the degree of exploitation can rise above 100 percent.

But not so the rate of surplus-value, the real degree of exploitation of labor. Take, e.g., the estimate of L. de Lavergne, according to which the English agricultural laborer gets only 1/4, the capitalist (farmer) on the other hand 3/4 of the product or its value, apart from the question of how the booty is subsequently divided between the capitalist, the landlord, and others. According to this, this surplus-labor of the English agricultural la-

Die Proportion \( \frac{\text{Mehrarbeit}}{\text{Arbeitstag}} = \frac{\text{Mehrwert}}{\text{Wertprodukt}} \) kann also niemals die Grenze 100/100 erreichen und noch weniger auf 100 + x/100 steigen.

Wohl aber die Rate des Mehrwerts oder der wirkliche Exploitationsgrad der Arbeit. Nimm z.B. die Schätzung des Herrn L. de Lavergne, wonach der englische Ackerbauarbeiter nur 1/4, der Kapitalist (Pächter) dagegen 3/4 des Produkts oder seines Werts erhält, wie die Beute sich immer zwischen Kapitalist und Grundeigentümer usw. nachträglich weiter verteile. Die Mehrarbeit des englischen Landarbeiters verhält sich danach zu seiner
18. Formulae for Rate of Surplus-Value

The necessary labor is to his necessary labor as 3:1, which gives a rate of exploitation of 300%.

Footnote 18 has two remarks, unrelated with each other:

18 That part of the product which merely replaces the constant capital advanced is of course left out in this calculation.—Mr. L. de Lavergne, a blind admirer of England, is inclined to estimate the share of the capitalist too low, rather than too high.

One of the disadvantages of this false expression is that it does not allow for a variable working-day.

670:1 The textbook method of treating the working-day as constant in magnitude became solidified through the use of formulae II., because in them surplus-labor is always compared with a working-day of given length. The same holds good when the repartition of the value produced is excluded.

555:1 Die Schulmethode, den Arbeitstag als konstante Größe zu behandeln, wurde durch Anwendung der Formeln II befestigt, weil man hier die Mehrarbeit stets mit einem Arbeitstag von gegebner Größe vergleicht. Ebenso, wenn die Teilung des Wertprodukts ausschließlich ins Auge gefaßt wird. Der Ar-
sively kept insight. The working-day that has already been realized in given value, must necessarily be a day of given length.

⇓ The necessity of this false form is hinted at in the text between dashes:

670:2/o The habit of representing surplus-value and value of labor-power as fractions of the value created—a habit that originates in the capitalist mode of production itself, and whose import will hereafter be disclosed—conceals the very transaction that characterizes capital, namely the exchange of variable capital for living labor-power, and the consequent exclusion of the laborer from the product. Instead of the real fact, we have false semblance of an association, in which laborer and capitalist divide the product in proportion to the different el-

555:2 Die Darstellung von Mehrwert und Wert der Arbeitskraft als Bruchteilen des Wertprodukts—eine Darstellungsweise, die übrigens aus der kapitalistischen Produktionsweise selbst erwächst und deren Bedeutung sich später erschließen wird—versteckt den spezifischen Charakter des Kapitalverhältnisses, nämlich den Austausch des variablen Kapitals mit der lebendigen Arbeitskraft und den entsprechenden Ausschluß des Arbeiter vom Produkt. An die Stelle tritt der falsche Schein eines Assoziationsverhältnisses, worin Arbeiter und Kapitalist das Pro-
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...ements which they respectively contribute towards its formation.\textsuperscript{19}

The formula $s/s+v$ hides the specific character of the capital relation because the denominator $s+v$ suggests that capitalist and laborer first produce the total new value together and then divide it up in proportion to their contribution. But the capitalist did not contribute $s$; $s$ is labor performed by the worker, not by the capitalist. It is also not a division of the product between two partners because the worker has already sold his or her labor-power to the capitalist when the production process begins, he is no longer a partner who has a claim on the product. The fact that his wage is lower than the value produced comes from the fact that the worker is excluded from the means of production and therefore must give up part of his own labor in order to be allowed to feed himself. There is a deep social relation between workers and capitalists, but it is a class relation in which the capitalists appropriates for himself the labor of the worker, it is not an association or partnership.

\textsuperscript{19} All well-developed forms of capitalist production being forms of co-operation, nothing is, of course, easier, than to make abstraction from their antagonistic character, and to trans-
form them by a word into some form of free association, as is done by A. de Laborde in “De l’Esprit d’Association dans tout les interets de la communauté,” Paris 1818. H. Carey, the Yankee, occasionally performs this conjuring trick with like success, even with the relations resulting from slavery.

Although formulas II do not correctly express the underlying causality, they contain enough information that the correct formulas can be derived from them:

671:1 By the way, formulae II can at any time be reconverted into formulae I. If, for instance, we have \( \frac{\text{surplus-labor of 6 hours}}{\text{working-day of 12 hours}} \), then the necessary labor-time being 12 hours less the surplus-labor of 6 hours, we get the following result,
18. Formulae for Rate of Surplus-Value

\[ \frac{\text{surplus-labor of 6 hours}}{\text{necessary labor of 6 hours}} = \frac{100}{100}. \]

\[ \frac{\text{Mehrarbeit von 6 Stunden}}{\text{Notwendige Arbeit von 6 Stunden}} = \frac{100}{100}. \]

This last remark, indicating that the mistake can easily be fixed, concludes the argument why formula II is wrong and formula I is right.

After this, Marx comments about a third formula which he had also occasionally used:

671:2/o There is a third formula which I have occasionally already anticipated; it is

\[ III. \frac{\text{surplus-value}}{\text{value of labor-power}} = \frac{\text{surplus-labor}}{\text{necessary labor}} = \frac{\text{unpaid labor}}{\text{paid labor}}. \]

After the investigations we have given above, it is no longer possible to be misled,

556:1 Eine dritte Formel, die ich gelegentlich schon antizipiert habe, ist:

\[ III. \frac{\text{Mehrwert}}{\text{Wert der Arbeitskraft}} = \frac{\text{Mehrarbeit}}{\text{Notwendige Arbeit}} = \frac{\text{Unbezahlte Arbeit}}{\text{Bezahlte Arbeit}}. \]

556:2 Das Mißverständnis, wozu die Formel verleiten könnte, als zah-
by the formula $\frac{\text{unpaid labor}}{\text{paid labor}}$, into concluding that the capitalist pays for labor and not for labor-power. This formula is only a popular expression for $\frac{\text{surplus-labor}}{\text{necessary labor}}$.

↑ Of course, in the upcoming chapter Nineteen Marx will explain that on the surface of the economy, the price of labor-power is indeed paid in the form of a price of labor. But this should not mislead one to think that the commodity which changes hands between capitalist and laborer is the laborer’s labor. It is his labor-power, and it is paid as such. Marx is trying to make the same point here. The words “paid labor” and “unpaid labor” should not mislead one to think that the commodity that is traded is labor.

↓ Now Marx describes what is really going on. The category of paid and unpaid labor is not a category of exchange, but it pertains to the consumption of the labor-power by the capitalist. As such, the formula is appropriate.

The capitalist pays the value, so far as price coincides with value, of the labor-power, and receives in exchange the disposal of the living labor-power itself. His usufruct is

Der Kapitalist zahlt den Wert, resp. davon abweichenden Preis der Arbeitskraft und erhält im Austausch die Verfügung über die lebendige Arbeitskraft selbst. Seine Nutznießung.
spread over two periods. During one the laborer produces a value that is only equal to the value of his labor-power; he produces its equivalent. Thus the capitalist receives in return for his advance of the price of the labor-power, a product ready made in the market. During the other period, the period of surplus-labor, the usufruct of the labor-power creates a value for the capitalist, that costs him no equivalent. This expenditure of labor-power comes to him gratis. In this sense it is that surplus-labor can be called unpaid labor.

Although the Physiocrats could not penetrate the mystery of surplus-value, yet this much was clear to them, viz., that it is “une richesse
independante et disponible qu’il (the possessor) n’a point achetée et qu’il vend.” (Turgot: “Réflexions sur la Formation et la Distribution des Richesses”, p. 11.)

672:1 Capital, therefore, is not only, as Adam Smith says, the command over labor. It is essentially the command over unpaid labor. All surplus-value, whatever particular form (profit, interest, or rent), it may subsequently crystallize into, is in substance the materialization of unpaid labor. The secret of the self-expansion of capital resolves itself into having the disposal of a definite quantity of other people’s unpaid labor.

verfügbarer Reichtum ist, den er“ (der Besitzer davon) „nicht gekauft hat und den er verkauft“. (Turgot, „Réflexions sur la Formation et la Distribution des Richesses“, p. 11.)

Part VI.

Wages
19. The Transformation of the Value (and Respectively the Price) of Labor-Power into a Wage Based on Labor

What is the difference between “value (or price) of labor-power” and “wage”? Why does Marx speak here of a transformation? Answer: The German word for “wage,” “Arbeitslohn,” literally means “wage of labor.” The word itself specifies that the wage is a payment based on the labor performed.
The transformation is therefore the following: although the worker is selling his labor power, his pay is based on the labor performed. If the worker were paid directly for his labor power, he would report to the employer his expenses necessary so that he can show up for work every day, and would be reimbursed for these expenses. In return, he would have to work a “normal” working day (whose determination has been described in chapter Ten). Clearly, this is not how these transactions are handled. The worker is paid by the hour or by his output, i.e., he is not paid for his labor power but for the labor actually performed, which is either measured by time or output. Not only the form of payment but also the delivery of the commodity sold by the worker looks exactly as if the worker was selling his labor, not his labor-power.

On the surface of the economy one can therefore say that labor is traded as a commodity which has a price. This is not an illusion but reality. But despite this dance on the surface, the commodity which the worker really sells to the capitalist is not labor but his labor-power. There is some empirical evidence which shows this. One can see it most clearly by the magnitude of the price which this transaction yields. If labor were sold, then the hourly
wage would have to be the amount of value created during the hour. Wages are much too low for that; they are the amount which, if multiplied by the usual number of hours worked every week, reimburses the weekly reproduction cost of labor-power.

The word “wage” as used here includes all fringe benefits, such as health insurance, paid vacations, etc. Some of these fringe benefits are indeed paid for labor-power, not labor. If the employer buys health insurance for his workers, he pays part of their actual living expenses. Workers with large families pay lower taxes and therefore have higher takehome pay than unmarried individuals. Also minimum wages and cost of living adjustments for inflation are computed by the basket of goods workers consume. Despite these exceptions and transitional forms, the greatest part of the wage is paid as a wage of labor.

Perhaps this example will clarify the distinction. You buy a large bottle of wine and drink it all down so that you get drunk. Is the money you give the sales clerk in the wine store paid for the wine or for getting drunk? For the wine of course. The money covers the cost of producing the wine, not the benefits of getting drunk. You use the money to get the wine, and the wine to get drunk. Had you used the wine in such a way that it did not make you drunk you still would have had to pay the same amount of money for the wine. Now assume you make an arrangement with the wine seller of the following sort: You take a blood test
19. From Value of Labor-Power to Wage

after drinking the wine and then pay the store clerk according to how drunk you are. This would be a transformation of the price of wine into a price of getting drunk. Needless to say, such a payment arrangement would not be practical. You would probably have to drink the wine right in the store in order to be able to prove what the effect of the wine is.

If the employer buys your labor-power but pays you for how much you work, this is like buying wine from you and paying you according to how drunk he got. And here it makes much more sense as a practical procedure. You have to be present anyway when your employer consumes your labor-power, after all you are the one who has to do the work. And the payment by labor performed gives you the incentive, or say better it coerces you, to work hard. On the one hand, therefore, the wage form is a form of coercion whose necessity is generally acknowledged. Without it, the capitalist would probably not be able to get much labor out of his workers. But on the other hand this wage form also has the side effect of making the worker believe that all his labor is paid, thus hiding exploitation. In the present chapter, Marx stresses the importance of this side effect. It performs a function essential for capitalism; capitalism could not function if exploitation were not hidden.

To the worker it seems natural that he is paid for his labor. After selling his labor-power on the market, he cannot go home and enjoy the goods bought from his wage. First he must
show up at work and work many arduous hours. What he actually gives the capitalist is therefore his labor. Therefore he thinks the wage contract is a contract in which he sells his labor to the capitalist. If his wage is low this is a sign that the productivity of his labor is low. Also the capitalist is often unaware that the commodity labor-power is his only source of surplus-value: he does not see a difference between the purchase of labor and the purchase of any other condition of production. This pervasive false consciousness has important implications.

The starting point of this chapter is a surface phenomenon: that what the laborers actually give the capitalists, and also their form of payment, seem to indicate that they sold their labor. First Marx gives several reasons why the commodity traded between laborer and capitalist cannot be labor. Then he gives the correct interpretation of the transaction between capitalist and worker, which requires that a certain step is made consciously that classical political economy had made without being aware of it. If workers and capitalists think that the worker is selling labor and not labor-power, exploitation becomes invisible—because all labor appears as paid labor. Finally, Marx enumerates several specific features of the wage form which immunize it against being found out for what it is.
1. [Can Labor be a Commodity?]

On the surface of bourgeois society, the compensation of the laborer *appears* as *price of labor*, a certain amount of money paid for a certain amount of labor.

The word translated here with “compensation” is “*Lohn*.” A more literal translation of “*Lohn*” would be “wage.” This is the only time in this chapter that Marx uses the term “wage” (*Lohn*), not “wage of labor” (*Arbeitslohn*). The reason might be stylistic: the word “labor” (*Arbeit*) or “laborer” (*Arbeiter*) appears already three times in the same sentence. But I think Marx wanted it to be a semantic difference. I think Marx is using “wage” here not as a short form of “wage of labor” (*Arbeitslohn*), but in the sense of “reward, compensation, retribution” (*Belohnung*). Indeed, the French edition has “rétribution” on this place. It denotes the revenue of the laborer, without indicating for what or in what form this revenue is paid. This is why I translated “*Lohn*” here as “compensation” instead of “wage.”

In the French edition of *Capital* the title reads “transformation de la valeur ou du prix de la force de travail en salaire,” and the first sentence reads: “A la surface de la société bourgeoise la rétribution du travailleur se représente comme..."
le salaire du travail: tant d’argent payé pour tant de travail.” (On the surface of bourgeois society, the compensation of the laborer appears as the wage of labor: so and so much money paid for so and so much labor.) The German expression “price of labor (Preis der Arbeit)” is translated with “salaire du travail” (wage of labor). This makes it clear that the word “salaire” (wage) in the title is parallel to the word “wage of labor” in the first sentence, not with the word “compensation.” In the usual English translation, the choice of words suggests just the opposite, which makes it impossible to understand the meaning of the first sentence.

In every society, the workers must be fed, whether they be slaves, serfs, independent producers, or wage laborers. In capitalism, the workers can eat because they receive a wage for their labor. This is not an illusion but reality: the income of the worker is paid in the form: “so and so many dollars per unit of labor” (where the labor is either measured by the hour or by its output). I.e., it is paid as price of labor, not of labor-power. This form of payment suggests that the commodity which the worker sells to the capitalist is his labor. In order to show that the surface category “price of labor” is not the surface expression of the value of the commodity “labor,” Marx argues in four different ways that that which the worker sells the capitalist cannot be his labor.
19. From Value of Labor-Power to Wage

1.a. [Labor Cannot Have Value]

If that which the worker sells the capitalist were labor, then the price received would be the surface manifestation of the value of labor. This cannot be, since “value of labor” is a logical impossibility.

People speak of the value of labor, and call its expression in money the necessary or natural price of labor. On the other hand they speak of market prices of labor, i.e. prices which oscillate above or below this necessary price.

Wages fluctuate around a central level which at Marx’s time was usually called the “nec-
1. [Can Labor be a Commodity?]

ecessary” or “natural” price of labor.” This “natural” price was considered to be the surface expression of the core category value of labor. The economists at Marx’s time therefore tried to go from the surface category “wage” down to the underlying relation of production “value of labor.” They may have been less sophisticated about it than Marx was at the beginning of chapter One, but they proceeded in a similar spirit. A more detailed analysis of this “naïve” approach will be given later in this chapter, pp. 677:3/oo and 682:2. Unfortunately, their starting point is a “false” form. In Capital II, 113:3, Marx calls it a “disguised” (verkleidete) Form, i.e., it is a form which projects a content that it does not have. The procedure which the economists try to apply will therefore lead them astray. It is as if they were drilling for oil at a place where there is no oil.

The social sciences start with observable phenomena and infer from them the invisible social structures giving rise to these phenomena. Whenever one makes such a second-order (or “retroductive”) argument one can never be sure whether those things, whose existence one conjectures because they could have generated the effects which one sees, actually exist. How can one tell whether one looks for a basic underlying mechanisms in the right place, or whether one’s second-order arguments try to fish for an underlying structure which does not exist? Marx is going to argue—and document by citing sources from the literature—that the
present attempts to drill at the wrong place has a twofold outcome.

1. The results obtained are incompatible with the conclusion drawn earlier about commodity exchange, i.e., they do not explain the phenomena in a way that is consistent with our previous knowledge, and

2. they end up postulating mechanisms which, if active, would not lead to the observed outcomes.

Marx starts his development of point 1 with a theoretical argument that, given the things which we know about value, labor cannot have value.

675:2 But what is the value of a commodity? The objectified form of the social labor expended in its production. And how do we measure the quantity of the commodity’s value? By the quantity of the labor contained in it. How would then the value, e.g., of a 12-hour working day be determined? By the 12 working hours contained in it. Wodurch wäre also der Wert z.B. eines zwölfstündigen Arbeitstags bestimmt?
in a working day of 12 hours, which is an absurd tautology.\textsuperscript{21}

A very similar formulation can be found in *Value, Price and Profit*, [mecw20]128:0:

To say that the value of a ten hours’ working day is equal to ten hours’ labor, or the quantity of labor contained in it, would be a tautological and, moreover, a nonsensical expression.

Why is it not only tautological but also nonsensical or absurd? Because that which gives things value cannot itself have value. Engels illustrates this as follows in this preface to *Capital II*, p. 101:2:

As an activity creating value, [labor] can no more have any particular value than gravity can have any particular weight, heat any particular temperature, electricity any particular strength of current.

A convincing additional analogy was given by one of my students:

Labor is the cause of value in commodities, but cannot in itself have value; as the sun is the cause of shadows but cannot in itself have a shadow.
19. From Value of Labor-Power to Wage

Here are some attempts to fill this abstract logical argument with content:

- If labor had value, then it would *transfer* its value to the product, but the question where this value comes from would remain unresolved. It would be a circular argument.

- If *labor* had value, i.e., if labor were something that could be exchanged on the market, then there would be no need to exchange other *products* since they all derive from labor. Everyone would just have a bunch of labor squirreled away in their freezer, to be used whenever there is a special need. Labor itself cannot be stored.

- Production requires labor, but production also requires means of production which allow labor to be materialized. It is relevant here that value is not equal to living labor but to *congealed* labor, i.e., labor which has been able to combine itself with means of production to give a product.

 Already in 1825, Samuel Bailey had written that the concept “value of labor” is absurd. Bailey’s conclusion is not that labor does not have value but that Ricardo’s labor theory of value is internally inconsistent. Nevertheless, Marx quotes Bailey at length in footnote 21:
1. [Can Labor be a Commodity?]

21 ‘Mr. Ricardo, ingeniously enough, avoids a difficulty which, on a first view, threatens to encumber his doctrine, that value depends on the quantity of labor employed in production. If this principle is rigidly adhered to, it follows that the value of labor depends on the quantity of labor employed in producing it—which is evidently absurd.’

Next Bailey describes a step in Ricardo’s argument which he considers a maneuver to avoid this absurdity:

21 ctđ ‘By a dexterous turn, therefore, Mr. Ricardo makes the value of labor depend on the quantity of labor required to produce wages; or,—to give him the benefit of his own language, he maintains that the value of labor is to be estimated by the quantity of labor required to produce wages; by which he means the quantity of

21 ctđ „Ricardo, geistreich genug, vermeidet eine Schwierigkeit, die auf den ersten Blick seiner Theorie entgegenzustehen scheint, daß nämlich der Wert von der in der Produktion verwandten Arbeitsmenge abhängig ist. Hält man an diesem Prinzip streng fest, so folgt daraus, daß der Wert der Arbeit abhängt von der zu ihrer Produktion aufgewandten Arbeitsmenge—was offenbar Unsinn ist.“

21 ctđ „Durch eine geschickte Wendung macht deshalb Ricardo den Wert der Arbeit abhängig von der Menge der Arbeit, die zur Produktion des Lohnes erforderlich ist; oder, um mit seinen eigenen Worten zu sprechen, er behauptet, daß der Wert der Arbeit nach der Arbeitsmenge zu schätzen sei, die zur Produktion des Lohnes benötigt wird; worun-
19. From Value of Labor-Power to Wage

labor required to produce the money or commodities given to the laborer.’

Bailey considers this step an evasion. Marx will discuss this same step in the main text in 677:3/oo. In Marx’s interpretation, Ricardo unconsciously did the right thing, namely, make the step from labor to labor-power. Not recognizing this kernel of truth in Ricardo’s maneuver, Bailey mistakes it for a primitive logical blunder. But arguably Bailey is the one who is blundering by bringing in an inappropriate metaphor:

This is similar to saying, that the value of cloth is estimated, not by the quantity of labor bestowed on its production, but by the quantity of labor bestowed on the production of the silver, for which the cloth is exchanged’ [Bai25, pp. 50, 51].
1. [Can Labor be a Commodity?]

1.b. [Exchange of Labor a Practical Impossibility]

In addition to the above theoretical argument that labor cannot have value, Marx brings other reasons why one should not conclude from the wage form that the worker sells his labor to the capitalist. Such a transaction would also be practically impossible.

675:3 In any case, if labor were to be sold as a commodity in the market, it would have to exist before being sold.
558:1 Um als Ware auf dem Markt verkauft zu werden, müßte die Arbeit jedenfalls existieren, bevor sie verkauft wird.

As I understand it, the meaning of the word *jedenfalls* in this sentence is: “whether or not you agree with my earlier abstract reasoning, you will have to agree with me on these practical matters.”

Such practicalities are not extraneous. It is essential for the concept of value that value can be expressed on the market place.

The next sentence argues that this practical impossibility has a deep reason:

But if the worker were able to endow it with an independent existence, he would be sell-
19. From Value of Labor-Power to Wage

...ing a commodity, and not labor.\textsuperscript{22} If the laborer had access to the means of production (which is what would allow him to give his labor an “independent existence”), then he would not be a laborer but sell his product. Here we see the grim social reality behind the logical distinction between labor, the source of value, and commodities, which have value: since the laborer does not have access to the means of production, he is barred from benefitting from his labor. Marx will hint at these connections also in footnote 26 to \textsuperscript{677:2}.

Footnote 22 documents, as did footnote 21, that Marx was not alone to notice this:

\textsuperscript{22} ‘If you call labor a commodity, it is not like a commodity which is first produced in order to exchange, and then brought to market where it must exchange with other commodities according to the respective quantities of each which there may be in the market at the time; labor is created the moment it is brought to market; nay, it is brought to market before it is created.’ \textsuperscript{[Ano21, pp. 75, 76].}

The anonymous author quoted in this footnote was emphasizing how much labor differs...
from the other commodities. Marx, by contrast, in the text to which this footnote refers, uses the same arguments as a proof that labor is *not* a commodity.

Marx’s arguments always have the unspoken solution in the background: if one replaces “price of labor” by “price of labor-power,” then these logical contradictions and mystifications disappear. Of course, the *social* contradiction, that the laborer is excluded from the means of production, is not resolved by this; but at least this replacement gives us the theoretical categories to understand this situation.

**1.c. [Exchange of More for Less Labor Cannot Explain Capitalism]**

676:1 Even if one disregards these contradictions, . . .

558:2 Von diesen Widersprüchen abgesehen, . . .

Marx is about to give two more arguments. They have a different character. They fall under point 2 above. Instead of saying that labor cannot be a commodity, they say: a theory according to which the commodity which the worker exchanges is labor would either be inconsistent with the labor theory of value, or it would be unable to explain the striking phenomena of capitalism which need an explanation.
19. From Value of Labor-Power to Wage

... a direct exchange of money, i.e. of objectified labor, with living labor, would either supersede the law of value, which only begins to develop freely on the basis of capitalist production, or supersede capitalist production itself, which rests directly on wage labor.

This claim cries out for an elaboration. Such an elaboration is given next, but the order is reversed. The first of the two alternatives which Marx is about to discuss is the supersession of capitalism, and the second the supersession of the law of value. Both alternatives take as their starting point the observation at the beginning of 675:2 that if labor is traded as a commodity then its value is the value this labor creates.

The working day of 12 hours is represented in a monetary value of, for example, $1.44. There are two alternatives. Either equivalents are exchanged, and then the worker receives a wage.
1. [Can Labor be a Commodity?]

receives $1.44 for 12 hours of labor; the price of his labor would be equal to the price of his product. In that case he produces no surplus-value for the buyer of his labor, the $1.44 are not transformed into capital, and the basis of capitalist production vanishes. But it is precisely on that basis that he sells his labor and that his labor is wage labor. Or else he receives, in return for 12 hours of labor, less than $1.44, i.e. less than 12 hours of labor. 12 hours of labor are exchanged for 10, 6, etc. hours of labor. By equating unequal quantities in this way, one does not only do away with the notion of value. Such a self-eliminating contradiction cannot be a law; it cannot even be enunciated or formulated as one.23

Both translations say “self-destructive contradiction” in this last sentence. This is exactly wrong, because it suggests an active contradiction, while Marx argues here that nonsensical contradictions cannot be active.

If equal labor is exchanged against equal labor, then there can be no profits, but we know that capitalists do make profits. If unequal labors are exchanged, then we have an even deeper-seated contradiction: (a) this would lead to the abolition of the law of value, and (b) such an unequal exchange cannot even be formulated as a law—i.e., the exchange of more labor for less labor is not only unable to explain capitalism but it cannot be an explanation of anything.

Ad (a): The consistent violation of the law of value means that the forces counteracting the law of value are stronger than the law of value itself. From this we would have to conclude that the law of value would in capitalism eventually be superseded by these counteracting forces. There is no evidence of this, on the contrary, markets are spreading.

Ad (b): We have seen many times that marx does not deny the existence of surface contradictions, but uses them as pointers revealing that hidden mechanisms are at work. But this contradiction here cannot be based on the action of a hidden mechanism. It is self-eliminating, i.e., if 12 hours of labor are exchanged against 10, then 10 hours of labor are
eschanged against 9.3333 hours, consequently, 12 hours are exchanged against 9.333 hours. If one continues this one finds out that everything can be exchanged against everything, i.e., there are no laws governing the exchange.

Footnote 23 illustrates this and already gives a transition to the next step in Marx’s argument. Wakefield, an economist who does not believe that exchange is governed by equality of labor, can explain the exchange between capitalist and laborer only if he can find a difference between the labors which do not exchange one-to-one. And indeed, he distinguishes these labors by calling one the “antecedent” and the other the “present” labor:

"Wenn man Arbeit als eine Ware und Kapital, das Produkt von Arbeit, als eine andere, dann würde sich, wenn die Werte jener beiden Waren durch gleiche Arbeitsmengen bestimmt würden, eine gegebene Menge Arbeit ... gegen eine solche Menge Kapital austauschen die durch die gleiche Arbeitsmenge erzeugt worden wäre; vergangene Arbeit würde ... gegen die gleiche Menge eingetauscht wie gegenwärtige. Aber der Wert der Arbeit, im Verhältnis zu anderen Wa-

23 ‘Treating labor as a commodity, and capital, the produce of labor, as another, then, if the value of these two commodities were regulated by equal quantities of labor, a given amount of labor would ... exchange for that quantity of capital which had been produced by the same amount of labor; antecedent labor would ... exchange for the same amount as present labor. But the value of labor in relation to other commodities ... is not determined by equal quantities of labor’ (E. G.
Marx’s conclusion in this subsection is that a theory which holds that the laborer is selling labor to the capitalist cannot explain capitalism. Surplus-value can only then be explained in the framework of commodity exchange if that what the laborer exchanges with the capitalist is something other than labor. Because if the worker gives labor, then the laws of commodity exchange cannot explain why the capitalist gives the worker less labor back than he receives.

1.d. [Living Versus Objectified Labor Cannot Explain the Discrepancy]

it is tempting to explain this quantitative difference as follows: The labor which the worker gives the capitalist is living labor, and the labor the capitalist pays the worker in the form of money is objectified labor. This theme already came up in footnote number 23 to paragraph 676:1. Marx argues now that the difference between objectified and living labor cannot be the explanation of the exchange of more labor against less:
Attributing the exchange of more labor against less to the differences in form—one piece of labor being objectified, the other living—won’t help either.

This formulation is already a refutation: The difference between living and objectified labor is merely a difference in form—and by giving something a different form one does not change its quantity. When living labor is materialized in a product and becomes objectified labor, it does not suddenly become more labor; it is still the same amount of labor, just in a different form. Just as the melting of ice cubes does not change the quantity of water of which they consist.

Footnote 24 brings another example from the literature, one which is more explicit than that in footnote 23, of an appeal to the difference between dead and living labor:

"It was necessary to reach an agreement" (yet another version of the social contract!) ‘that every time completed labor was exchanged for labor still to be performed, the latter’ (the capitalist) ‘would receive a higher value than the
Marx clinches his argument by pointing out that only *living* labor counts in the determination of the magnitude of value. In the water—ice analogy this would correspond to a proof that not the solidity of the ice cube, but the material of which it is made matters for the situation at hand.

This suggestion is even more absurd if one keeps in mind that the value of a commodity is determined not by the quantity of labor actually objectified in it, but by the quantity of living labor necessary to produce it. A commodity represents, say, 6 hours of labor. If an invention is made by which it can be produced in 3 hours, its value falls by half, even if the commodity is already produced. It now represents 3 hours of socially necessary labor instead of the former 6. It is there-

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1. [Can Labor be a Commodity?]

fore the amount of labor required to produce it, not the objectified form of that labor, which determines the magnitude of value of a commodity.

This last sentence sounds a little awkward because Marx chooses a formulation which drives home the point once more that form differences cannot give rise to quantitative differences. A more straightforward formulation, not overloaded with this methodological hint, would be:

It is therefore the amount of living labor required to produce it, not the amount of labor already objectified in the commodity, which determines the magnitude of its value.

Marx’s response to the objectified-labor subterfuge has turned into a counterattack: far from counting more than living labor, objectified labor has no power at all to determine market prices. If a product contains 500 hours, and a new method is developed to produce the same product in 50 hours, then 450 hours go out of the window. The magnitude of value is not a reward for the past effort of the producer, but an allocation of society’s present labor-time.
Marx’s refutation of the dead labor—living labor hypothesis highlights an important specific fact about the law of value which has not always been sufficiently emphasized.

2. [Value of Labor as an Imaginary Expression]

Until now, Marx showed that the naïve approach leads to conclusions which contradict our other knowledge and cannot explain the facts. Now he supplies his own explanation. He starts with a closer look at the exchange process, paying attention to what exactly it is that is being exchanged:

- 677:1 That which comes directly face to face with the money owner on the market, is in fact not labor, but the laborer. What the latter sells is his labor-power.

The shoemaker does not have to be present in person in order to sell his shoes; often he will give his shoes to a merchant who sells them for him. Not so with the laborer. He must be present in person—because he does not sell his labor but his labor-power, which is materialized in his own person.
2. [Value of Labor Imaginary]

After this closer look at the market, Marx also takes a closer look at the consumption of labor-power, i.e., the production process, in order to collect additional evidence that labor is not what is being exchanged:

As soon as his labor begins, it has already ceased to belong to him; it can therefore no longer be sold by him.

The laborer has to obey the commands of the capitalist, i.e., the labor he performs is no longer belongs to him.

If labor is not what is exchanged then what are we to think of the value of labor?

Labor is the substance, the immanent measure of value, but has itself no value.25

‘Labor the exclusive standard of value … the creator of all wealth, no commodity’ (Thomas Hodgskin, [Hod27, p. 186]).

“Value of labor” is therefore the value of something which is not exchanged and cannot have value. But we did not make up the concept “value of labor.” We found it on the surface
of the economy, since workers are indeed paid for their labor. Our goal is to find a rational explanation for this seemingly irrational phenomenon. The passage from *Value, Price and Profit*, p. [mecw20]128:0, cited on p. 2035 above, continues as follows:

Of course, having once found out the true but hidden sense of the expression “Value of Labor,” we shall be able to interpret this irrational, and seemingly impossible application of value, in the same way that, having once made sure of the real movement of the celestial bodies, we shall be able to explain their apparent or merely phenomenal movements. [mecw20]128:0

The metaphor with the celestial bodies was also used in chapter Twelve, p. 433:1. On the current place in *Capital*, Marx brings a different also extremely interesting analogy for his desired explanation of a seemingly contradictory surface phenomenon: the mathematical construct of imaginary numbers.

677:2 In the expression ‘value of labor’, the concept of value is not only altogether extinguished, but it is turned into its opposite. It is an imaginary expression, like, say, 559:2 Im Ausdruck: „Wert der Arbeit“ ist der Wertbegriff nicht nur völlig ausgelöscht, sondern in sein Gegenteil verkehrt. Es ist ein imaginärer Ausdruck, wie etwa Wert der Er-
The Fowkes translation: “It is an expression as imaginary as the value of the earth.” does not capture the positive aspect which will be the take-off point for the next step in the development:

“The value of earth” or “value of labor” are values of things which do not have value. (This is discussed in chapter Three, 197:1). The comparison with imaginary numbers is fitting, because an imaginary number is the square root of a number which does not have a square root. Nevertheless, mathematicians come to powerful conclusions using imaginary numbers, just working with them as if they were actual numbers. From the mathematics of imaginary numbers, Marx draws the following lesson: the phenomena which would be logically impossible if one were to take them as the direct reflections of core relations, must be studied in their own right; they are categories which live on the surface:

These imaginary expressions however are expressions which arise from the relations of production themselves. They are categories for the forms of appearance of essential relations.

Diese imaginären Ausdrücke entspringen jedoch aus den Produktionsverhältnissen selbst. Sie sind Kategorien für Erscheinungsformen wesentlicher Verhältnisse.
There are many other examples that things are different than what they appear. That in their appearance things often represent themselves in an inverted manner is commonly understood in just about every science, except in political economy.  

Fowkes has: “That in their appearance things are often presented in an inverted way is something fairly familiar in just about every science, apart from political economy.” Although Fowkes apparently meant to say that in addition to political economy, every other science makes mistakes too, the translation as it stands almost sounds like: every science makes mistakes except political economy. Both of those are far from what Marx intended to say. The Moore-Aveling translation is much better: “That in their appearance things often represent themselves in inverted form is pretty well known in every science, except in political economy.”

Marx meant to say: all other sciences know and take it for granted that there is a difference between appearance and the real underlying forces (which science tries to uncover), but political economy, meaning here mainstream economics, does not know this: they take the appearances at face value.

Footnote 26 underscores the necessity to discuss even those forms which seem to be logically impossible. Marx cites Proudhon as an example of someone who does not recognize
the “grim reality” (*furchtbare Realität*) lurking behind the seemingly logical impossibility of a “value of labor” and instead declares the expression “value of labor” a poetic license, i.e., a word which does not to refer to anything in the real world.

26 On the other hand, the attempt to explain such expressions as merely poetic licence only shows the impotence of the analysis. Hence, in answer to Proudhon’s phrase, ‘Labor is said to have value not as a commodity itself, but in view of the values which it is supposed potentially to contain. The value of labor is a figurative expression’, etc., I have remarked ‘In labor as a commodity, which is a grim reality, he’ (Proudhon) ‘sees nothing but a grammatical ellipsis. Thus the whole of existing society, founded on labor as a commodity, is henceforth founded on a poetical licence, a figurative expression. If society wants to “eliminate all the drawbacks” that assail it, well, let it eliminate all the ill-sounding terms, Solche Ausdrücke dagegen für bloße licentia poetica zu erklären, zeigt nur die Ohnmacht der Analyse. Gegen Proudhons Phrase: „Man sagt von der Arbeit, daß sie einen Wert hat, nicht als eigentliche Ware, sondern im Hinblick auf die Werte, welche man in ihr potentiell enthalten annimmt. Der Wert der Arbeit ist ein figurülicher Ausdruck etc.“, bemerke ich daher: „Er sieht in der Ware Arbeit, die eine furchtbare Realität ist, nur eine grammatische Ellipse. Demgemäß ist die ganze heutige, auf den Warencharakter der Arbeit begründete Gesellschaft von jetzt an eine poetische Lizenz, auf einen figurülichen Ausdruck begründet. Will die Gesellschaft „alle Unzuträglichkeiten ausmerzen“, unter denen sie zu leiden hat, nun, so mer-
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change the language; and to this end it has only to apply to the *Académie* for a new edition of its dictionary’ (K. Marx, *The Poverty of Philosophy*, [mecw6]129.)

From ‘poetic licence’ there is only a small step to ‘nothing at all’, which leads us to the king of platitudes, J. B. Say. The footnote concludes with a careful documentation of the circularity in Say’s arguments:

26 ctd Of course it is still more convenient to understand by value nothing at all. Then one can without difficulty subsume everything under this category. Thus, for instance, J. B. Say asks ‘What is value?’ Answer: ‘It is what a thing is worth.’ What is price? ‘The value of a thing expressed in money.’ And why has ‘labor on the land . . . a value?’ ‘Because a price is put upon it.’ Therefore value is what a thing is worth, and the land

ze sie die anstößigen Ausdrücke aus, so ändere sie die Sprache, und sie braucht sich zu diesem Behufe nur an die Akademie zu wenden, um von ihr eine neue Ausgabe ihres Wörterbuchs zu verlangen.“ (K. Marx, „Misère de la Philosophie“, [mecw6]129.)

26 ctd Noch bequemer ist es natürlich, sich unter Wert gar nichts zu denken. Man kann dann ohne Umstände alles unter diese Kategorie subsumieren. So z.B. J. B. Say. Was ist „valeur“? Antwort: „Das, was eine Sache wert ist“ und was ist „prix“? Antwort: „Der Wert einer Sache ausgedrückt in Geld.“ Und warum hat die Arbeit der Erde . . . einen Wert? Weil man ihr einen Preis zuerkennt. Also Wert ist, was ein Ding wert ist, und
has its ‘value’ because its value is ‘expressed in money’. This is certainly a very simple way of explaining the why and wherefore of things.

die Erde hat einen „Wert“, weil man ihren Wert „in Geld ausdrückt“. Dies ist jedenfalls eine sehr einfache Methode, sich über das why und wherefore der Dinge zu verstehen.

3. [From Value of Labor-Power to Value of Labor]

After arguing that it is legitimate and indeed necessary to look at the surface phenomenon “value of labor” even though we know that labor itself cannot have value, Marx now follows the derivation of the value of labor by the classical economists step by step, in order to find the exact point where they made an error.

677:3/oo Classical political economy borrowed the category ‘price of labor’ from everyday life without further criticism, and then afterwards asked the question, how is this price determined?

⇑ Classical economists did not see the logical impossibility that labor, the source of value,
cannot have value itself. They went at it in a standard and ultimately naive fashion. Their first impulse was to explain the price of labor by demand and supply:

It soon recognized that changes in the relation between demand and supply explained, with regard to the price of labor, as is true with regard to any other commodity, nothing except the changes in the prices, i.e. the oscillations of the market price above or below a certain mean. If demand and supply are in balance, the oscillation of prices ceases (as long as all other circumstances remain the same). At the same time, demand and supply cease to be forces which explain anything.

The price of labor, when demand and supply are in balance, is its natural price, determined independently of the relation of demand and supply.
mand and supply. The natural price was thus found to be the object which actually had to be analysed.

Their attempts to explain the price of labor by market forces led them to the concept of the natural price of labor, and then they shifted their focus: they realized that it was necessary to explain the natural price. Next, Marx gives an alternative approach which does not begin with the surface mechanisms of demand and supply but with the empirical data of prices over time, and which comes to the same conclusion:

Or a longer period of oscillation in the market price was taken, for example a year, and the oscillations were found to cancel each other out, moving around an average quantity in the middle, a constant magnitude—which, of course, had to be determined otherwise than by the mutually compensating variations from it.

Marx apparently assumes that a time series of prices is not a random walk, but that
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a certain reversal to the mean is taking place. This mean is the systematic component of the time series, the natural price, which needs to be explained. This natural prices is not determined by circulation but by something inside the commodity, i.e., by the value of the commodity.

This price, overarching over the accidental market prices of labor and regulating them, this ‘necessary price’ (according to the Physiocrats) or ‘natural price’ of labor (according to Adam Smith) can only be its value expressed in money, as that of all other commodities. This is how the political economists believed they were penetrating through the accidental prices of labor to the value of labor.

At this point, Marx would have said: “Oops, since labor is the source of all value, it cannot have its own value, something must be wrong here.” The other classical economist, by contrast, said: “value is determined by cost of production, and the production cost of
labor are the means of subsistence of the laborer:”

As with other commodities, this value was then further determined by the cost of production. But what is the cost of production . . . of the worker, i.e. the cost of producing or reproducing the worker himself? The political economists unconsciously substituted this question for the original one, for their search after the cost of production of labor as such led them in a circle and did not allow them to move forward.

Instinctively shunning the explanation that the value of 1 hour of labor = 1 hour of labor, classical economists substitute, without being aware of it, value of labor *power* for value of labor.

Therefore what they called the ‘value of labor’ is in fact the value of labor-power, as it exists in the person of the worker, and it...
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is as different from its function, labor, as a machine is from the operations it performs.

Marx continues that classical Political Economy never discovered its error, and that it got entangled in unresolvable confusions and contradictions because of it:

Because they were concerned with the difference between the market price of labor and its so-called value, with the relation of this value to the rate of profit and to the values of the commodities produced by means of labor, etc., they never discovered that the course of the analysis had led not only from the market prices of labor to its presumed value, but also led them to reduce this value of labor itself to the value of labor-power. Classical political economy’s unconsciousness of this result of its own analysis and

beiders existiert und von ihrer Funktion, der Arbeit, ebenso verschieden ist wie eine Maschine von ihren Operationen.

its uncritical acceptance of the categories ‘value of labor’, ‘natural price of labor’, etc. as the ultimate and adequate expression for the value relation under consideration, led it into unresolvable confusions and contradictions, as will be seen later. However to the vulgar economists, who make it a principle to worship appearances only, it offered a secure base for their shallow operations.

The difficulties which classical economy had to go beneath the surface, led to a strengthening of vulgar exconomics, which never even tried to go beneath the surface.

Now Marx makes that step consciously and in detail which bourgeois political economy made unconsciously and in passing.

Let us first see how the value (and the price) of labor-power represent themselves in this transmuted form as wage of labor.

561:1 Sehn wir nun zunächst, wie Wert und Preise der Arbeitskraft sich in ihrer verwandelten Form als Arbeitslohn darstellen.
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Marx starts with the value of labor *power* and derives from it the value of labor. How can the wage of one hour of *labor* be derived from the daily value of *labor-power*?

679:2 We know that the daily value of labor-power is calculated upon a certain length of the worker’s life, which is associated, in turn, with a certain length of the working day.

561:2 Man weiß, daß der Tageswert der Arbeitskraft berechnet ist auf eine gewisse Lebensdauer des Arbeiters, welcher eine gewisse Länge des Arbeitstags entspricht.

Fowkes reverses the correspondence: “and that this corresponds, in turn, to a certain length of the working day.” Moore-Aveling have it right: “to which, again, corresponds a certain length of the working day.”

In chapter Six, Marx discusses how the daily wage of labor-power is derived. Briefly, the cost of living, including bringing up one’s children, educational costs, etc., are prorated on a daily basis. Marx does not recapitulate this here but mentions only one aspect of this calculation which is relevant here: the overall life expectancy of the worker is needed so that the costs of childrearing and educational costs can be prorated. If a laborer lives longer, then part of his or her wage covering those fixed life expenses can be less. On the other hand,
however, in order to achieve this life expectancy, the length (and intensity) of the working day cannot be excessive. At Marx’s time many workers were literally worked to death, see chapter Ten, p. 366:1/o. This is the correspondence between life expectancy and length of working day Marx speaks about here.

Assume that the usual working day is 12 hours and the daily value of labor-power 3 shillings, which is the expression in money of a value embodying 6 hours of labor. If the worker receives 3 shillings, then he receives the value of his labor-power, which functions through 12 hours. If this value of a day’s labor-power is now expressed as the value of a day’s labor itself, we have the formula: 12 hours of labor has a value of 3 shillings. The value of labor-power thus determines the value of labor, or, expressed in money, its necessary price. If, on the other hand, the working day is longer, then the value of labor-power is diminished, and, conversely, a shorter working day increases the value of labor-power.

hand, the price of labor-power differs from its value, then the price of labor will also differ from its so-called value.

The magnitude of value of one hour of labor is therefore derived from the magnitude of value of labor-power by a simple but thoroughly unexpected formula: take the daily value of labor-power as it was derived in chapter Six, see 276:2, and divide it by the number of hours the laborer is working. As Anthony Brewer put it in [Bre84, p. 64], it is as if the price of a horse was quoted at so much per leg, and then multiplied by four to find the price per horse.

Since the value of labor is derived from the value of labor-power, one cannot expect that the value of one hour of labor is the same as the value created by one hour of labor. And given the relationship between capitalist and worker, we know which of these two quantities is smaller:

Since the value of labor is only an incongruous expression for the value of labor-power, it follows by itself that the value of labor must always be less than its value-product, for the capitalist always
makes labor-power work longer than is necessary for the reproduction of its own value. In the above example, the value of labor-power functioning for 12 hours is 3 shillings, which requires 6 hours for its reproduction. The value which the labor-power produces is however $1.44, because it does function during the 12 hours, and its value-product depends not on its own value but on the length of time it is in action.

What is translated here with “incongruous” is in German “irrationell,” which should be distinguished from the German “irrational.” It is not something that cannot be explained, or that does not follow reason, but it is something whose explanation is so un-obvious and misleading that those engaged in those surface relations are prevented from understanding what is really going on. It fosters illusions instead of rational behavior.

This is the rational explanation of something seemingly absurd: Thus we reach a result which seems at first
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sight absurd: labor which creates a value of $1.44 possesses a value of 72 cents.\textsuperscript{27}

\textsuperscript{27} Cf. Contribution to the Critique of Political Economy, \[mecw29\]302:0, where I state that, in my analysis of capital, I shall solve the following problem: ‘how does production on the basis of exchange-value solely determined by labor-time lead to the result that the exchange-value of labor is less than the exchange-value of its product?’

Now an important implication for ideology:

680:1 We see, further: the value of 72 cents, in which the paid portion of the working day, i.e. 6 hours of labor, represents itself, appears as the value or price of the whole working day of 12 hours, which thus includes 6 hours which were not paid

562:1 Man sieht ferner: Der Wert von 3 sh., worin sich der bezahlte Teil des Arbeitstags, d.h. sechsstündige Arbeit \textit{darstellt}, erscheint als Wert oder Preis des Gesamtarbeitstags von 12 Stunden, welcher 6 unbezahlte Stunden enthält. Die Form des Ar-
for. The wage-form thus extinguishes every trace of the division of working day into necessary labor and surplus labor, into paid labor and unpaid labor. All labor appears as paid labor.

In capitalism, all labor seems to be fully paid. Marx contrasts this with corvee labor, in which paid and unpaid labor are clearly distinguished, and slave labor, in which all labor seems to be unpaid.

Under the corvée system it is different. There the labor of the serf for himself, and his compulsory labor for the lord of the land, are demarcated very clearly both in space and time. In slave labor, even the part of the working day in which the slave is only replacing the value of his own means of subsistence, in which he therefore actually works for himself alone, appears as

Bei der Fronarbeit unterscheiden sich räumlich und zeitlich, handgreiflich sinnlich, die Arbeit des Fröners für sich selbst und seine Zwangsarbeit für den Grundherrn. Bei der Sklavenarbeit erscheint selbst der Teil des Arbeitstags, worin der Sklave nur den Wert seiner eignen Lebensmittel ersetzt, den er in der Tat also für sich selbst arbeitet, als Arbeit für seinen Meister. Alle seine Arbeit
labor for his master. All his labor appears as unpaid labour. In wage-labor, on the contrary, even surplus-labor, or unpaid labor, appears as paid. In the one case, the property-relation conceals the slave’s labor for himself; in the other case the money-relation conceals the uncompensated labor of the wage-laborer.

Marx adduces the *Morning Star* as evidence that slave labor seems to be entirely unpaid.

The *Morning Star*, a London free-trade organ which is so naïve as to be positively foolish, protested again and again during the American Civil War, with all the moral indignation of which man is capable, that the Negroes in the ‘Confederate States’ worked absolutely for nothing. It should have compared the daily cost of a Negro in the southern states with that of a free worker in the East End of London.
But let’s come back to capitalism, in which all labor seems to be paid.

We may therefore understand the decisive importance of the transformation of the value and price of labor-power into the form of wages, or into the value and price of labor itself.

Marx calls this “decisively important” because capitalism could not function if exploitation was clearly visible to all. Marx does not say this here, but instead makes the following famous and very strong statement:

This form of appearance, which renders the real relation invisible and indeed presents to the eye the precise opposite of that relation, is the basis of all notions of justice of both laborer and capitalist, of all the mystifications of the capitalist mode of production, of all its illusions as to liberty, of all the apologetic shifts of the vulgar economists.

Man begreift daher die entscheidende Wichtigkeit der Verwandlung von Wert und Preis der Arbeitskraft in die Form des Arbeitslohns oder in Wert und Preis der Arbeit selbst.

Auf dieser Erscheinungsform, die das wirkliche Verhältnis unsichtbar macht und grade sein Gegenteil zeigt, beruhen alle Rechtsvorstellungen des Arbeiter wie des Kapitalisten, alle Mystifikationen der kapitalistische Produktionsweise, alle ihre Freiheitsillusionen, alle apologetischen Flausen der Vulgärökonomie.
4. [Necessity of the Wage Form]

680:3 History has taken a long time to decipher the mystery of the wage form. By contrast, nothing is easier to understand than the necessity of this form of appearance, the reasons why it persists.

My translation “reasons why it persists” for *raisons d’être* is a free, interpretive translation which goes beyond Marx’s text.

Marx distinguishes here between two questions: (a) what is the content behind the wage form, and (b) why does this content take the form that it does. Question (a) is difficult; Marx was the first to see that the content behind the wage form is not the value of labor but the value of labor-power.

Question (b) can be reformulated as: why is the value of labor-power not treated by the economic agents as that what it is, but in the mystified form of “value of labor”? If something has a form which does not fit, then the presumption is that over time, in practical activity, this
mis-alignment between form and content will become apparent and will be fixed. Obviously, such a spontaneous realignment does not occur. There must be very specific reasons that keep form and content out of sync. This is the subject of the present subsection: to identify those specific reasons which prevent the value of labor-power from showing its real face, i.e., which prevent the wage form from reverting to a form directly reflecting the underlying relation of production, namely, that the commodity bought and sold on the market is labor-power and not labor itself.

Marx is about to enumerate several reasons, but before he even begins, he remarks in the passage we just read that “nothing is easier to understand” than the necessity of the wage form. This necessity can be argued on two levels:

- Practical reasons. Capitalists would not get any labor out of their workers otherwise.

- Preservation of the system. Since the content behind the wage bargain is the exploitation of the worker, this content cannot be expressed openly on the surface, because capitalism depends on exploitation remaining hidden.

As Bhaskar notes in [Bha89, pp. 9, 109], the situation of the wage form is exactly the opposite of that of the value form discussed in the section about the Fetish-Like Character of
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the Commodity, 173:1/oo etc. Classical political economy *did* decipher the content behind the value form, but prior to Marx nobody had asked why that content took this form. Regarding the wage form, classical political economy did *not* decipher it, i.e., it fails to pinpoint the precise character of the commodity which the laborer sells to the capitalist, but it is easy to see why the transaction between laborer and capitalist must take this form.

We argued that capitalism needs a wage form in order to coerce the laborer to do the work, and that the wage form has the additional benefit of concealing exploitation. This conclusion does not relieve us from the substantive scientific work investigating those mechanisms which prevent the unmasking of the wage form itself. This is what Marx will do next.

He is going to enumerate specific reasons which prevent the transaction between capitalist and laborer from establishing a form for itself that is resonant with its true content. This cannot happen because to both capitalist and worker, the transaction they are engaged in looks exactly like the any other sale and purchase: labor is exchanged against money. The remainder of this paragraph looks at the exchange between capitalist and worker from its qualitative side, and the next paragraph looks at it from its quantitative side.

681:1 The exchange between capital and labor presents itself to the perceptions of the...
transactors at first glance in exactly the same way as the sale and purchase of any other commodity. The buyer gives a certain sum of money, the seller some article other than money.

The claim that the exchange of labor is, on the surface, indistinguishable from the exchange of any other commodity, is backed up by five supporting arguments. The first two of these address possible objections.

A legal point of view recognizes here at most a bodily difference, expressed in the legally equivalent formulae: “I give, that you may give; I give, that you may do; I do, that you may give; I do, that you may do.”

One might object that there is indeed a difference: the usual procedure is “I give that you may give”; while this here is “I give that you may do.” Marx’s answer to this is embedded in the formulation above: this is only a bodily difference in the use-values exchanged. The formula “I give that you may give” is legally equivalent with “I give that...
you may do."

\(1b\) Although Marx argued earlier in this chapter at length that labor cannot have value, this fact is not obvious. Even its corollary which Marx had earlier called so absurd that it cannot even be pronounced as a law, namely, that the value of 1 hour of labor would have to be \(1/2\) hour of labor, could be explained by the difference between use-value and exchange-value:

681:2 Further. Since exchange-value and use-value are by their nature incommensurable magnitudes, the expressions ‘value of labor’ and ‘price of labor’ do not seem more incongruous than the expressions ‘value of cotton’ and ‘price of cotton’.

563:2 Ferner: Da Tauschwert und Gebrauchswert an und für sich incommensurable Größen sind, so scheint der Ausdruck: „Wert der Arbeit“, „Preis der Arbeit“ nicht irrationeller als der Ausdruck „Wert der Baumwolle“, „Preis der Baumwolle“.

(1c) Marx’s third supporting argument is no longer the response to a possible objection, but Marx brings the following positive argument which seems to support the notion that the commodity traded between worker and capitalist is labor:

Moreover, the worker is paid after he has delivered his labor. In its function as a means

Es kommt hinzu, daß der Arbeiter gezahlt wird, nachdem er seine Arbeit geliefert hat.
of payment, money realizes, after the fact, the value or price of the article delivered—i.e. in this particular case, the value or price of the labor supplied.

Although most other commodities are paid after delivery to the buyer, the wages are paid after the capitalist has consumed the labor-power. The rationale for this was already explained in chapter Six, 277:2. The consumption of the commodity by the capitalist is an exertion on the part of the worker, therefore the form in which it is sold necessarily implies coercion to ensure that the labor-power is indeed made available to the capitalist to the fullest possible extent. In chapter Six, Marx did not make it clear enough that coercion is involved, but in my view it is exactly this coercive component that has the side effect of mystifying the true character of the commodity traded. Since the coercion focuses on the performance of labor by the worker, the impression is created that the commodity which the capitalist receives from the worker is indeed the commodity “labor.”

(1d) Fourth point: in most cases, the use-value which the employer draws from the worker’s labor-power is not the potential labor, but the actual labor. There are a few ex-
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ceptions: firemen, repairmen, computer systems administrators are paid just to be present and able to intervene in case something happens. Here one can argue that it is their potential labor that is useful to the capitalist even if it is not actualized. But most other workers are only useful for the capitalist if they actually do perform the work. This, again, bolsters the illusion that labor is being sold, not labor-power.

Finally, the “use-value” supplied by the worker to the capitalist is not in fact his labor-power but its function, a specific form of useful labor, such as tailoring, cobbiling, spinning, etc.

(1e) But if one makes this argument then immediately a further clarification becomes necessary. The capitalist does not employ shoe-makers because he cares about shoes. He employs shoe-makers because they create more value than the wages they receive. But the shoe-makers themselves are not aware of the value-creating ability of their labor. Therefore they mis-interpret the motivation why the capitalist buys their labor-power, and therefore they do not see the true character of the transaction they are involved in:

That this same labor is, on the other hand,
4. [Necessity of Wage Form]

the universal value-creating element, and thus possesses a property by virtue of which it differs from all other commodities, is something which falls outside the scope of ordinary consciousness.

In the next paragraph, Marx looks at the quantitative side of the wage bargain. As in chapter Twelve, p. 433:2/oo, Marx assumes here that one hour of labor produces a value of 12 cents.

First Marx looks at it from point of view of the laborer. The magnitude of the wages themselves does not come from a value intrinsic in the labor, but it is borrowed from the values of the workers’ means of subsistence. Will this “remote control” of the magnitude of value not alert the transactors about the special character of the commodity that is traded?

681:3 Let us put ourselves in the place of the worker who receives for 12 hours of labor the value-product of, say, 6 hours of labor, namely 72 cents. For him, in fact, his 12 hours of labor is the means of buying the

563:3 Stellen wir uns auf den Standpunkt des Arbeiters, der für zwölfstündige Arbeit z.B. das Wertprodukt sechsstündiger Arbeit erhält, sage 3 sh., so ist für ihn in der Tat seine zwölfstündige Arbeit das Kaufmittel der 3
72 cents. The value of his labor-power may vary, with the value of his usual means of subsistence, from 72 to 96 cents, or from 72 to 48 cents; or, if the value of labor-power remains constant, its price may rise to 96 cents or fall to 48 cents as a result of changes in the relation of demand and supply. He always gives 12 hours of labor. Every change in the amount of the equivalent that he receives therefore necessarily appears to him as a change in the value or price of his 12 hours of labor.

If productivity rises, then the value of labor-power falls and the worker has to work less per day to reproduce the value of his or her means of subsistence. Nevertheless, the actual work day is unchanged, since the capitalist simply makes the surplus-labor longer. Therefore the worker does not see the effects which productivity changes have on his commodity, and therefore he is led to think he is selling labor, and that any changes in the buying power of his
4. [Necessity of Wage Form]

wages are due to a change in the value of labor. Adam Smith tries to get away from these surface illusions by his hypothesis that the value of labor is a constant and that all changes in the buying-power of the wage are due to productivity differences.

This circumstance misled Adam Smith, who treated the working day as a constant quantity, into the opposite assertion that the value of labor is constant, although the value of the means of subsistence may vary, and the same working day, therefore, may represent more or less money for the worker.

Adam Smith only incidentally alludes to the variation of the working day, when he is dealing with piece-wages.

(2b) One should expect the capitalist to be better aware than the worker that the commodity traded between him and the worker is labor-power, since he is trying every day to squeeze as much labor as possible from the worker.

682:1 Let us consider, on the other hand,
the capitalist. He wishes to receive as much labor as possible for as little money as possible. In practice, therefore, the only thing that interests him is the difference between the price of labor-power and the value which its function creates.

He still does not draw the right conclusion from his own practice. He does not see labor-power as a special case, since he is trying to get maximum benefit for lowest cost from all commodities he is buying.

But he seeks to buy all commodities as cheaply as possible, and he explains his profit to himself as the result of mere sharp practice, of buying under the value and selling over it.

He is not aware that profits would be competed away after a brief adjustment period, if his interpretation of reality were correct.

Hence he never arrives at the insight that if
4. [Necessity of Wage Form]

such a thing as the value of labor really existed, and he really paid this value, no capital would exist, and his money would never be transformed into capital.

Now (3), the movement of wages over time:

682:2 Moreover, the actual movement of wages presents phenomena which seem to prove that it is not the value of labor-power which is paid, but the value of its function, of labor itself. We may reduce these phenomena to two great classes.

Together with the classification of these phenomena Marx gives very abbreviated arguments why they do not really prove that wages are determined by labor:

(a) Changes in wages owing to changes in the length of the working day. One might as well conclude that it is not the value of
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a machine which is paid, but that of the operations which it performs, because it costs more to hire a machine for a week than for a day.

The fact that a longer workday costs more than a shorter workday is not an argument that the capitalist has bought the labor instead of the labor-power. A longer workday costs more because it causes more wear to the worker.

\( b \) Individual differences between the wages of different workers who perform the same function. These individual differences also exist in the system of slavery, but there they do not give rise to any illusions, for labor-power is in that case itself sold frankly and openly, without any embellishment. Only, in the slave system, the advantage of a labor-power above the average, and the disadvantage of a labor-power below the average, af-
fects the slave-owner; whereas in the system of wage-labor it affects the worker himself, because his labor-power is, in the latter case, sold by himself, and in the former, by a third person.

Individual labor-powers differ also in slavery. This does not generate any illusions because the slave owner is the one who benefits from a good labor-power, not the slave himself or herself.

(4) Finally, we should not be surprised if we encounter a situation where the form does not spontaneously divulge its content. This is often the case; this is why science is needed:

682:3 For the rest, what is true of all forms of appearance and their hidden background is also true of the form of appearance 'value and price of labor', or 'wages', as contrasted with the essential relation manifested in it, namely the value and price of labor-power. The forms of appearance are

564:3 Übrigens gilt von der Erscheinungsform, "Wert und Preis der Arbeit" oder "Arbeitslohn", im Unterschied zum wesentlichen Verhältnis, welches erscheint, dem Wert und Preis der Arbeitskraft, dasselbe, was von allen Erscheinungsformen und ihrem verborgenen Hintergrund. Die ersteren reproduzieren
reproduced directly and spontaneously, as current and usual modes of thought; the essential relation must first be discovered by science.

Indeed there is a scientific discipline which looks at the wage form from a scientific point of view, namely, political economy. What can it tell us about the wage form? Although it cannot help stumbling here and there upon the real connections, it is unable to consciously formulate it:

Classical political economy stumbles approximately onto the true state of affairs, but without consciously formulating it.

The obstacle here are the class relations. It is unable to do this as long as it stays within its bourgeois skin.

Again Marx hints here that the persistence of the wage form, the inability of the laborer to see its true content, is due to the exercise of class power.
20. Time Wages

Among the commodities traded on the market, chapter 19 argued that labor is special, because its price is not determined by its value—there is no such thing as the value of labor—but it derives in a circuitous manner from the value of labor-power. I.e., chapter 19 looked at the connection between the price of labor on the surface and the underlying relations of production.

Chapters 20 and 21 take a closer look at this surface itself. The price of labor can be defined in two main ways: either as time wage or as piece wage. The main result of these chapters is that both forms have an in-built tendency to extend the length of the workday, and the piece wage also intensifies it. This shows that economic laws do not only originate in the sphere of production but also on the surface.
20. *Time Wages*

Chapter Nineteen showed that the wage of labor is the transformed form of the price of labor-power. But knowing the essence behind the wage form does not yet fully define the forms or shapes which these forms can assume. Chapters Twenty and Twenty-One discuss its main shapes: time wage and piece wage.

Wages of labor themselves take many forms. This is not apparent from the ordinary economic treatises which, in their crude obsession with substance, neglect all differences of form.

Mainstream economists do not look at the form itself; they only want to know what lies underneath these forms, without exploring how these forms mediate that what lies underneath them. Marx had said something similar already in the section about the fetish-like character of the commodity, 173:1/oo.

An exposition of all these forms however belongs into the special study of wage labor, therefore not into this work. Nevertheless,
the two prevailing fundamental forms must be briefly developed here.

This excursion into the territory of the book on wage-labor is necessary because some of the results of the present investigation of the wage forms, namely, that these two forms help to lengthen the workday and lower the price of labor, will be used in the accumulation chapter.

Marx discusses time wages first, for the following reason:

683:2 The sale of labor-power, as will be remembered, always takes place for specific periods of time. The transformed form which the daily value, weekly value, etc. of labor-power immediately assumes is therefore that of time wages, hence daily etc. wages.

565:2 Der Verkauf der Arbeitskraft findet, wie man sich erinnert, stets für bestimmte Zeitperioden statt. Die verwandelte Form, worin der Tageswert, Wochenwert usw. der Arbeitskraft sich unmittelbar darstellt, ist daher die des „Zeitlohns“, also Tageslohn usw.

Wages are the payment in the sale of labor-power, not labor. However, as we saw in chapter Six, 270:3/o, it is an essential characteristic of the commodity labor-power that it can only be sold for limited periods of time, because otherwise the system would degenerate
20. Time Wages

into slavery. From this follows that, whatever the form of the wage, it must always, directly or indirectly, contain a measurement of the time for which the labor-power is hired out. The most direct way to fulfill this requirement is to measure wages by time in the first place. The word “time wages” means here that wages are paid by the day, week, fortnight, etc. Marx does not mean hourly wages here; he will introduce the hourly wage later as the “price of labor.” Historically, daily wages for a length of labor determined by custom (sunup to sundown etc.) came first, and hourly wages came only later.

1. [Quantitative Determination of Time Wages and Value of Labor]

The next paragraph is a reference to chapter Seventeen, which interrupts the argument a little. (In the French edition this paragraph is left out.)

683:3 The first thing that should be noted here is that the laws set forth in chapter Seventeen, on the changes in the relative mag-

565:3 Es ist nun zunächst zu bemerken, daß die im fünfzehnten Kapitel dargestellten Gesetze über den Größenwechsel von Preis
1. [Quantitative Determination of Time Wages and Value of Labor]

Quantitative determinations of price of labor-power and surplus-value, can be transformed, by a simple alteration in their form, into laws of wages. Similarly, the difference between the exchange-value of labor-power and the sum of means of subsistence into which this value is converted now appears as the distinction between nominal and real wages. It would be useless to repeat here, when dealing with the form of appearance, what we have already worked out in relation to the essential form.

Nominal and real wages have not yet been formally introduced; that will be done in the next paragraph. Interesting differentiation between form of appearance and essential form. We shall therefore limit ourselves to a few points which characterize time-wages.

There is not one but several quantitative measures of wages. Marx introduces “nominal wages” first:
20. Time Wages

The sum of money which the worker receives for his daily or weekly labor forms the amount of his nominal wages, or of his wages estimated in value.

Here we always assume that the value of money itself remains constant.

Under the assumption of a constant value of money, technical progress causes prices to fall, and relative surplus-value can only increase if wages fall as well. This is not the best assumption for the functioning of capitalism, where a gradual fall in the value of gold, mirroring the fall in the value of everything else, due to the general rise in productivity, allows prices and wages to remain constant even if productivity rises. See the last sentence in 192:1, and then 193:2. Furthermore, in today’s post-gold-standard time, Keynes’s “money illusion” plays an important role for the movement of wages, whenever there is secular inflation. The consideration of all these mechanisms is ruled out by the present assumption of a constant monetary value.

The empirics which Marx refers to in the background is therefore not the actual empirical
experience, but this experience filtered through a process of abstraction. Those familiar with empirical experience of actual capitalism can also imagine what things would look like if the value of gold was constant, and this is the experience Marx is referring to.

An important category derived from the nominal wage is that of “price of labor.”

But it is clear that according to the length of the working day, that is, according to the amount of actual labor supplied every day, the same daily or weekly wage may represent very different prices of labor, i.e. very different sums of money for the same quantity of labor. We must, therefore, in considering time-wages, again distinguish between the sum total of the daily or weekly wages, etc., and the price of labor.

31 ‘The price of labor is the sum paid for a given quantity of labor’ [Wes26, p. 67]. West is the author of an epoch-making work in the
The price of labor is relevant for two reasons. (1) it is the surface expression of the price of the most important commodity, namely, labor-power, and (2) it determines the rate of surplus-value. The distinction between wage and price of labor has practical significance because the capitalist is interested in the price of labor, while the worker depends on the daily or weekly wage for his survival. After distinguishing the price of labor from the (daily or weekly) wage, Marx looks at the quantitative determination of the price of labor: How then can we find this price, i.e. the money-value of a given quantity of labor?

It is probably not an accident that Marx does not use the ontological formulation “how is the price of labor determined” but the epistemological “how can we find the price of labor.” Although it is possible to calculate this price at any given time, the price of labor is not anchored in an economic law.

Chapter Nineteen discussed at length that the price of labor is not derived from a “value of labor” (such a thing does not exist) but it is a transformed form of the value of labor-power. Therefore its quantity must be calculated in a somewhat roundabout manner:
1. [Quantitative Determination of Time Wages and Value of Labor]

The average price of labor can be obtained by dividing the average daily value of labor-power by the average number of hours in the working day. If, for instance, the daily value of labor-power is 3 shillings, which is the value-product of 6 working hours, and if the working day is 12 hours, the price of 1 working hour is 3/12 shillings, i.e. 3d.

\[ \text{Price of a working hour} = \frac{3 \text{ shillings}}{12 \text{ hours}} = 3 \text{d.} \]

\[ \uparrow \] This is the same example Marx used in chapter Nineteen, 679:2. One component in this derivation of the price of labor, the value of labor-power, is well-defined and anchored in economic laws. But the other component, the length of the working-day, is “variable” or “indeterminate,” as Marx says in chapter Ten.

\[ \downarrow \] It is a big contradiction that a magnitude which is indeterminate so such a great degree, something that is so-to-say “found” laying around, plays, on the surface of the economy, the key role of being the hourly price of labor:

The price of the working hour thus found serves as the unit measure for the price of
Without explicitly calling it a contradiction, Marx illustrates this indeterminacy by examples:

It follows therefore that daily and weekly wages may remain the same, although the price of labor falls constantly.

Formulated as abstract possibilities, i.e., without the claim that things must or tend to occur this way, Marx gives now three scenarios in which the daily wage remains constant and may even rise, while the price of labor falls or at least does not increase:

If, for example, the usual working day is 10 hours and the daily value of labor-power 3 shillings, the price of the working hour is 3 3/5d. It falls to 3d. as soon as the working day rises to 12 hours, and to 2 2/5d. as soon as it rises to 15 hours. Despite all this, daily or weekly wages remain unchanged.

A lengthening of the working-day with constant daily wage benefits the capitalist since
1. [Quantitative Determination of Time Wages and Value of Labor]

it increases surplus-value, but the worker is still able to survive—unless the extremely long day cuts into the essence of his or her labor-power.

↓ Second scenario: Lengthening of the working day with constant *hourly* wages:

Inversely, daily or weekly wages may rise, although the price of labor remains constant or even falls. If, for instance, the working day is 10 hours and the daily value of labor-power 3 shillings, the price of one working hour is 3 3/5d. If the worker, owing to an increase in the number of orders, works for 12 hours, and the price of labor remains the same, his daily wage now rises to 3s. 7 1/5d., without any variation having taken place in the price of labor. The same result might follow if, instead of the extensive magnitude of labor, its intensive magnitude increased.\(^{32}\) The rise of nominal daily or Umgekehrt kann der Taglohn oder Wochenlohn steigen, obgleich der Preis der Arbeit konstant bleibt oder selbst sinkt. War z.B. der Arbeitstag zehnstündig und ist der Tageswert der Arbeitskraft 3 sh., so der Preis einer Arbeitsstunde 3 3/5 d. Arbeitet der Arbeiter infolge zunehmender Beschäftigung und bei gleichbleibendem Preise der Arbeit 12 Stunden, so steigt sein Tageslohn nun auf 3 sh. 7 1/5 d. ohne Variation im Preise der Arbeit. Dasselbe Resultat könnte herauskommen, wenn statt der extensiven Größe der Arbeit ihre intensive Größe zunähme.\(^{32}\) Steigen des nominellen Tages- oder Wochenlohns
weekly wages may therefore be unaccompanied by any change in the price of labor, or may even be accompanied by a fall in the latter.

The footnote emphasizes the beneficial aspects of this for the laborer:

32 ‘The wages of labor depend upon the price of labor and the quantity of labor performed … An increase in the wages of labor does not necessarily imply an enhancement of the price of labor. From fuller employment, and greater exertions, the wages of labor may be considerably increased, while the price of labor may continue the same’ [Wes26, p. 67–8, 112]. However, West disposes of the main question, ‘How is the price of labor determined?’, with mere banalities.

Note that Marx calls the determination of the price of labor “the main question.”

The third scenario is very relevant today, when each family increasingly has two wage-
1. [Quantitative Determination of Time Wages and Value of Labor]

earners.

The same thing holds for the income of the worker’s family, when the quantity of labor provided by the head of the family is augmented by the labor of the members of his family.

⇓ All three examples have one thing in common:

There are therefore methods of lowering the price of labor which are independent of any reduction in the nominal daily or weekly wage.\(^{33}\)

\(^{33}\) The most fanatical representative of the eighteenth-century industrial bourgeoisie, the author of the Essay on Trade and Commerce, whom we have often quoted already, notices this, although he puts the matter in a confused way: ‘It is the quantity of labor and not the price of it’ (he

Dasselbe gilt von der Einnahme der Arbeiterfamilie, sobald das vom Familienhaupt gelieferte Arbeitsquantum durch die Arbeit der Familienglieder vermehrt wird.

Es gibt also von der Schmälerung des nominalen Tages- oder Wochenlohns unabhängige Methoden zur Herabsetzung des Preises der Arbeit.\(^{33}\)

\(^{33}\) Dies fühlt der fanatischste Vertreter der industriellen Bourgeoisie des 18. Jahrhunderts, der oft von uns zitierte Verfasser des „Essay on Trade and Commerce“ richtig heraus, obgleich er die Sache konfus darstellt: „Es ist die Menge der Arbeit und nicht ihr Preis“ (versteht darunter den nomi-
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means by this the nominal daily or weekly wage) ‘that is determined by the price of provisions and other necessaries: reduce the price of necessaries very low, and of course you reduce the quantity of labor in proportion. Master-manufacturers know that there are various ways of raising and falling the price of labor, besides that of altering its nominal amount’ (op. cit., pp. 48, 61). N. W. Senior, in his Three Lectures on the Rate of Wages, London, 1830, where he uses West’s work without mentioning it, has this to say: ‘The laborer is principally interested in the amount of wages’ (p. 15), that is to say, the worker is principally interested in what he receives, the nominal sum of his wages, not in what he gives, the quantity of labor!

The footnote sketches out how this abstract possibility can become reality. The gap which leaves the price of labor an indeterminate quantity becomes an issue in the contest between

nelly Tages- oder Wochenlohn), „die durch den Preis der Nahrungsmittel und anderen lebensnotwendigen Dinge bestimmt wird: setzt den Preis der lebensnotwendigen Dinge stark herab, so senkt ihr natürlich entsprechend die Menge der Arbeit … Die Fabrikherren wissen, daß es verschiedene Wege gibt, den Preis der Arbeit zu heben oder zu senken, außer der Änderung seines nominellen Betrags.“ (l.c. p. 48 u. 61.) In seinen „Three Lectures on the Rate of Wages“, Lond. 1830, worin N. W. Senior Wests Schrift benutzt, ohne sie anzuführen, sagt er u.a.: „Der Arbeiter ist hauptsächlich an der Höhe des Arbeitslohnes interessiert.“ (p. 15.) Also der Arbeiter ist hauptsächlich interessiert in dem, was er erhält, dem nominellen Betrag des Lohns, nicht in dem, was er gibt, der Quantität der Arbeit!
2. [Hourly Wage and Length of Working Day]

capitalist and worker. Capitalist and worker pull in different, but not exactly opposite directions. The capitalists want to pay a lower price per unit of labor performed, while the workers want a higher weekly or daily wage. This leads to the compromise of compressing more labor into each day in order to satisfy both the capitalist’s demand for cheap labor and the worker’s need for higher wages. This compromise can only be achieved by lengthening the workday, i.e., it ultimately goes at the expense of the worker. The dynamic described here may be a reason why the workday is still so long today. Marx discusses this effect in more detail in the chapter on piece wages, starting 695:2/o. Piece wages share with time wages the tendency to extend the working hours, in addition to their obvious tendency to intensify labor.

2. [Hourly Wage and Length of Working Day]

If we look at the underlying structural relations, the price of labor can be obtained by dividing the daily price of labor-power by the length of the workday. But on the surface, the price of labor, not the value of labor-power, is the basis of measurement. On the surface, therefore, causality goes in the opposite direction: the daily wage is obtained by multiplying the
hourly wage by the length of the working-day. This multiplicative relationship is represented by Marx as two different laws, each of which holds one factor constant. As in chapter Seventeen, it can be argued that Marx decomposes the multiplication of two independent variables into two different laws, because different mechanisms are active in the two situations “price of labor constant” and “length of the working-day constant.” The first sentence contains a “however” because examples of this general law were just discussed:

685:1 As a general law, however, it follows that, given the amount of daily, weekly labor, etc., the daily or weekly wage depends on the price of labor, which itself varies either with the value of labor-power, or with the divergencies between its price and its value. Given the price of labor, on the other hand, the daily or weekly wage depends on the quantity of labor expended daily or weekly.

Note that Marx only says that they depend, not that they are proportional to each other.

As it turns out, their dependency is not quite proportional. In these deviations from proportionality, The underlying relations of production assert themselves against the “wrong” surface causality. Marx begins with the second alternative, first in the case that the work day is *shortened*.

Some of the examples that follow now are an elaboration of the examples hinted at briefly in 684:1/o.

### 2.a. [Abnormal Underemployment]

The clash between surface relations and core relations is most acute when the capitalist works short hours. If the labor-day consists of fewer hours than the norm on which the price of labor is based, then the laborer’s wages are not sufficient for the laborer to live.

685:2/o The unit of measurement for time-wages, the price of the working hour, is the value of a day’s labor-power divided by the number of hours in the average working day. Let the latter be 12 hours, and the

567:2/o Die Maßeinheit des Zeitlohns, der Preis der Arbeitsstunde, ist der Quotient des Tageswerts der Arbeitskraft, dividiert durch die Stundenzahl des gewohnheitsmäßigen Arbeitstags. Gesetzt, letzter betrage 12 Stun-
daily value of labor-power 3 shillings, the value-product of 6 hours of labor. Under these circumstances, the price of a working hour is 3d., and the value produced in it is 6d. If the worker is now employed for less than 12 hours a day (or for less than 6 days in the week), for instance only for 6 or 8 hours, he receives, at the price of labor just mentioned, only 2s. or 1s. 6d. a day.\textsuperscript{34} As, on our hypothesis, he must work on average 6 hours a day in order to produce a day’s wage which corresponds to nothing more than the value of his labor-power, and as, on the same hypothesis, he works only half of every hour for himself, and half for the capitalist, it is clear that he cannot obtain for himself the value-product of 6 hours if he
is employed for less than 12 hours. In previous chapters we saw the destructive consequences of overwork; but here we come upon the origin of the sufferings which arise for the worker out of his being insufficiently employed.

Footnote 34 clarifies that the effects of a *general* reduction of the working-day are different than those of a working-day which falls below the norm.

The effect of such an abnormal under-employment is quite different from that of a general reduction of the working day, enforced by law. The former has nothing to do with the absolute length of the working day, and may just as well occur in a working day of 15 hours as in one of 6. The normal price of labor is in the first case calculated on the basis of an average working day of 15 hours, and in the second case a working day of 6 hours. The result is therefore

*Die Wirkung solcher anormalen Unterbeschäftigung ist durchaus verschieden von der einer allgemeinen zwangsgesetzlichen Reduktion des Arbeitstags. Erstere hat mit der absoluten Länge des Arbeitstags nichts zu schaffen und kann ebensowohl bei 15stündigem als bei 6stündigem Arbeitsstag eintreten. Der normale Preis der Arbeit ist im ersten Fall darauf berechnet, daß der Arbeiter 15 Stunden, im zweiten darauf, daß er 6 Stunden per Tag durchschnittlich arbeitet. Die*
20. **Time Wages**

the same if the worker is employed in the one case for only 7 hours, and in the other case for only 3 hours.

Next Marx discusses a situation in which a normal working-day is not even specified. If wages are contracted by the hour, without obligation on part of the employer for a daily or weekly minimum employment, the capitalist can harvest surplus labor without allowing the worker to perform his or her necessary labor.

686:1 If the hour’s wage is fixed in such a way that the capitalist does not bind himself to pay a day’s or a week’s wage, but only to pay wages for the hours during which he chooses to employ the worker, he can employ him for a shorter time than that which is originally the basis of the calculation of the wages for the hour, or the unit of measurement of the price of labor.

568:1 Wird der Stundenlohn in der Weise fixiert, daß der Kapitalist sich nicht zur Zahlung eines Tages- oder Wochenlohns verpflichtet, sondern nur zur Zahlung der Arbeitsstunden, während deren es ihm beliebt, den Arbeiter zu beschäftigen, so kann er ihn unter der Zeit beschäftigen, die der Schätzung des Stundenlohns oder der Maßeinheit für den Preis der Arbeit ursprünglich zugrunde liegt.
2. [Hourly Wage and Length of Working Day]

The rest of this paragraph argues this situation in more detail.

Since this unit is determined by the ratio of the daily value of labor-power to the working day of a given number of hours, it naturally loses all meaning as soon as the working day ceases to contain a definite number of hours. The connection between the paid and the unpaid labor is destroyed.

As is often the case with the little contradictions of capitalism, this “lack of meaning” can be used by the capitalist to increase exploitation. The capitalist can now wring from the worker a certain quantity of surplus labor without allowing him the labor-time necessary for his own subsistence. He can annihilate all regularity of employment, and according to his own convenience, caprice, and the interest of the moment, make the

Da diese Maßeinheit bestimmt ist durch die Proportion $\frac{\text{Tageswert der Arbeitskraft}}{\text{Arbeitstag von gegebner Stundenzahl}}$, verliert sie natürlich allen Sinn, sobald der Arbeitstag aufhört, eine bestimmte Stundenzahl zu zählen. Der Zusammenhang zwischen der bezahlten und unbezahlten Arbeit wird aufgehoben.

Der Kapitalist kann jetzt ein bestimmtes Quantum Mehrarbeit aus dem Arbeiter herausreiben, ohne ihm die zu seiner Selbsternährung notwendige Arbeitszeit einzuräumen. Er kann jede Regelmäßigkeit der Beschäftigung vernichten und ganz nach Bequemlichkeit, Willkür und augenblicklichem Interes-

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most frightful overwork alternate with relative or absolute cessation of work. He can abnormally lengthen the working day without giving the worker any corresponding compensation, under the pretence of paying ‘the normal price of labor’. Hence the perfectly rational revolt of the London building workers in 1860 against the attempt of the capitalists to impose on them this sort of wage by the hour.

Apparently, Marx expected that the legal limitation of the working day would stop the capitalist drive to go from daily wage to hourly wage.

The legal limitation of the working day puts an end to nonsense of this kind, though it does not of course end the diminution of employment caused by the competition of machinery, by changes in the quality of the
2. [Hourly Wage and Length of Working Day]

workers employed, and partial or general crises.

Krisen entspringenden Unterbeschäftigung.

2.b. [Long Hours and Overtime Pay]

Now the other side of the second alternative in 685:1: the work day becomes too long. Then the additional wear on the worker changes the arithmetic from a linear to a nonlinear relation. This too is an effect of the invisible connections beneath the surface.

686:2/oo With increasing daily or weekly wage, the price of labor may remain nominally constant, and yet fall below its normal level. This occurs every time the working day is prolonged beyond its customary length, while the price of labor (reckoned per working hour) remains constant.

If, in the fraction $\frac{\text{daily value of labor-power}}{\text{working day}}$, the denominator increases, the numerator in-
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creases still more rapidly. The amount of deterioration in labor-power, and therefore its value, increases with the duration of its functioning, and to a more rapid degree than the increase of that duration.

This increased depreciation is reflected on the surface by “overtime pay.”

In many branches of industry, where time-wages are the general rule and there are no legal limits to the length of the working day, the habit has therefore spontaneously grown up of regarding the working day as normal only up to a point in time, for instance up to the expiration of the tenth hour (‘normal working day’, ‘the day’s work’, ‘the regular hours of work’). Beyond this limit the working time is overtime, and is paid at a better hourly rate (’extra pay’), although often in a
Two implications of overtime pay. (1) it undermines the normalization of the working-day.

The normal working day exists here as a fraction of the actual working day, and it often happens that the latter exceeds the former during the entire year.  

As for instance in paper-staining until the recent introduction into this trade of the Factory

Der normale Arbeitstag existiert hier als Bruchteil des wirklichen Arbeitstags, und der letztere währt oft während des ganzen Jahres länger als der erstere.

Z.B. in der Tapetendruckerei vor der neulichen Einführung des Fabrikakts. „Wir arbeiteten
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Act. ‘We work on with no stoppage for meals, so that the day’s work of 10 1/2 hours is finished by 4.30 p.m., and all after that is overtime, and we seldom leave off working before 6 p.m., so that we are really working overtime the whole year round’ (Mr Smith’s evidence, in Children’s Employment Commission, First Report, p. 125).

(2) Regular pay is depressed, so that the workers are forced to work longer because they depend on overtime pay.

The increase in the price of labor when the working day is extended beyond a certain normal limit takes place in various British industries in such a way that the low price of labor during the so-called normal time compels the worker to work during the better paid overtime, if he wishes to obtain a sufficient wage at all.\textsuperscript{37}

Der Wachstum im Preis der Arbeit mit der Verlängerung des Arbeitstags über eine gewisse Normalgrenze gestaltet sich in verschiedenen britischen Industriezweigen so, daβ der niedrige Preis der Arbeit während der sog. Normalzeit dem Arbeiter die besser bezahlte Überzeit aufzwinge, will er überhaupt einen genügenden Arbeitslohn herausschlagen.\textsuperscript{3}
2. [Hourly Wage and Length of Working Day]

37 As for instance in the bleaching-works of Scotland. ‘In some parts of Scotland this trade’ (before the introduction of the Factory Act in 1862) ‘was carried on by a system of overtime, i.e. ten hours a day were the regular hours of work, for which a nominal wage of 1s. 2d. per day was paid to a man, there being every day overtime for 3 or 4 hours, paid at the rate of 3d. per hour. The effect of this system’ (was as follows:) ‘a man could not earn more than 8s. per week when working the ordinary hours … without overtime they could not earn a fair day’s wages’ (Reports of theInspectors of Factories … 30 April 1863, p. 10). ‘The higher wages, for getting adult males to work longer hours, are a temptation too strong to be resisted’ (Reports of theInspectors of Factories … 30 April 1848, p. 5). The book-binding trade in the city of London employs a large number of young girls from 14

to 15 years old under indentures which prescribe certain definite hours of labor. Nevertheless, they work in the last week of each month until 10, 11, 12 or 1 o’clock at night, along with the older male workers, in very mixed company. ‘The masters tempt them by extra pay and supper,’ which they eat in neighbouring public houses. The great debauchery thus produced among these ‘young immortals’ (Children’s Employment Commission. Fifth Report, p. 44, n. 191) finds its compensation in the fact that, among other things, they bind many Bibles and other edifying books.

As in 686:1, Marx had too high hopes in a legal limitation of the working-day.

Legal limitation of the working day puts an end to this pastime.  

38 See Reports of the Inspectors of Factories … 30 April 1863, op. cit. The London building workers showed a very accurate appreciation of the law.

Gesetzliche Beschränkung des Arbeitstags macht diesem Vergnügen ein Ende.  

38 Sieh „Reports of Insp. of Fact., 30th April 1863“, l.c. Mit ganz richtiger Kritik des Sachverhältnisses erklärten die im Baufach beschäftigten
tion of this state of affairs when, during the great strike and lock-out of 1860, they declared that they would accept wages by the hour under only two conditions: (1) that, alongside the price of the working hour, a normal working day of 9 and 10 hours respectively should be laid down, and that the price of the hour for the 10-hour working day should be higher than that for an hour of the 9-hour working day; and (2) that every hour beyond the normal working day should be reckoned as overtime and proportionally more highly paid.

The strike of 1860 was already mentioned in 686:1.

2.c. [Increase of Regular Hours Leads to Lower Wages]

While the previous examples discussed a temporary extension of the working-day beyond its normal length, the next example looks at the implications of an extension of the normal working day.
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length itself. Marx begins with some empirical facts:

688:1 It is a generally known fact that the longer the working day in a branch of industry, the lower the wages are.\(^{39}\)

570:1 Es ist allgemein bekannte Tatsache, daß, je länger der Arbeitstag in einem Industriezweig, um so niedriger der Arbeitslohn.\(^{39}\)

39 ‘It is a very notable thing, too, that where long hours are the rule, small wages are also so’ (Reports of the Inspectors of Factories . . . 31 October 1863, p. 9). ‘The work which obtains the scanty pittance of food, is, for the most part, excessively prolonged’ (Public Health, Sixth Report, 1864, p. 15).


Not only the hourly rate but even the total daily wage is lower in industries with long hours!

The factory inspector Alexander Redgrave illustrates this by a comparative review of the twenty years from 1839 to 1859, accord-

Fabrikinspektor A. Redgrave illustriert dies durch eine vergleichende Übersicht der zwanzigjährigen Periode von 1839–1859, wonach
ing to which wages rose in the factories under the Ten Hours’ Act, while they fell in the factories where the work went on for 14 and 15 hours every day.\(^{40}\)

\(^{40}\) Reports of the Inspectors of Factories . . . 30 April 1860, pp. 31–2.

Now Marx explains how this negative correlation between length of working day and wages comes about. He does not start with a longer working-day but with the other side, low hourly wages. Why? Because the level of the hourly wages seems an objectively given, market-determined condition. In response to these low wages, workers agree to work more hours every day so that they can survive. They rely here on the second surface law discussed in \(685:1\), that with a fixed price of labor, a longer day will give them a higher daily wage.

\(688:2\) From the law stated above, namely that the price of labor being given, the daily or weekly wage depends on the quantity of labor expended, it follows, first of all, that the lower the price of labor, the greater must
20. *Time Wages*

be the quantity of labor, or the longer must be the working day, for the worker to secure even a miserable average wage. The low level of the price of labor acts here as a stimulus to the extension of the labor-time.\(^{41}\)

\(^{41}\) The hand nail-makers of England, for example, have to work 15 hours a day, because of the low price of their labor, in order to hammer out an extremely wretched weekly wage. ‘It’s a great many hours in a day (6 a.m. to 8 p.m.), and he has to work hard all the time to get 11d. or 1s., and there is the wear of the tools, the cost of firing, and something for waste iron to go out of this, which takes off altogether 2 1/2d. or 3d’ (Children’s Employment Commission, Third Report, p. 136, n. 671). The women, although they work for the same length of time, earn a weekly wage of only 5s. (ibid., p. 137, n. 674).

sein muß oder desto länger der Arbeitstag, damit der Arbeiter auch nur einen kümmerlichen Durchschnittslohn sichre. Die Niedrigkeit des Arbeitspreises wirkt hier als Sporn zur Verlängerung der Arbeitszeit.\(^{41}\)

However, these longer working hours set deeper mechanisms in motion which decrease the already low hourly wages even more:

688:3 However, the extension of the period of labor produces in its turn a fall in the price of labor, and with this a fall in the daily or the weekly wage.

Marx says here that the fall in the price of labor will not only erase the gains the workers hoped for when they agreed to or acquiesced with longer hours, but at the end even the daily wage will be lower than initially.

What are those deeper mechanisms? The first mechanism is the regularity first formulated in 683:4/o.

The determination of the price of labor by use of the ratio daily value of labor-power to working day of a given number of hours shows that the prolongation of the working day itself lowers the price of labor, if no compensatory factor enters.
This cannot yet be the whole answer, since according to this formula, the total daily wage is the same after the lengthening of the working-day as it was before. According to this law, one should therefore expect the daily wage to be independent of the length of the working-day, instead of being negatively related to it. Other forces must be at work to generate the negative relation.

The existence of such other forces (Marx calls them here “circumstances”) is already indicated by the fact that the working-day is longer than normal to begin with:

But the same circumstances which allow the capitalist in the long run to prolong the working day also allow him at first, and compel him finally, to reduce the price of labor nominally as well until the total price of the increased number of hours goes down, and therefore the daily or weekly wage falls.

Let us summarize again how Marx answers the question: why are abnormally long hours associated with abnormally low daily wages, in such a way that the longer the hours the lower the daily wage? According to the underlying laws of capitalist production (according
2. [Hourly Wage and Length of Working Day]

to Marx), one should expect the daily wage to be independent of the length of the working-day, since it is determined by the reproduction cost of the laborer, not by the amount of labor performed. One should also expect the length of the working-day to be equal for all industries. In those industries in which the working-day is longer than normal, extraordinary circumstances must prevail which allow the capitalists to impose a longer working-day on the workers. Most likely, longer working hours are not the only effect of such extraordinary circumstances. If the workers are in a situation where they must agree to work longer hours, then they are probably also forced to accept lower overall wages.

It is not necessary for this derivation to specify what those extraordinary circumstances are. Only as a proof of concept, in order to show that such circumstances exist and work as conjectured, Marx brings two examples of such circumstances.

Here we need only refer to two kinds of circumstance.

Both examples have to do with competitive forces in situations in which the market does not clear. Marx calls them “circumstances” because they are competitive constellations.

In the first “circumstance,” there is an excess supply in the labor market. By working more, the worker increases the supply of labor, i.e., competes with himself or herself:
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If one man does the work of 1 1/2 or 2 men, the supply of labor increases, although the supply of labor-power on the market remains constant. The competition thus created between the workers allows the capitalist to force down the price of labor, while the fall in the price of labor allows him, on the other hand, to force up the hours of work still further.\(^2\)

\(^2\) For instance, if a factory worker refuses to work the long hours which are customary, ‘he would very shortly be replaced by somebody who would work any length of time, and thus be thrown out of employment’ (Reports of the Inspectors of Factories . . . 30 April 1848, Evidence, p. 39, n. 58). ‘If one man performs the work of two . . . the rate of profits will generally be raised . . . in consequence of the additional supply of la-

Verrichtet ein Mann das Werk von 1 1/2 oder 2 Männern, so wächst die Zufuhr der Arbeit, wenn auch die Zufuhr der auf dem Markt befindlichen Arbeitskräfte konstant bleibt. Die so unter den Arbeitern erzeugte Konkurrenz befähigt den Kapitalisten, den Preis der Arbeit herabzudrücken, während der fallende Preis der Arbeit ihn umgekehrt befähigt, die Arbeitszeit noch weiter heraufzuschrauben.\(^2\)

\(^2\) Wenn ein Fabrikarbeiter z.B. verweigerte, die hergebrachte lange Stundenzahl zu arbeiten, „würde er sehr schnell durch jemand ersetzt werden, der beliebig lang zu arbeiten gewillt ist, und würde so arbeitslos werden“. („Reports of Insp. of Fact., 31st Oct. 1848“, Evidence, p. 39, n. 58.) „Wenn ein Mann die Arbeit von zweien leistet . . . wird im allgemeinen die Profitrate steigen . . ., da diese zusätzliche Zufuhr von Arbeit ihren Preis
2. [Hourly Wage and Length of Working Day]

In the second “circumstance,” there is an excess supply in the market for the finished product: command over abnormally low wages becomes a competitive weapon and leads to abnormally low prices.

Soon, however, this command over abnormal quantities of unpaid labor, i.e. quantities in excess of the average social amount, becomes a source of competition amongst the capitalists themselves. A part of the price of the commodity consists of the price of labor. The unpaid part of the price of labor does not need to be reckoned as part of the price of the commodity. It may be given to the buyer as a present. This is the first step taken under the impulse of competition. The second step, also compelled by competition,
is the exclusion from the selling price of the commodity of at least a part of the abnormal surplus-value created by the extension of the working day. In this way, an abnormally low selling price of the commodity arises, at first sporadically, and becomes fixed by degrees; this lower selling price henceforward becomes the constant basis of a miserable wage for excessive hours of work, just as originally it was the product of those very circumstances. We are only hinting at this movement here, as the analysis of competition does not belong to this part of the investigation. Nevertheless, let the capitalist speak for himself, for a moment.

‘In Birmingham there is so much competition of masters one against another, that many are

,W,In Birmingham ist die Konkurrenz unter den Meistern so groß, daß mancher von uns ge-
2. [Hourly Wage and Length of Working Day]

obliged to do things as employers that they would otherwise be ashamed of, and yet no more money is made, but only the public gets the benefit.\textsuperscript{43}

\textsuperscript{43} Children’s Employment Commission, Third Report, Evidence, p. 66, n. 22.

[Another Digression about the Undersellers]

The example of the “undersellers,” first introduced in footnote 51 to paragraph 277:2 in chapter Six, and also discussed in chapter Ten, 358:2, illustrates this connection between abnormally low wages and abnormally low prices. The reader will remember the two sorts of London bakers, of whom one sold the bread at its full price (the ‘full-priced’ bakers), the other below its normal price (‘the underpriced’, ‘the undersellers’). The ‘full-priced’, ‘the fullpriced’, ‘the undersellers’). The ‘full-priced’ bakers, wovon die eine Brot zum vollen Preis (the „fullpriced“ backers), die andre es unter seinem normalen Preise verkauft („the underpriced“, „the undersellers“). Die „fullpriced“ bakers, wovon die eine Brot zum vollen Preis (the „fullpriced“ backers), die andre es unter seinem normalen Preise verkauft („the underpriced“, „the undersellers“).
20. Time Wages

 priced’ denounced their rivals before the Parliamentary Committee of Inquiry:

‘They only exist now by first defrauding the public, and next getting 18 hours’ work out of their men for 12 hours’ wages . . . The unpaid labor of the men was made . . . the source whereby the competition was carried on, and continues so to this day . . . The competition among the master-bakers is the cause of the difficulty in getting rid of night-work. An underseller, who sells his bread below the costprice according to the price of flour, must make it up by getting more out of the labor of the men . . . If I got only 12 hours’ work out of my men, and my neighbour got 18 or 20, he must beat me in the selling price. If the men could insist on payment for overwork, this would be set right . . . A large number
of those employed by the undersellers are foreigners and youths, who are obliged to accept almost any wages they can obtain.'

44 Report, etc. Relative to the Grievances Complained of by the Journeymen Bakers, London, 1862, p. lii, and, in the same place, Evidence, notes 479, 359, 27. In any case, the ‘full-priced’ themselves, as was mentioned above, and as their spokesman, Bennett, himself admits, make their men ‘generally begin work at 11 p.m. … up to 8 o’clock the next morning … they are then engaged all day long … as late as 7 o’clock in the evening’ (ibid., p. 22).

44 „Report etc. relative to the Grievances complained of by the journeymen bakers“, Lond. 1862, p. LII und ib., Evidence, n. 479, 359, 27. Indes lassen auch die fullpriced, wie früher erwähnt und wie ihr Wortführer Bennet selbst zugesteht, ihre Leute „Arbeit beginnen um 11 Uhr abends oder früher und verlängern sie oft bis 7 Uhr des folgenden Abends“. (l.c. p. 22.)
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2.d. [Distorted View of Time Wages by the Capitalist]

The complaints of the capitalists about the infringements against their rights to exploit gives a fitting conclusion of the chapter: everything looks different on the surface.

690:1/o This jeremiad is also interesting because it shows how it is only the semblance of the relations of production which is reflected by the brain of the capitalist. He does not know that the normal price of labor also includes a definite quantity of unpaid labor, and that this very unpaid labor is the normal source of his profits. The category of surplus labor-time does not exist at all for him, since it is included in the normal working day, which he thinks he has paid for in the day’s wages. But overtime, namely the prolongation of the working day beyond the limits corresponding to the usual

572:4/o Diese Jeremiade ist auch deswegen interessant, weil sie zeigt, wie nur der Schein der Produktionsverhältnisse sich im Kapitalistenhirn widerspiegelt. Der Kapi
talist weiß nicht, daß der normale Preis der Arbeit ein bestimmtes Quantum unbezahlter Arbeit einschließt und ebendiese unbezahlte Arbeit die normale Quelle seines Gewinns ist. Die Kategorie der Mehrarbeitszeit existiert überhaupt nicht für ihn, denn sie ist eingeschlossen im normalen Arbeitstag, den er im Taglohn zu zahlen glaubt. Wohll aber existiert für ihn die Überzeit, die Verlängerung des Arbeitstags über die dem gewohnten Preis der
price of labor, certainly does exist for him. When faced with his underselling competitor, he even insists upon extra pay for this overtime. Again, he does not know that this extra pay also includes unpaid labor, just as much as the price of the customary hour of labor does. For example, the price of one hour of the 12-hour working day is 3d., say the value-product of half a working hour, while the price of an overtime working hour is 4d., or the value-product of 2/3 of a working hour. In the first case the capitalist appropriates one-half of the working hour, in the second case one third, without making any payment in return.

21. Piece Wages

1. [Piece Wage is Simply a Form of Time Wage]

The first brief paragraph makes a claim which will be elaborated and supported in the next four paragraphs (about one page of text).

692:1 The piece-wage is nothing but a transmuted form of the time-wage just as the time-wage is a transmuted form of the value or price of labor-power.

Despite this comparison, the step from time-wages to piece-wages is not as big and mystifying as that from the value of labor-power to time-wages. In the following formulation
1. [Piece Wage is Simply a Form of Time Wage]

from *Results*, the piece wage is a determinate form rather than a transmuted form of the time wage:

Hence, the *piece wage* is nothing but a *determinate form* of the time wage. The time wage is, for its part, only a changed form for the *value of the labor-power*, which may quantitatively correspond to or deviate from this value.

Also here in *Capital*, two paragraphs down, in 692:4/o, Marx calls it a “difference in the form of wage payments,” and there are other places below which seem to support the formulation from *Results*.

1.a. [Piece Wage Not a Payment for the Product of Labor]

 Marriott begins with a negative statement: the piece wage is *not* a payment for the product of the labor, although at first glance it looks like one:
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In piece-wages it seems at first sight as if the use-value bought from the worker is not his labor-power as it actually functions, living labor, but labor already objectified in the product. It also seems as if the price of this labor is determined not, as with time-wages, by the fraction \( \frac{\text{daily value of labor-power}}{\text{working day of a given number of hours}} \) but by the producer’s capacity for work.\(^{45}\)

\[^{\uparrow}\] Of course, only someone well versed in Marxist theory would think that time wages are determined by the fraction \( \frac{\text{daily value of labor-power}}{\text{working day of a given number of hours}} \), but the point here is that the piece wage form reinforces a view which greatly deviates from the real connections.

Footnote 45 illustrates exactly this wrong point of view:

\(^{45}\) ‘The system of piece-work illustrates an epoch in the history of the working-man; it is halfway between the position of the mere day-

\(^{45}\) „Das System der Stückarbeit kennzeichnet eine Epoche in der Geschichte des Arbeiters; es steht in der Mitte zwischen der Stellung des ein-
1. [Piece Wage is Simply a Form of Time Wage]

The next two paragraphs give empirical evidence inconsistent with the theory that piece wages are a payment for the product of labor. The same labor is under some circumstances...
paid a piece wage, and under others a time wage. Marx concludes from this that these two kinds of wages can only be two different forms of paying the price of labor-power.

692:3 The confidence that trusts in this, the mere appearance of things, ought to receive an initial severe shock from the fact that both forms of wages exist side by side, at the same time, in the same branches of industry. For example,

‘the compositors of London, as a general rule, work by the piece, time-work being the exception while those in the country work by the day, the exception being work by the piece. The shipwrights of the port of London work by the job or piece, while those of all other ports work by the day.’

46 T. J. Dunning, Trades’ Unions and Strikes,

574:3/o Zunächst müßte die Zuversicht, die an diesen Schein glaubt, bereits stark erschüttert werden durch die Tatsache, daß beide Formen des Arbeitslohrs zur selben Zeit in denselben Geschäftszweigen nebeneinander bestehen. Z.B.


46 T. J. Dunning, „Trade’s Unions and Strikes“,
1. [Piece Wage is Simply a Form of Time Wage]

London, 1860, p. 22.

One can even find piece-wages and time-wages coexisting in the same shop for the same labor:

692:4/o In the same saddlery shops of London, often for the same work, piece-wages are paid to Frenchmen, and time-wages are paid to Englishmen.

575:1 In denselben Londoner Sattlerwerkstätten wird oft für dieselbe Arbeit den Franzosen Stücklohn und den Engländern Zeitlohn gezahlt.

In factories, time wages are the exception only used for certain kinds of labor not suitable for piece wages.

In the actual factories, where piece-wages are the general rule, certain specific operations have to be excepted from this form of evaluation on technical grounds, and they are therefore paid by time-wages.47

Footnote: this ambiguity in form makes fraud possible.

47 Here is how the simultaneous coexistence of these two forms of wage favors cheating on
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the part of the manufacturers: ‘A factory employs 400 people, the half of which work by the piece, and have a direct interest in working longer hours. The other 200 are paid by the day, work equally long with the others, and get no more money for their overtime . . . The work of these 200 people for half an hour a day is equal to one person’s work for 50 hours, or 5/6 of one person’s labor in a week, and is a positive gain to the employer’ (Reports of the Inspectors of Factories . . . 31 October 1860, p. 9). ‘Over-working to a very considerable extent still prevails; and, in most instances, with that security against detection and punishment which the law itself affords. I have in many former reports shown . . . the injury to work-people who are not employed on piece-work, but receive weekly wages’ (Leonard Horner, in Reports of the Inspectors of Factories . . . 30 April 1859, pp. 8–9).
1. [Piece Wage is Simply a Form of Time Wage]


Marx concludes this discussion with the remark that the difference in the form of wages does not change their essence, although different forms may be more or less advantageous for the development of capitalist production. However, it is in itself obvious that the difference in the form of wage payments in no way alters the essential nature of wages, although the one form may be more favourable to the development of capitalist production than the other.

1.b. [Quantitative Determination of Piece Wages]

The essence of piece wages is identical to that of time wages. Piece wages are not a payment for the value of the piece. Rather, the magnitude of piece wages can be derived from the value of labor-power in a very similar manner to that of time wages.
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693:1 Let the ordinary working day contain 12 hours, of which 6 are paid, 6 unpaid. Let its value-product be $1.44; the value product of one hour of labor will therefore be 12 cents. Let us suppose that, as the result of experience, a worker, working with the average amount of intensity and skill, and therefore devoting to the production of an article only the amount of labor-time socially necessary, produces, in the course of 12 hours, twenty-four pieces, either distinct products or measurable parts of some integral construction. The value of these twenty-four pieces, after we have subtracted the amount of constant capital contained in them, will be $1.44, the value of a single piece will be 6 cents. The worker receives

575:2 Der gewöhnliche Arbeitstag betrage 12 Stunden, wovon 6 bezahlt, 6 unbezahlt. Sein Wertprodukt sei 6 sh., das einer Arbeitsstunde daher 6 d. Es stelle sich erfahrungsmäßig heraus, daß ein Arbeiter, der mit dem Durchschnittsgrad von Intensität und Geschick arbeitet, in der Tat also nur die gesellschaftlich notwendige Arbeitszeit zur Produktion eines Artikels verwendet, 24 Stücke, ob diskret, oder meßbare Teile eines kontinuierlichen Machwerks, in 12 Stunden liefert. So ist der Wert dieser 24 Stücke, nach Abzug des in ihnen enthaltenen konstanten Kapitalteils, 6 sh. und der Wert des einzelnen Stücks 3 d. Der Arbeiter erhält per Stück 1 1/2 d. und verdient so in 12 Stunden 3 sh.
1. [Piece Wage is Simply a Form of Time Wage]

3 cents per piece, and thus earns 72 cents in 12 hours.

↑ I.e., the result is the same as in the time wage example on p. 685:2/0, half the working-day is unpaid. ↓ And as with time wages, the specifics of the allocation do not matter:

Just as, with time-wages, it does not matter whether we assume that the worker works 6 hours for himself and 6 hours for the capitalist, or half of every hour for himself, and the other half for the capitalist, so here it does not matter whether we say that each individual piece is half paid for, and half unpaid for, or that the price of only twelve of the pieces is the equivalent of the value of the labor-power, while in the other twelve pieces surplus-value is incorporated.

↑ The above calculation showed that the piece-wage of a piece differs from the value added to that piece through labor. ↓ This is the same “irrationality” (as Marx calls it, al-
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though he uses the German word *irrationell*, not *irrational*) that exists with time-wages, see 679:3/o.

693:2/o The form of piece-wages is just as irrational as that of time wages. While, in our example, two pieces of a commodity, after subtraction of the value of the means of production consumed in them, are worth 12 cents, as the product of one hour of labor, the worker receives for them a price of 6 cents.

This irrationality consists in the fact that for creating a value of 12 cents, the worker receives a piece wage of 6 cents. This discrepancy comes from the fact that the piece wage does not even try to measure the value of the piece.

In fact, piece-wages are not an immediate expression of a value relation. They are not involved with measuring the value of the piece by the labor-time incorporated in it.

576:1 Die Form des Stücklohns ist ebenso irrationell als die des Zeitlohns. Während z.B. zwei Stück Ware, nach Abzug des Werts der in ihnen aufgezehrten Produktionsmittel, als Produkt einer Arbeitsstunde 6 d. wert sind, erhält der Arbeiter für sie einen Preis von 3 d.

Der Stückerlohn drückt unmittelbar in der Tat kein Wertverhältnis aus. Es handelt sich nicht darum, den Wert des Stückes durch die in ihm verkörperte Arbeitszeit zu messen, son-
Rather the reverse: they are involved with measuring the labor expended by the worker by the number of pieces he has produced. In time-wages the labor is measured by its immediate duration, in piece-wages by the quantity of products in which the labor has become embodied during a given time. The price of labor-time itself is finally determined by this equation: value of a day of labor = daily value of labor-power. The piece-wage is therefore only a modified form of the time-wage.

48 ‘Wages can be measured in two ways: either by the duration of the labor, or by its product’ (Abregé élémentaire des principes de l’économie politique, Paris, 1796, p. 32). The author of this anonymous work is G. Garnier.

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2. [Characteristic Features of Piece Wages]

After having shown that piece wage is only a modified form of the time wage, Marx discusses the characteristic peculiarities which the piece wage obtains from its form.

694:1 Let us now look a little more closely at the characteristic peculiarities of piece-wages.

2.a. [Built-In Quality Control (and Wage Theft)]

The most striking characteristic of piece wages is that quality control of the product is built in:

694:2 The quality of the labor is here controlled by the work itself which must be of good average quality if the piece-price is to be paid in full.

576:2 Betrachten wir nun etwas näher die charakteristischen Eigentümlichkeiten des Stücklohns.

576:3 Die Qualität der Arbeit ist hier durch das Werk selbst kontrolliert, das die durchschnittliche Güte besitzen muß, soll der Stückpreis voll bezahlt werden.

⇓ The flip side of this: piece wage can be used for fraudulent infringements on wages:

576:3 Der Stücklohn wird nach dieser Seite hin zu
2. **[Characteristic Features of Piece Wages]**

view, the most fruitful source of reductions in wages, and of frauds on part of the capitalists.

fruchtbarster Quelle von Lohnabzügen und kapitalistischer Prellerei.

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2.b. **[Controls Intensity of Labor (and Screens Out Slow Laborers)]**

Not only the quality of the end product, also the intensity of labor can be controlled by piece wages:

694:3 Piece wages provide to the capitalist an exact measure of the intensity of labor. Only the labor-time which is embodied in a quantity of commodities laid down in advance and fixed by experience counts as socially necessary labor-time and is paid as such.

576:4 Er bietet den Kapitalisten ein ganz bestimmtes Maß für die Intensität der Arbeit. Nur Arbeitszeit, die sich in einem vorher bestimmtten und erfahrungsmäßig festgesetzten Warenquantum verkörpert, gilt als gesellschaftlich notwendige Arbeitszeit und wird als solche bezahlt.

⇓ Example: products are named by the time they require.
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In the larger workshops of the London tailors, therefore, a certain piece of work, a waistcoat for instance, is called an hour, or half an hour, the hour being valued at 6d. Practice determines the size of the average product of one hour.

What about new situations with no established past practice?

With new fashions, repairs, etc. a contest arises between the employer and the worker as to whether a particular piece of work is one hour, and so on, until here also experience decides.

Example where workers who are too slow are dismissed.

Similarly in the London furniture workshops, etc. If the worker cannot provide labor of an average degree of efficiency, and if he cannot therefore supply a certain mini-
mum of work per day, he is dismissed.\footnote{49} liefern, so entläßt man ihn.\footnote{49}

\[\uparrow\] The workers therefore do not have the option to work more slowly in exchange for the lower total wage obtained by the piece wage calculation. \[\downarrow\] Footnote: the worker is squeezed between fines for bad quality and threat of dismissal for insufficient quantity.

\footnote{49} ‘So much weight of cotton is delivered to him’ (the spinner) ‘and he has to return by a certain time, in lieu of it, a given weight of twist or yarn, of a certain degree of fineness, and he is paid so much per pound for all that he so returns. If his work is defective in quality, the penalty falls on him, if less in quantity than the minimum fixed for a given time he is dismissed and an abler operative procured’ (Ure, op. cit., pp. 316-17).

\footnote{49} „Es wird ihm“ (dem Spinner) „ein bestimmtes Gewicht Baumwolle übergeben, und er muß dafür in einer gewissen Zeit ein bestimmtes Gewicht an Twist oder Garn von einem gewissen Feinheitsgrad liefern und erhält für jedes so beschaffene Pfund soundso viel. Ist die Arbeit von mangelhafter Qualität, so wird er bestraft; ist das Quantum geringer als das für eine bestimmte Zeit festgesetzte Minimum, so wird er entlassen und ein tüchtigerer Arbeiter eingestellt.“ (Ure, l.c. p. 316, 317.)
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2.c. [Makes Supervision Superfluous]

Since piece wages make supervision superfluous, house work and a hierarchy of exploitation become possible:

695:1 Since the quality and intensity of the work are here controlled by the very form of the wage, superintendence of labor becomes to a great extent superfluous. Piece-wages therefore form the basis for the modern ‘domestic labor’ we described earlier, as well as for a hierarchically organized system of exploitation and oppression. The latter has two fundamental forms.

Marx does not discuss domestic labor here (he did that in 595:1) but elaborates on the hierarchy of exploitation (or cascading exploitation). ↓ In its first form it interposes a middleman between capitalist and worker.

On the one hand piece-wages make it easier for parasites to interpose themselves between the capitalist and worker. 577:1 Da Qualität und Intensität der Arbeit hier durch die Form des Arbeitslohns selbst kontrolliert werden, macht sie großen Teil der Arbeitsaufsicht überflüssig. Sie bildet daher sowohl die Grundlage der früher geschilderten modernen Hausarbeit als eines hierarchisch gegliederten Systems der Exploitation und Unterdrückung. Das letztere besitzt zwei Grundformen.

Der Stücklohn erleichtert einerseits das Zwischenschieben von Parasiten zwischen Kapi-
2. [Characteristic Features of Piece Wages]

between the capitalist and the wage-laborer, thus giving rise to the ‘subletting of labor’. The profits of these middlemen come entirely from the difference between the price of labor which the capitalist pays, and the part of that price they actually allow the worker to receive. In England, this system is called, characteristically, the ‘sweating system’.

50 ‘It is when work passes through several hands, each of which is to take its share of profits, while only the last does the work, that the pay which reaches the workwoman is miserably disproportioned’ (Children’s Employment Commission, Second Report, p. lxx, n. 424).

Second form: the worker himself employs helpers:


50 „Wenn das Arbeitsprodukt durch viele Hände geht, auf die alle ein Teil des Profits kommt, während nur das letzte Paar Hände die Arbeit verrichtet, dann geschieht es, daß die Bezahlung, welche schließlich die Arbeiterin erreicht, jämmerlich unangemessen ist.“ („Child. Empl. Comm. II. Rep.“, p. LXX, n. 424.)
21. **Piece Wages**

On the other hand, piece-wages allow the capitalist to make a contract for so much per piece with the most important worker—in manufacture, with the chief of some group, in mines with the extractor of the coal, in the factory with the actual machine-worker—at a price for which this man himself undertakes the enlisting and the payment of his assistants. Here the exploitation of the worker by capital takes place through the medium of the exploitation of one worker by another.\(^{51}\)

\(^{51}\) Even the apologist Watts remarks: ‘It would be a great improvement to the system of piece-work, if all the men employed on a job were partners in the contract, each according to his


2.d. [Tendencies to Intensify Labor and Lengthen Hours]

Piece wages are notorious for intensifying labor:

695:2/o Given the system of piece-wages, it is naturally in the personal interest of the worker that he should strain his labor-power as intensely as possible; this in turn enables the capitalist to raise the normal degree of intensity of labor more easily.\(^{51a}\)

51\(^a\) This spontaneous result is often artificially helped along, as for instance in London, in the

577:2/o Den Stücklohn gegeben, ist es natürlich das persönliche Interesse des Arbeiters, seine Arbeitskraft möglichst intensiv anzuspannen, was dem Kapitalisten eine Erhöhung des Normalgrads der Intensität erleichtert.\(^{51a}\)

51\(^a\) Diesem naturwüchsigen Resultat wird oft künstlich unter die Arme gegriffen. Z.B. im En-
21. Piece Wages

engineering trade, where a customary trick is ‘the selecting of a man who possesses superior physical strength and quickness, as the principal of several workmen, and paying him an additional rate, by the quarter or otherwise, with the understanding that he is to exert himself to the utmost to induce the others, who are only paid the ordinary wages, to keep up to him … without any comment this will go far to explain many of the complaints of stinting the action, superior skill, and working-power, made by the employers against the men’ (i.e. when they are organized in trade unions, (Dunning, op. cit., pp. 22–3). As the author of this passage is himself a worker and the secretary of a trade union, this might be taken for an exaggeration. But compare, for example, the article ‘Laborer’ in the ‘highly respectable’ Cyclopaedia of Agriculture, ed. by J. C. Morton, where the method is recommended to the farmers
2. [Characteristic Features of Piece Wages]

as aa usual and tested one.

In addition, both piece wages and time wages have the tendency to prolong the work day:

Moreover, the lengthening of the working day is now in the personal interest of the worker, since with it his daily or weekly wages rise.52

52 ‘All those who are paid by piece-work … profit by the transgression or the legal limits of work. This observation as to the willingness to work overtime is especially applicable to the women employed as weavers and reelers’ (Reports of the Inspectors of Factories … 30 April 1858, p. 9). ‘This system’ (piece-work) ‘so advantageous to the employer … tends directly to encourage the young potter greatly to over-work himself during the four or five years during which he is employed in the piece-work system, but at

Es ist ebenso das persönliche Interesse des Arbeiters, den Arbeitstag zu verlängern, weil damit sein Tages- oder Wochenlohn steigt.52

52 „Alle, die im Stücklohn bezahlt werden … haben Vorteil von einer Überschreitung der gesetzlichen Grenzen der Arbeit. Diese Bereitschaft, Überstunden zu machen, ist besonders bei den Frauen zu beobachten, die als Weberinnen und Hasplerinnen beschäftigt sind.“ („Rep. of Insp. of Fact., 30th April 1858“, p. 9.) „Dies Stücklohn system, so vorteilhaft für den Kapitalisten … strebt direkt, den jungen Töpfer zu großer Überarbeit zu ermuntern, während der 4 oder 5 Jahre, worin er per Stück, aber zu niedrigem Preis, bezahlt wird.
21. Piece Wages

low wages ... This is ... another great cause to which the bad constitutions of the potters are to be attributed’ (Children’s Employment Commission, First Report, p. xiii).

Due to these longer hours, the daily wage rises. But these longer hours at the same time have the side effect of depressing the wage per piece and even the daily wage, see 688:1 in the time-wage chapter.

This brings on a reaction like that already described in time-wages, quite apart from the fact that the prolongation of the working day, even if the piece-wage remains constant, includes of necessity a fall in the price of the labor.

↑“Even if the piece-wage remains constant”: see 686:2/oo in the time wage chapter. The additional time uses disproportionately more of their labor-power, which leads to higher reproduction costs. The price of labor itself does not fall, but it falls below the worker’s reproduction cost of the labor-power.
2. [Characteristic Features of Piece Wages]

Piece wages also tend to depress wages by differentiating the wages paid for the same labor, thus inciting competition between the workers. (Time wages do not have this tendency.)

696:1/o In time-wages, with few exceptions, the same wage is paid for the same function, while in piece-wages, although the price of the labor-time is measured by a definite quantity of the product, the daily or weekly wage will vary with the individual differences between the workers, one of whom will supply, within a given period, the minimum of product only, another the average, and a third more than the average. With regard to their actual income, then, there is great variety among the individual workers, according to their different degrees of skill, strength, energy and staying power. 53

578:1/o Beim Zeitlohn herrscht mit wenigen Ausnahmen gleicher Arbeitslohn für dieselben Funktionen, während beim Stücklohn der Preis der Arbeitszeit zwar durch ein bestimmtes Produktenquantum gemessen ist, der Tags oder Wochenlohn dagegen wechselt mit der individuellen Verschiedenheit der Arbeiter, wovon der eine nur das Minimum des Produkts in einer gegebenen Zeit liefert, der andre den Durchschnitt, der dritte mehr als den Durchschnitt. In bezug auf die wirkliche Einnahme treten hier also große Differenzen ein je nach dem verschiedenen Geschick, Kraft, Energie, Ausdauer usw. der individuel-
21. Piece Wages

53 ‘Where the work in any trade is paid for by the piece at so much per job ... wages may very materially differ in amount ... But in work by the day there is generally an uniform rate ... recognized by both employer and employed as the standard of wages for the general run of workmen in the trade’ (Dunning, op. cit., p. 17).

The aggregate effect for capital is the same whether they pay differential rates to the workers or not (this was first discussed in the Co-Operation chapter, p. 440).

Of course, this does not alter the general relation between capital and wage-labor. First, the individual differences cancel each other out in the workshop as a whole, which thus supplies the average product within a given period of labor, and the total wages paid

Dies ändert natürlich nichts an dem allgemeinen Verhältnis zwischen Kapital und Lohnarbeit. Erstens gleichen sich die individuellen Unterschiede für die Gesamtwerkstatt aus, so daß sie in einer bestimmten Arbeitszeit das Durchschnittsprodukt liefert und der
2. [Characteristic Features of Piece Wages]

will be the average wage of that particular branch of industry. Second, the proportion between wages and surplus-value remains unaltered, since the mass of surplus labor supplied by each particular worker corresponds with the wage he receives.

⇑ Here Marx postulates a very specific relationship between surplus-value and wages: the surplus-value created by a given individual is proportional to that individual’s wage. ⇩ Although in the aggregate, the effects of this wage differentiation cancel each other out, wage differentiation is advantageous for capital because of the kind of individual behavior it engenders among workers: along with the worker’s sense of “liberty, independence and self-control” comes also heightened competition.

But the wider scope that piece-wages give to individuality tends to develop both that individuality, and with it the worker’s sense of liberty, independence and self-control, and

Aber der größere Spielraum, den der Stücklohn der Individualität bietet, strebt einerseits dahin, die Individualität und damit Freiheitsgefühl, Selbständigkeit und Selbstkontrolle
21. *Piece Wages*

also the competition of workers with each other. The piece-wage therefore has a tendency, while raising the wages of individuals above the average, to lower this average itself.

↑ By saying that piece wages raise competition Marx brings an important positive implication of time wages: since everybody gets the same pay per hour, this raises the level of solidarity.

↓ In situations where piece wages could not be lowered, the capitalists fought to introduce time wages.

However, where a particular rate of piece-wage has for a long time been a fixed tradition, and its lowering, therefore, has presented especial difficulties, in such exceptional cases the masters have sometimes had recourse to the forcible transformation of piece-wages into time-wages. In 1860, Wo aber bestimmter Stücklohn sich seit lange traditionell befestigt hatte und seine Herabsetzung daher besondere Schwierigkeiten bot, flüchteten die Meister ausnahmsweise auch zu seiner gewaltsamen Verwandlung in Zeitlohn. Hiergegen z.B. 1860 großer strike unter den Bandwebern von Coventry.⁵⁴
for instance, this action set off a big strike among the ribbon-weavers of Coventry.\(^5^4\)

\(^5^4\) In other words, the gradual decline of piece wages is expected by the capitalists, and any niche where workers managed to hold on to a part of their own product must be erased.

\(^5^4\) ‘The labor of the journeymen-craftsmen is regulated by the day or by the piece … The master-craftsmen know approximately how much work a journeyman can do every day in each trade, and they often pay them in proportion to the amount of work they perform; thus the journeymen do as much work as they can, in their own interest, and without needing any further supervision’ ([Richard] Cantillon, Essai sur la nature du commerce en général, Amsterdam, 1756, pp. 185, 202. The first edition appeared in 1755). Cantillon, from whom Quesnay, Sir James Steuart and Adam Smith have largely drawn, here already presents the piece-wage as

\(^5^4\) „Die Arbeit der Handwerksgesellen regelt sich nach dem Tag oder nach dem Stück (à la journée ou à la pièce) … Die Meister wissen ungefähr, wieviel Werke die Arbeiter täglich in jedem métier verrichten können, und zahlen sie daher oft im Verhältnis zum Werk, das sie verrichten; so arbeiten diese Gesellen, soviel sie können, in ihrem eignen Interesse, ohne weitere Beaufsichtigung.“ (Cantillon, „Essai sur la Nature du Commerce en Général“, Amst. Éd. 1756, p. 185 u. 202. Die Erste Ausgabe erschien 1755). Cantillon, aus dem Quesnay, Sir James Steuart und A. Smith reichlich geschöpft haben, stellt hier also schon den Stücklohn als bloß modifizierte Form
merely a modified form of the time-wage.

The footnote ends with additional detail about Cantillon, which is a little off the subject:

The French edition of Cantillon professes in its title to be a translation from the English, but the English edition, *The Analysis of Trade, Commerce, etc.*, by Philip Cantillon, late of the City of London, Merchant, is not only of later date (1759), but proves by its contents that it is a later and revised edition. For instance, in the French edition, Hume is not yet mentioned, while in the English edition, on the other hand, Petty hardly figures any longer. The English is of less theoretical significance, but it contains all kinds of details relating specifically to English commerce, bullion trade, etc. which are absent from the French text. The words on the title-page of the English edition, according to which the work is ‘Taken chiefly from the manuscript of a very ingenious gentleman, deceased, and..."
adapted, etc.’, seem, therefore, a pure fiction, very customary at that time.

The wage structure therefore creates the tendency to prolong and intensify the working day while lowering the wages themselves. Marx does not say here where this ends, but he says in 542:1 that it leads to a state of overwork which makes further legal restrictions of the length of the working-day inevitable.

2.e. [Support for the Hour System]

The hour system is described in 686:1. Finally, the piece-wage is one of the chief supports of the hour-system described in the preceding chapter.55

55 ‘How often have we not seen many more workers taken on, in some workshops, than were needed actually to do the work? Workers are often set on in the expectation of work which is uncertain, or even completely imaginary; as they

Der Stücklohn ist endlich eine Hauptstütze des früher geschilderten Stundensystems.55

55 „Wie häufig haben wir gesehen, daß man in gewissen Werkstätten weit mehr Arbeiter einstellte, als zur Arbeit wirklich benötigt wurden? Oft nimmt man Arbeiter an in Erwartung einer noch ungewissen, manchmal sogar nur eingeblide-
are paid piece-wages, the employers say to themselves that they run no risk, because any loss of working time will be at the expense of the workers who are unoccupied’ (H. Gregoir, Les Typographes devant le Tribunal correctionnel de Bruxelles, Brussels, 1865, p. 9).

↑ Piece wages make it easy to introduce the hour system because they follow the principle of strict payment by labor performed, without a daily or weekly minimum pay.

2.f. [Epilogue: Role of Piece-Wages in the Development of Capitalism]

697:1/oo From what has been shown so far, it is apparent that the piece wage is the form of wage most appropriate to the capitalist mode of production.

↑ This summarizes all the special characteristics of the piece wage just discussed, from its built-in supervision to its tendencies to intensify labor and lower wages.
But this raises the question: what role did piece wages play in the development of capitalism? This historical investigation also yields empirical proof that the mechanisms developed earlier in the chapter are active.

Although by no means new—it figures officially side by side with time-wages in the French and English labor statutes of the fourteenth century—it only conquered a larger field of action during the period of manufacture properly so-called. In the stormy youth of large-scale industry, and particularly from 1797 to 1815, it served as a lever for the lengthening of the working day and the lowering of wages. Very important material bearing on the movement of wages during that period is to be found in the two Blue Books Report and Evidence from the Select Committee on Petitions Respecting
21. Piece Wages

the Corn Laws (Parliamentary Session of 1813–14), and Report from the Lords’ Committee, on the State of the Growth, Commerce, and Consumption of Grain, and all Laws Relating Thereto (Session of 1814–15). Here we find documentary evidence of the constant lowering of the price of labor from the beginning of the Anti-Jacobin War. In the weaving industry, for example, piece-wages had fallen so low that in spite of the very great lengthening of the working day, the daily wage was then lower than it had been before.

‘The real earnings of the cotton weaver are now far less than they were; his superiority over the common laborer, which at first was very great, has now almost entirely ceased. In-
2. [Characteristic Features of Piece Wages]

Deed ... the difference in the wages of skilful and common labor is far less now than at any former period.\textsuperscript{56}


After this summary paragraph, several individual items are discussed in more detail. ↓

First the effects of piece wages in agriculture (i.e., no machinery, no limitation of the length of the working-day):

How little the increased intensity and extension of labor through piece-wages benefited the agricultural proletariat can be seen from the following passage from a pamphlet in favour of the landlords and farmers:

‘By far the greater part of agricultural operations is done by people, who are hired for the day or on piece-work. Their weekly wages are about 12 shillings, and although it may be as-

\textsuperscript{580:3–4} Wie wenig die mit dem Stücklohn gesteigerte Intensität und Ausdehnung der Arbeit dem ländlichen Proletariat fruchteten, zeige folgende einer Parteischrift für Landlords und Pächter entlehnte Stelle:

„Bei weitem der größere Teil der Agrikulturoperationen wird durch Leute verrichtet, die für den Tag oder auf Stückwerk gedungen sind. Ihr Wochenlohn beträgt ungefähr 12 sh.; und ob-
sumed that a man earns on piece-work under the greater stimulus to labor, 1 shilling, or perhaps 2 shillings more than on weekly wages, yet it is found, on calculating his total income, that his loss of employment, during the year, outweighs this gain … Further, it will generally be found that the wages of these men bear a certain proportion to the price of the necessary means of subsistence, so that a man with two children is able to bring up his family without recourse to parish relief.  


Malthus remarked at that time, with reference to the facts published by Parliament: ‘I confess that I see, with misgiving, the great
extension of the practice of piece-wage. Really hard work during 12 or 14 hours of the day, or for any longer time, is too much for any human being.\textsuperscript{58}

\textsuperscript{58} Malthus, Inquiry into the Nature and Progress of Rent, London, 1815 [p. 49, note].

Next a brief but interesting remark about the effects of the Factory Acts:

699:1 In those workshops which are subject to the Factory Act, the piece-wage becomes the general rule, because there capital can increase the yield of the working day only by intensifying labor.\textsuperscript{59}

\textsuperscript{59} „Die Arbeiter auf Stücklohn bilden wahrscheinlich 4/5 aller Arbeiter in den Fabriken.“ („Reports of Insp. of Fact. for 30th April 1858“, p. 9.)

581:3 In den dem Fabrikgesetz unterworfenen Werkstätten wird Stücklohn allgemeine Regel, weil das Kapital dort den Arbeitstag nur noch intensiv ausweiten kann.\textsuperscript{59}

\textsuperscript{59} ‘Those who are paid by piece-work . . . constitute probably four-fifths of the workers in the factories’ (Reports of the Inspectors of Factories . . . 30 April 1858, p. 9).
The mathematics of it is clear.

Changes in the productivity of labor mean that the same quantity of a given product represents an amount of labor-time which varies. Therefore, the piece-wage also varies, for it is the expression of the price of a definite amount of labor-time. In our earlier example, twenty-four pieces were produced in 12 hours, while the value-product of the 12 hours was $1.44, the daily value of the labor-power was 72 cents, the price of an hour of labor was 6 cents, and the wage for one piece was 3 cents. Half an hour of labor was absorbed in one piece. If the productivity of labor is now doubled, so that...
the same working day supplies forty-eight pieces instead of twenty-four, and all other circumstances remain unchanged, then the piece-wage falls from 3 cents to 1 1/2 cents, as every piece now only represents 1/4 instead of 1/2 a working hour. \[24 \times 3 \text{ cents} = 72 \text{ cents}, \text{ and, similarly, } 48 \times 1 \frac{1}{2} \text{ cents} = 72 \text{ cents}.\] In other words, the piece-wage is lowered in the same proportion as the number of pieces produced in the same time rises, and therefore in the same proportion as the amount of labor-time employed on the same piece falls.

60 ‘The productive power of his spinning-machine is accurately measured, and the rate of pay for work done with it decreases with though not as, the increase of its productive power’ (Ure, 2167)
op. cit., p. 317). Ure himself later contradicts this last apologetic phrase. He admits that, for example, a lengthening of the mule causes some increase in the quantity of labor required. The amount of labor does not, therefore, diminish in the same ratio as its productivity increases. Further: ‘By this increase the productive power of the machine will be augmented one-fifth. When this event happens the spinner will not be paid at the same rate for work done as he was before, but as that rate will not be diminished in the ratio of one-fifth, the improvement will augment his money earnings for any given number of hours of work,’ but ... ‘the foregoing statement requires a certain modification ... The spinner has to pay something additional for juvenile aid out of his additional sixpence’ (ibid., p. 321). Improvements in machinery also ‘displace a portion of adults’ (ibid.) and this certainly does not tend to duktivkraft.” (Ure, l.c. p. 317.) Letztre apologetische Wendung hebt Ure selbst wieder auf. Er gibt zu, daß bei einer Verlängerung der Mule z.B. eine zusätzliche Arbeit aus der Verlängerung ent- springt. Die Arbeit nimmt also nicht in dem Maße ab, worin ihre Produktivität wächst. Ferner: „Durch diese Verlängerung wird die Produktivkraft der Maschine um ein Fünftel gesteigert. Daraufhin wird der Spinner nicht mehr zu demselben Satz für geleistete Arbeit bezahlt wie zuvor, aber weil dieser Satz nicht im Verhältnis von einem Fünftel vermindert wird, erhöht die Verbesserung seinen Geldverdienst für jede gegebene Zahl von Arbeitsstunden“—aber, aber—„die vorhergehende Feststellung erfordert eine gewisse Einschränkung ... der Spinner hat von seinem zusätzlichen halben Schilling etwas für zusätzliche jugendliche Hilfskräfte zu zahlen, und außerdem werden Erwachsene verdrängt“ (l.c. p. 320, 321), was keineswegs
3. [Piece Wages and Changes in Productivity]

raise wages.

However the practical implementation of these changes leads to frictions:

This change in the piece-wage, so far purely nominal, leads to constant struggles between the capitalist and the worker, either because the capitalist uses it as a pretext for actually lowering the price of labor, or because an increase in the productivity of labor is accompanied by an increase in its intensity, or because the worker takes the outward appearance of piecewages seriously, i.e. he thinks his product is being paid for and not his labor-power, and he therefore resists any reduction of wages which is not accompanied by a reduction in the selling price of the commodity.

‘The operatives … carefully watch the price
of the raw material and the price of manufactured goods, and are thus enabled to form an accurate estimate of their master’s profits.’\(^6\)


The shared illusion that they are paid for their product, not their labor-power, gives the workers enough cohesion that they can fight against a reduction of these wages. But the outraged capitalists noisily put them in their place.

700:1 The capitalist rightly rejects such claims as being gross errors as to the nature of wage-labor.\(^6\) He cries out against this presumptuous attempt to lay taxes on the progress of industry, and declares roundly that the productivity of labor does not concern the worker in the least.\(^6\)

\(^6\) In the London *Standard* of 26 October

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1861, there is a report of proceedings taken by the firm of John Bright and Co. before the Rochdale magistrates, ‘to prosecute for intimidation the agents of the carpet weavers Trades’ Union. Bright’s partners had introduced new machinery which would turn out 240 yards of carpet in the time and with the labor (!) previously required to produce 160 yards. The workmen had no claim whatever to share in the profits made by the investment of their employer’s capital in mechanical improvements. Accordingly, Messrs Bright proposed to lower the rate of pay from 1 1/2d. per yard to 1d., leaving the earnings of the men exactly the same as before for the same labor. But there was a nominal reduction, of which the operatives, it is asserted, had not fair warning beforehand.’

63 ‘Trades’ unions, in their desire to maintain

1861 findet man Bericht über einen Prozeß der Firma John Bright et Co. vor den Rochdale Magistrates, „die Vertreter der Trade Union der Teppichweber wegen Einschüchterung gerichtlich zu belangen. Die Teilhaber Brights hatten neue Maschinerie eingeführt, die 240 Yards Teppich in der Zeit und mit der Arbeit (!) produzieren sollten, die früher zur Produktion von 160 Yards erforderlich waren. Die Arbeiter hatten keinerlei Anrecht, an den Profiten teilzuhaben, die durch die Kapitalanlage ihrer Unternehmer in mechanischen Verbesserungen gemacht worden waren. Daher schlugen die Herren Bright vor, den Lohn von 1 1/2 d. pro Yard auf 1 d. zu senken, wodurch die Einkünfte der Arbeiter für die gleichen Arbeit genau so blieben wie vorher. Aber das war einen nominellen Herabsetzung, von der die Arbeiter, wie behauptet wird, vorher nicht ehrlich verständigt worden waren.“

63 „Trades Unions in ihrer Sucht, den Arbeits-
21. Piece Wages

wages, endeavour to share in the benefits of improved machinery!’ (Quelle horreur!) ‘The demanding higher wages, because labor is abbreviated, is in other words the endeavour to establish a duty on mechanical improvements’ (On Combinations of Trades new edn, London, 1834, p. 42).

lohn aufrechzuhalten, suchen an dem Profit verbesseter Maschinerie teilzunehmen!‘ (Quelle horreur!) „... sie verlangen höheren Lohn, weil die Arbeit verkürzt ist ... in anderen Worten, sie streben, eine Steuer auf industrielle Verbesserungen zu legen.“ („On Combination of Trades“, New Edit., Lond. 1834, p. 42.)
Part VII.

The Accumulation Process of Capital
The discussion of accumulation is the crowning part of the first volume of *Capital*. Marx shows here how capitalist production not only reproduces itself but becomes bigger and bigger. This gives us the historical tendency of the capitalist mode of production, however on the other hand it fails to explain how the historical presuppositions of capital have been created (see 873:1 about this).

The introductory passage of part VII argues why accumulation of capital should be discussed next. Marx looks at the circuit of capital $M\to C\to M'\to C'\to M''$ etc. and asks which phases of this circuit have already been discussed, and which still need discussion.

709:1 The transformation of a sum of money into means of production and labor-power is the first phase of the movement undergone by the quantum of value which is going to function as capital. It takes place in the market, within the sphere of circulation. The second phase of the movement, the process of production, is complete as soon as the means of production have been

589:1 Die Verwandlung einer Geldsumme in Produktionsmittel und Arbeitskraft ist die erste Bewegung, die das Wertquantum durchmacht, das als Kapital fungieren soll. Sie geht vor auf dem Markt, in der Sphäre der Zirkulation. Die zweite Phase der Bewegung, der Produktionsprozeß, ist abgeschlossen, sobald die Produktionsmittel verwandelt sind in Ware, deren Wert den Wert ihrer Bestandteile
converted into commodities whose value exceeds that of their component parts, and therefore contains the capital originally advanced plus a surplus-value.

These two phases were discussed so far.

Now what is the next phase?

These commodities must then again be thrown into the sphere of circulation. They must be sold, their value must be realized in money, this money must be transformed once again into capital, and so on, again and again. This cycle, in which the same phases are continually traversed in succession, constitutes the circulation of capital.

This realisation process has not yet been discussed, and one might expect it to be the next point on the agenda. But no, this phase will be discussed in volume Two. Instead, as the reader should be aware from the title of part VII, the next topic to be discussed is accumulation. In other words, we are going to discuss accumulation before having discussed...
an important condition of accumulation:

709:2 The first condition of accumulation is that the capitalist managed to sell his commodities, and to reconvert into capital the greater part of the money received from their sale. In the following pages, we shall assume that capital passes through its process of circulation in the normal way. The detailed analysis of the process will be found in Volume 2.

Marx uses the term “accumulation” here without having defined it. A formal definition can be found in 725:1. The realisation of the newly produced value is not the only presupposition of accumulation disregarded at this point—i.e., Marx assumes this condition is satisfied without explaining how:

709:3 Although the capitalist who produces surplus-value, i.e. who extracts unpaid labor directly from the workers and


589:3 Der Kapitalist, der den Mehrwert produziert, d.h. unbezahlte Arbeit unmittelbar aus den Arbeitern auspumpt und in Waren
fixes it in commodities, is the first appropriator of this surplus-value, he is by no means its ultimate proprietor. He has to share it afterwards with capitalists who fulfil other functions in social production taken as a whole, with the owner of the land, and with yet other people. Surplus-value is therefore split up into various parts. Its fragments fall to various categories of persons, and take on various mutually independent forms, such as profit, interest, gains made through trade, ground rent, etc. We shall be able to deal with these modified forms of surplus-value only in Volume 3.

After telling us all the things that will be discussed elsewhere, Marx explains now what will be discussed here under which assumptions:

710:1 On the one hand, then, we assume 590:1 Wir unterstellen hier also einerseits,
here that the capitalist sells the commodities he has produced at their value, and we shall not concern ourselves with their later return to the market, or the new forms that capital assumes while in the sphere of circulation, or the concrete conditions of reproduction hidden within those forms. On the other hand, we treat the capitalist producer as the owner of the entire surplus-value, or, perhaps better, as the representative of all those who will share the booty with him.

These assumptions mean that Marx is not discussing the accumulation process as if occurs in the real world, but an abstraction, in which certain phenomena are disregarded in order to have an unobstructed look at certain mechanisms which govern the accumulation process.

We shall therefore begin by considering accumulation from an abstract point of view, i.e. simply as one aspect of the immediate  

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The immediate process of production is the production as it occurs in the individual workshops and factories, as opposed to looking at the overall social process of production and reproduction. Next, Marx brings arguments why the discussion of accumulation can already be included in book I, although the circulation and the splitting up of surplus-value has not yet been discussed.

710:2 In so far as accumulation actually takes place, the capitalist must have succeeded in selling his commodities, and in reconverting the money shaken loose from them into capital. Moreover, the break-up of surplus-value into various fragments does not affect either its nature or the conditions under which it becomes an element in accumulation. Whatever the proportion of surplus-value which the capitalist producer retains for himself, or yields up to others, he...
is the one who in the first instance appropriates it. What, therefore, is taken as given in our presentation of accumulation, is taken as given in the actual process of accumulation itself.

The fact that accumulation takes place shows that the circulation problem can be solved, and the productive capitalist is the first who appropriates the surplus-value. I.e., the two things which will be assumed here theoretically do hold in practice. (A similar argument is made in 273:1.)

In the next passage, Marx argues that it is not only permissible, but also desirable to make these assumptions:

On the other hand, the simple, fundamental form of the process of accumulation is obscured both by the splitting-up of surplus-value and by the mediating movement of circulation. An exact analysis of the process, therefore, demands that we should, for
a time, disregard all phenomena that conceal the workings of its inner mechanism.
23. Simple Reproduction

Here is a brief overview of chapter Twenty-Three:

(1) Every social production process must be periodic or continuous, therefore it must be a reproduction process. In general this means: a part of the products must re-enter the production process in order to replace the means of production used up. For capitalism to sustain itself this reproduction of the means of production must also be reproduction of individual capitals and of the capital relation itself.

(2) Then Marx defines *simple* reproduction, which is repeated production on the *same scale*. Things don’t change over time, nevertheless, viewed as a repetitive process, capitalist production no longer has certain characteristics which it seemed to possess as an isolated discontinuous process.
(a) Variable capital ceases to be value advanced, because (aa) before the worker consumes he has already produced more than he is going to consume, and (ab) the money wage he is paid is financed by the sale of the fruits of his own earlier labor.

(b) Constant capital also ceases to be value advanced, by a different mechanism: as the reproduction goes on, the original capital is consumed by the capitalists and what remains is replaced by the surplus produced by workers.

(c) The separation of the workers from the means of production is reproduced.

(d) Not only the productive but also the individual consumption of the workers becomes a moment of the accumulation of capital. Capitalists therefore benefit twofold (da) of what they give the workers (because this reproduces the working class, the sources of their wealth), and (db) of what they receive from the workers (surplus-value). Marx discusses some ideologies connected with the confusion of these two.

(e) Along with the reproduction of the working class goes the accumulation of its skills. As historical concrete evidence Marx tells the story of Mr. Potter, who wanted to outlaw emigration of the skilled workers.

(f) Reproduction of the relations of production. It is no longer an accident that capitalist and laborer confront each other in the market as buyer and seller.
1. [Reproduction in General and Reproduction of Capitalism]

Whatever the social form of the production process, it must either be continuous or periodically repeat the same phases.

The “or” is here not, as often, a restatement of the same fact under a different angle, but introduces an alternative which has the same result. In French it reads: “ou, ce qui revient au même.”

It is obvious why a social production process must be either continuous or periodic. In a letter to Kugelmann Marx wrote: “Every child knows, that a nation which ceased to work, I will not say for a year, but even for a few weeks, would perish.” Here in Capital Marx formulates it at follows:

A society can no more cease to produce than it can cease to consume.
1. [Reproduction in General and Reproduction of Capitalism]

Individuals can consume without producing, but a whole society cannot. Every social production process is therefore necessarily continuous or periodic. Nevertheless we haven’t, until now, looked at it from this point of view. In order to capture those mechanisms which allow the production process to go on continuously or periodically, we must look at social production as a \textit{reproduction process}.

When viewed, therefore, as a connected whole, and in the constant flux of its incessant renewal, every social process of production is at the same time a process of reproduction.

Any \textit{production} process needs means of production to create a product. Besides availability of the means of production, also other conditions must be satisfied so that it can proceed. A \textit{reproduction} process is, by definition, a production process which replaces the means of production used up and also recreates the other conditions of production, so that production can go on. 

What which conditions must a production process satisfy to be a reproduction process?
23. Simple Reproduction

711:2 The conditions of production are at the same time the conditions of reproduction.

⇑ This sentence probably means: once one knows the conditions necessary for production, one also knows the conditions which must be satisfied by a reproduction process—namely, the reproduction process must replace the conditions of production.

The most prominent material conditions of production are the means of production, therefore it follows: No society can produce continually, i.e., reproduce, without continually reconverting a part of its products into means of production or elements of fresh production.

The French says here something slightly different: “Une société ne peut reproduire, c’est-à-dire produire d’une manière continue, sans retransformer continuellement une partie de ses produits en moyens de production, en éléments de noveaux produits.”

⇑ This is not the only condition for reproduction. In 713:1/o Marx mentions another
condition of reproduction: the “labor fund” has to be maintained and replaced. Since all this suggests that somehow more has to be produced than the means of consumption of the population, it is natural to look at the quantitative aspect of it right from the beginning:

All other circumstances remaining the same, society can reproduce or maintain its wealth on the existing scale only by replacing the means of production which have been used up—i.e. the instruments of labor, the raw material and the auxiliary substances—with an equal quantity of new articles. These must be separated from the mass of the yearly product, and incorporated once again into the production process.

The reproduction structure is therefore inscribed in the use-values produced by society:

A specific portion of each year’s product belongs therefore to the sphere of production. Destined for productive consumption from

Unter sonst gleichbleibenden Umständen kann sie ihren Reichtum nur auf derselben Stufenleiter reproduzieren oder erhalten, indem sie die, während des Jahres z.B., verbrauchten Produktionsmittel, d.h. Arbeitsmittel, Rohmateriale und Hilfsstoffe, in natura durch ein gleiches Quantum neuer Exemplare ersetzt, welches von der jährlichen Produktemasse abgeschieden und von neuem dem Produktionsprozeß einverleibt wird.

Ein bestimmtes Quantum des jährlichen Produkts gehört also der Produktion. Von Haus aus für die produktive Konsumtion bestimmt,
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the very first, this portion exists, for the most part, in a bodily form which by its very nature excludes the possibility of individual consumption.

⇓ After formulating this general condition of reproduction, Marx turns to capitalist reproduction. Reproduction under capitalism is not merely capitalist production which also replaces the means of production. In addition, it must reproduce the capitalist relations of production themselves.

711:3/o If production has a capitalist form, so too will reproduction.

⇑ We know what it means to say that production has capitalist form: it means that the capitalists direct production and use it as a means to create surplus-value. But the capitalist not only uses social production for his private advantage, but also social reproduction. The laws of capital are not fulfilled with a one-time profit, they require the ceaseless making of profits, see 254:1. He can remain capitalist for an extended period of time only because the production process over which he presides is at the same time also a reproduction process which replaces the means of production used up. And indeed, in every factory there are not
1. [Reproduction in General and Reproduction of Capitalism]

only production workers producing the end product, but also maintenance workers who fix and replace the means of production. In capitalism, therefore, both production and reproduction are not done for the sake of the use-values produced and their continued availability, but for the sake of profits:

Just as the labor process, in the capitalist mode of production, appears only as a means for the process of valorization, so reproduction appears only as a means for reproducing the value advanced as capital, i.e. as self-valorizing value.

The Moore-Aveling translation of this last sentence draws a parallel to the preceding sentence, which is a good feature, but this translation incorrectly makes the labor process the subject in the latter part of the sentence: “Just as in the former the labour-process figures but as a means towards the self-expansion of capital, so in the latter it figures but as a means of reproducing as capital—i.e., as self-expanding value—the value advanced.” Fowkes’s translation is a paraphrase of Moore-Aveling, which echoes the same mistake:

Wie in der kapitalistischen Produktionsweise der Arbeitsprozeß nur als ein Mittel für den Verwertungsprozeß erscheint, so die Reproduktion nur als ein Mittel, den vorgeschoßenen Wert als Kapital zu reproduzieren, d.h. als sich verwertenden Wert.

“Just as in the capitalist mode of production the labor process appears only as a means towards the process of valorization, so in the case of reproduction it appears only as a means of reproducing the value advanced as capital, i.e. as self-valorizing value.”
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The socialist countries did not have very strong mechanisms in place enforcing that social production would be reproduction: there were many half-finished investment projects started by one planner but not finished by his or her successor. In capitalism, a capitalist has strong motivation to see his investment projects through: if he does not succeed, he may go bankrupt.

However strongly an individual capitalist may desire to remain a capitalist, his or her wishes will not have a chance to be fulfilled unless they conform with the general laws of capital. But it turns out that they do conform.

We already saw in chapter Four, 252:2/o, that the continuous making of profits is aided by the circumstance that the endpoint in the circuit $M - C - M'$ is qualitatively the same as the beginning point, so that capital emerges from the circuit in a form ready to start the circuit over again. The continuity of the production process is a second facilitating circumstance:

The economic character mask of a capitalist becomes fixed to the same person only if his money constantly functions as capital. If, for instance, a sum of £ 100 has this year been converted into capital, and has pro-
duced a surplus-value of £ 20, it must continue during the next year, and subsequent years, to repeat the same operation.

The term “character mask” was introduced in chapter Two, 178:1/o, with the character masks of buyer and seller. Whereas those earlier character masks are not continually attached to the same person—everyone is sometimes buyer and sometimes seller—the character mask of a capitalist has a more permanent nature. Of course, there is no guarantee that a capitalist today will remain capitalist tomorrow, but the structure of capitalist production is such that this is usually the case. And by their efforts to remain capitalists, the capitalists ensure the continuity of the social reproduction process.

With the character mask of a capitalist permanently attached to the same individual, profit becomes a *revenue*:

As a periodic increment of the value of the capital, or a periodic fruit borne by capital-in-process, surplus-value acquires the form of a revenue arising out of capital.\(^1\)
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A revenue is a steady flow of income for a given recipient. It is the main point of contact between the economic deep structure and individual interests. Revenues will therefore be discussed more at the end of *Capital III*, when Marx gets ready to speak about classes.

1 ‘The rich, who consume the products of the labor of others, can only obtain them by making exchanges’ (purchases of commodities). ‘They therefore seem to be exposed to an early exhaustion of their reserve funds … But, in the social order, wealth has acquired the power of reproducing itself through the labor of others … Wealth, like labor, and by means of labor, bears fruit every year, but this fruit can be destroyed every year without making the rich man any poorer thereby. This fruit is the revenue which arises out of capital’ (Sismondi, *Nouveaux Principes d’économie politique*. Paris, 1819, Vol. 1, pp. 81–2).

1 „Die Reichen, welche die Produkte der Arbeit andrer verzehren, erhalten sie nur durch Aus tauschakte (Warenkäufe). Sie scheinen daher einer baldigen Erschöpfung ihrer Reservefonds ausgesetzt … Aber in der gesellschaftlichen Ordnung hat der Reichtum die Kraft erhalten, sich durch fremde Arbeit zu reproduzieren … Der Reichtum, wie die Arbeit und durch die Arbeit, liefert eine jährliche Frucht, welche jedes Jahr vernichtet werden kann, ohne daß der Reiche ärmer wird. Diese Frucht ist die Revenue, die aus dem Kapital entspringt.“—(Sismondi, „Nou. Princ. d’Écon. Pol.“, t. 1, p. 81, 82.)

Chapter Twenty-Three and Twenty-Four are organized according to how the revenue is
divided into capital investment and means of consumption for the capitalists.

712:1 If this revenue serves the capitalist only as a fund to provide for his consumption, i.e., if it is consumed as periodically as it is gained, then, other things being equal, simple reproduction takes place.

Marx does not mean to imply here that simple reproduction is a possible mode of operation for capitalism. It can be this only temporarily; in the long run capital must accumulate. Marx makes this simplifying assumption here only because he wants to identify those characteristics of the capitalist production process which are not due to production, nor due to accumulation, but due to the continuity of production. As always, Marx carefully distinguishes which mechanism is responsible for which fact or event.

Marx immediately announces a main theoretical result that we will obtain when we look at the capitalist production process as an ongoing reproduction process:

And although this reproduction is a mere repetition of the process of production on the same scale as before, this mere repetition...
23. Simple Reproduction

tion, or continuity, imposes on the process certain new characteristics, or rather, dis-solves certain characteristics which the isolated process seems to have.

How can a process obtain new characteristics by mere repetition? If you look at the manifestations of an underlying “real” mechanism as a continuous process you may be able to get a more accurate picture of the workings of this mechanisms than if you only see a snapshot of it. Hegel said: “the truth is the whole.” This has more than epistemological relevance. The economic agents make only punctual interactions with the capitalist system, their practical activity is guided by such a snapshot view.

Starting now until the end of the chapter, Marx is going to discuss specific characteristics of the capitalist production process which change if one no longer looks at them from an individualistic and one-time point of view. Although Marx emphasizes continuity as the new angle brought into the discussion, some of Marx’s arguments do not depend on continuity but represent a switch from an individualistic to a social point of view. In at least three places, at the end of 712:2/o, and at the beginning of 717:3/o and 719:1, Marx says this explicitly.
The changes which Marx points out here can be classified into two categories: (1) Things which appear as advances by the capitalists are no longer advances, and (2) the expanded horizon allows us to see how the separation between the producers and the means of production is reproduced.

2. [Advances by the Capitalists Cease to Be Advances]

Marx brings here two arguments, one specific to the variable capital, and one applicable to all capital (as long as the capitalists consume part of their surplus-value).

2.a. [Variable Capital is Not Something Advanced by the Capitalists]

One of the main characteristics which capitalism seems to have, and which also seems to justify capitalist profits, is that the capitalist advances the variable capital to the worker. (Remember that the part of the capital advanced for wages is called “variable capital,” see chapter Eight.)
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The means of subsistence of the workers constitute a separate part of social output, the so-called “labor fund.” Marx argues that this labor fund is *not* something that the capitalists advance to the workers.

The purchase of labor-power for a fixed period is the prelude to the production process. This prelude is repeated again and again as soon as the period of time for which the labor-power has been sold comes to an end, and with it a definite period of production, such as a week or a month, has elapsed. But the worker is not paid until after he has expended his labor-power, and realized both the value of his labor-power and a certain quantity of surplus-value in the shape of commodities. He has therefore produced not only surplus-value, which we for the present regard as a fund to meet the pri-
2. [Advances by the Capitalists Cease to Be Advances]

vate consumption of the capitalist, but also the variable capital, the fund out of which he himself is paid, before it flows back to him in the shape of wages; and his employment lasts only as long as he continues to reproduce this fund.

When Marx writes “the worker has reproduced the funds out of which he himself is paid,” he cannot mean money but must mean the real use-values which the worker buys with this money. Now a theory-critical side remark:

This is the reason for the formula of the economists, mentioned in chapter 18, under II, which presents wages as a share in the product itself.²

² ‘Wages as well as profits are to be considered, each of them, as really a portion of the finished product’ (Ramsay, op. cit., p. 142). ‘The share of the product which comes to the worker

Daher die im sechzehnten Kapitel unter II. erwähnte Formel der Ökonomen, die das Salair als Anteil am Produkt selbst darstellt.²

² „Löhne wie auch Profite sind beide als ein Teil des fertigen Produkts zu betrachten.“ (Ramsay, l.c. p. 142.) „Der Anteil an dem Produkt, der dem Arbeiter unter der Form des Salaires zukommt.“ (J.
23. Simple Reproduction


Since wages are paid *after* the worker has already produced more than an equivalent for them, the capitalist does not advance anything to the worker.

What flows back to the worker in the shape of wages is a portion of the product he himself continuously reproduces.

Now one might object: if the capitalist on pay day were to give the worker a part of the worker’s product, then it would be clear that wages are not an advance to the worker.

The capitalist, it is true, pays him the value of the commodity in money.

⇑ Having value in one’s hands is not enough; money is necessary to get the use-values one needs. Money is the proof that the value one has produced has indeed satisfied someone’s needs, i.e., that the labor one has spent is socially necessary. And since the capitalist gives money to the worker, while the worker delivers raw value to the capitalist which has not yet gone through this social validation, the question arises whether this is an advance by the capitalist which justifies the profits. ⇩ Marx’s response is: the money which the capit-
2. [Advances by the Capitalists Cease to Be Advances]

talist advances to the worker does not originally come from the capitalist, but the capitalist obtained this money from selling the worker’s earlier product.

But this money is merely the transmuted form of the product of the worker’s labor. While he is converting a portion of the means of production into products, a portion of his former product is being turned into money. It is his labor of last week, or of last year, that pays for his labor-power this week or this year.


The German edition says “labor” both times, while the Moore-Aveling translation says labor first and then labor-power. This is one of the places where the Moore-Aveling translation is better than the German.

In other words, this money does not come from the capitalist but from the worker, but with a time lag. One might think now that the capitalist advances the money at least for the four weeks until the worker’s product is sold. Perhaps this is why Marx gives now an
alternative argument, which no longer looks at the temporal continuity of the process but broadens the field of vision to society as a whole. If one looks at the social process as a whole, as opposed to how it presents itself to the individual agents, one can see once again that the capitalist does not advance the wages to the worker. When the worker employed in the shoe factory eats bread, then he thinks the whereabouts for the bread are advanced to him by the capitalist. And the worker employed in the bread factory thinks the whereabouts for wearing shoes are advanced to him by the capitalist. But if both workers look at their situation jointly they can see that the capitalists do not advance anything to either of them. Together the workers produce shoes and bread, and when the workers consume shoes and bread, they have already produced more shoes and bread.

The illusion created by the money-form vanishes immediately if, instead of taking a single capitalist and a single worker, we take the whole capitalist class and the whole working class. The capitalist class is constantly giving to the working class drafts, in the form of money, on a portion of the prod-

Die Illusion, welche die Geldform erzeugt, verschwindet sofort, sobald statt des einzelnen Kapitalisten und des einzelnen Arbeiters Kapitalistenklasse und Arbeiterklasse betrachtet werden. Die Kapitalistenklasse gibt der Arbeiterklasse beständig in Geldform Anweisungen auf einen Teil des von der letz-
2. [Advances by the Capitalists Cease to Be Advances]

The nature of this transaction is the continuous appropriation of the workers’ product by the capitalists. On the surface, this transaction presents itself in a veiled or distorted form in two ways:

- exploitation is not visible;
- instead it seems as if the capitalist were advancing the wage to the worker.

At the present time, Marx only makes a brief allusion to the first point which had been made repeatedly before. The commodity form of the product veils exploitation because the worker is not aware that the product he produced has value, because it has not yet been sold. The commodity produced by the latter and appropriated by the former. The workers give these drafts back just as constantly to the capitalists, and thereby withdraw from the latter their allotted share of their own product. The transaction is veiled by the commodity-form of the product and the money-form of the commodity.
money form of the commodity veils exploitation because the worker does not see that the money the capitalist gives him is the money form of a part of the value he himself produced.

Once one sees the exploitative nature of the transaction between worker and capitalist, one can also penetrate the illusion that the capitalist advances something to the worker when he gives him the wage. It is true, the “wage fund” is a separate portion of the economy’s output, but it is not something which the capitalist gives to the worker:

713:1/0 Variable capital is therefore only a particular historical form in which the labor fund appears, the fund for providing the means of subsistence which the worker requires for his own maintenance and reproduction, and which, in all systems of social production, he must himself produce and reproduce. If the labor-fund constantly flows to him in the form of money that pays for his labor, it is because his own product constantly moves away from him in the form of

593:1/0 Das variable Kapital ist also nur eine besondere historische Erscheinungsform des Fonds von Lebensmitteln oder des Arbeitsfonds, den der Arbeiter zu seiner Selbsternährung und Reproduktion bedarf und den er in allen Systemen der gesellschaftlichen Produktion stets selbst produzieren und reproduzieren muß. Der Arbeitsfonds fließt ihm nur beständig in Form von Zahlungsmitteln seiner Arbeit zu, weil sein eignes Produkt sich beständig in der Form des Kapitals von
2. [Advances by the Capitalists Cease to Be Advances]

The illusion that the variable capital flows to the worker arises only because the worker does not see that his own product flows away from him.

If wages are not advanced by the capitalist to the worker, where do they come from? from the earlier labor of the worker. For this second step in the argument the production process must be looked at as a continuous process.

But this form of appearance of the labor-fund does not change the fact that it is the worker’s own objectified labor which is advanced to him by the capitalist.³

³ ‘When capital is employed in advancing to the workman his wages, it adds nothing to the funds for the maintenance of labor’ (Cazenove, in a note to his edition of Malthus’s Definitions in Political Economy, London, 1853, p. 22).

In order to clarify this, Marx compares the wage laborer with a bonded peasant:

Let us take a peasant liable to do compul-

Nehmen wir einen Fronbauer. Er arbeitet mit
sory labor services. He works on his own land with his own means of production for, say, three days a week. The other three days are devoted to forced labor on the lord’s domain. He constantly reproduces his own labor-fund, which never, in his case, takes the form of a money payment for his labor, advanced by another person. But in return his unpaid and forced labor for the lord never acquires the character of voluntary and paid labor. If one, fine morning, the landowner appropriates to himself the plot of land, the cattle, the seed, in short, the means of production of the peasant, the latter will thenceforth be obliged to sell his labor-power to the former. He will, other things being equal, labor six days a week as seinen eignen Produktionsmitteln auf seinem eignen Acker z.B. 3 Tage in der Woche. Die drei andren Wochentage verrichtet er Fronarbeit auf dem herrschaftlichen Gut. Er reproduziert seinen eignen Arbeitsfonds beständig, und dieser erhält ihm gegenüber nie die Form von einem Dritten für seine Arbeit vorgeschoßner Zahlungsmittel. Im Ersatz erhält auch niemals seine unbezahlte Zwangsarbeit die Form freiwilliger und bezahlter Arbeit. Wenn morgen der Gutsherr den Acker, das Zugvieh, die Samen, kurz die Produktionsmittel des Fronbauern sich selbst aneignet, so hat dieser von nun an seine Arbeitskraft an den Fronherrn zu verkaufen. Unter sonst gleichbleibenden Umständen wird er nach wie vor 6 Tage in der Woche arbeiten, 3 Ta-
before, three for himself, three for his former lord, who thenceforth becomes a wage-paying capitalist. As before, he will use up the means of production as means of production, and transfer their value to the product. As before, a definite portion of the product will be devoted to reproduction. But from the moment that forced labor is changed into wage-labor, the labor-fund, which the peasant himself continues as before to produce and reproduce, takes the form of a quantity of capital advanced in the form of wages by the lord of the land. The bourgeois economist, whose limited brain is unable to separate the form of appearance from the thing which appears within that form, shuts his eyes to the fact that even at
23. Simple Reproduction

the present time the labor-fund only crops up exceptionally on the face of the globe in the form of capital.⁴

⁴ ‘The wages of labor are advanced by capitalists in the case of less than one-fourth of the laborers of the earth’ (Richard Jones, Textbook of Lectures on the Political Economy of Nations, Hertford, 1852, p. 36).


2.b. [Any Initial Advances by the Capitalists Replaced by Surplus-Value]

Next, Marx addresses a possible objection to the argument just made about the wage fund: certainly the original wage advanced by the first capitalist must have been a true advance.

714:1 Variable capital, it is true, only then loses its character of a value advanced out of the capitalist’s funds,⁵ when we view

594:1 Allerdings verliert das variable Kapital nur den Sinn eines aus dem eignen Fonds des Kapitalisten vorgeschossenen Wertes,⁴
the process of capitalist production in the flow of its constant renewal. But that process must have had a beginning of some kind. From our present standpoint it therefore seems likely that the capitalist, once upon a time, became possessed of money, by some accumulation that took place independently of the unpaid labor of others, and that this was, therefore, how he was enabled to frequent the market as a buyer of labor-power.

4a “Though the manufacturer” (i.e., the laborer) “has his wages advanced to him by his master, he in reality costs him no expense, the value of these wages being generally reserved, together with a profit, in the improved value of the subject upon which his labor is bestowed.” (A. Smith, l.c., Book II., ch. III, p. 311.)


4a „Obgleich der manufacturer“ (i.e. Manufakturarbeiter) „seinen Lohn vom Meister vorgeschossehen bekommt, verursacht er diesem in Wirklichkeit keine Kosten, da der Wert des Lohns zusammen mit einem Profit gewöhnlich in dem verdelten Wert des Gegenstands, auf den seine Arbeit verwandt wurde, wiederhergestellt wird.“ (A.
23. Simple Reproduction

Smith l.c., Book II, ch. III, p. 355.)

Marx will give a comprehensive answer to the question of the initial advances in the chapter about original accumulation. At the present time he brings an argument according to which, regardless of what happened at the beginning, the continuity of the production process whittles any initial contributions from the capitalist down over time. This argument applies not only to wages but to every advance by the capitalists.

However this may be, the mere continuity of the process, the simple reproduction, brings about some other wonderful changes, which affect not only the variable, but the total capital.

714:2/o If a capital of £1,000 beget yearly a surplus-value of £200, and if this surplus-value be consumed every year, it is clear that at the end of 5 years the surplus-value consumed will amount to \(5 \times £200\) or the £1,000 originally advanced. If only a part, Indes bewirkt die bloße Kontinuität des kapitalistischen Produktionsprozesses, oder die einfache Reproduktion, noch andre sonderbare Wechsel, die nicht nur den variablen Kapitalteil ergreifen, sondern das Gesamtkapital.

594:2 Beträgt der mit einem Kapital von 1000 Pfd.St. periodisch, z.B. jährlich, erzeugte Mehrwert 200 Pfd.St. und wird dieser Mehrwert jährlich verzehrt, so ist es klar, daß nach fünfjähriger Wiederholung desselben Prozesses die Summe des verzehrten
say one half, were consumed, the same result would follow at the end of 10 years, since \(10 \times £100 = £1,000\). General Rule: The value of the capital advanced divided by the surplus-value annually consumed, gives the number of years, or reproduction periods, at the expiration of which the capital originally advanced has been consumed by the capitalist and has disappeared. The capitalist thinks, that he is consuming the produce of the unpaid labor of others, i.e., the surplus-value, and is keeping intact his original capital; but what he thinks cannot alter facts.

Mehrwerts \(= 5 \times 200\) ist oder gleich dem ursprünglich vorgeschoßnen Kapitalwert von 1000 Pfd.St. Würde der jährliche Mehrwert nur teilweis verzehrt, z.B. nur zur Hälfte, so ergäbe sich dasselbe Resultat nach zehnjähriger Wiederholung des Produktionsprozesses, denn \(10 \times 100 = 1000\). Allgemein: Der vorgeschoßne Kapitalwert, dividiert durch den jährlich verzehrten Mehrwert, ergibt die Jahresanzahl oder die Anzahl von Reproduktionsperioden, nach deren Ablauf das ursprünglich vorgeschoßne Kapital vom Kapitalisten aufgezehrt und daher verschwunden ist. Die Vorstellung des Kapitalisten, daß er das Produkt der fremden unbezahlten Arbeit, den Mehrwert, verzehrt und den ursprünglichen Kapitalwert erhält, kann absolut nichts
23. Simple Reproduction

After the lapse of a certain number of years, the capital value he then possesses is equal to the sum total of the surplus-value appropriated by him during those years, and the total value he has consumed is equal to that of his original capital. It is true, he has in hand a capital whose amount has not changed, and of which a part, viz., the buildings, machinery, etc., were already there when the work of his business began. But what we have to do with here, is not the material elements, but the value, of that capital.

The debtor example describes an analogous situation; there is no implication that the capitalist himself owes anything.

When a person gets through all his prop-

an der Tatsache ändern.


Wenn jemand sein ganzes Besitztum aufzehrt
property, by taking upon himself debts equal to the value of that property, it is clear that his property represents nothing but the sum total of his debts. And so it is with the capitalist; after he has consumed the equivalent of his original capital, the value of his present capital merely represents the sum total of surplus-value appropriated by him without payment. Not a single atom of the value of his old capital continues to exist.

715:1/o Apart then from all accumulation, the mere continuity of the process of production, in other words simple reproduction, sooner or later, and of necessity, converts every capital into accumulated capital, or capitalised surplus-value. Even if that capital was originally acquired by the

dadurch, daß er Schulden aufnimmt, die dem Wert dieses Besitztums gleichkommen, so repräsentiert eben das ganze Besitztum nur die Gesamtsumme seiner Schulden. Und ebenso, wenn der Kapitalist das Äquivalent seines vorgeschoßnen Kapitals aufgezehrt hat, repräsentiert der Wert dieses Kapitals nur noch die Gesamtsumme des von ihm unentgeltlich ang geeigneten Mehrwerts. Kein Wertatom seines alten Kapitals existiert fort.

595:1 Ganz abgesehen von aller Akkumulation verwandelt also die bloße Kontinuität des Produktionsprozesses, oder die einfache Reproduktion, nach kürzerer oder längerer Periode jedes Kapital notwendig in akkumuliertes Kapital oder kapitalisierten Mehrwert. War es selbst bei seinem Eintritt in den Produk-
23. Simple Reproduction

personal labor of its employer, it sooner or later becomes value appropriated without an equivalent, the unpaid labor of others materialised either in money or in some other object.

This method of calculation also suggests a fair strategy for the transfer of the ownership of the means of production from the capitalists to the working class in socialism: the capitalists are allowed to eat up an equivalent of their equity in the means of production, but they are no longer allowed to appropriate new surplus-value or exercise control over the means of production.

3. [Reproduction of the Separation of the Producers from the Means of Production]

Marx said already in 270:1 in chapter Six that the separation between producer and means of production is a condition for capitalism.
We saw in chapter Six that in order to convert money into capital something more is required than the production and circulation of commodities. We saw that on the one side the possessor of value or money, on the other, the possessor of the value-creating substance; on the one side, the possessor of the means of production and subsistence, on the other, the possessor of nothing but labor-power, must confront one another as buyer and seller. The separation of labor from its product, of subjective labor-power from the objective conditions of labor, was therefore the actually given foundation, and the starting-point of capitalist production.

716:1 But that which at first was but a starting-point, becomes, by the mere conti-


595:3/o Was aber anfangs nur Ausgangspunkt war, wird vermittelst der bloßen Kon-
23. Simple Reproduction

nuity of the process, by simple reproduction, the result, constantly renewed and perpetuated, of capitalist production itself.

The remainder of chapter Twenty-Three shows how this separation is reproduced by ongoing capitalist production.

The production process enriches the capitalist but reproduces the worker in his/her neediness.

On the one hand, the process of production incessantly converts material wealth into capital, into means of creating more wealth and means of enjoyment for the capitalist. On the other hand, the laborer, on quitting the process, is what he was on entering it, a source of wealth, but devoid of all means of making that wealth his own.

In one of the few passages in Capital where Marx talks about alienation, the worker’s
dilemma is framed as the dialectic of alienation: The worker’s alienation as a state (separation from the means of production) leads to his alienation as a process (he produces for others), which reinforces his state of alienation again, so that the process as a whole is one in which the laborer himself produces that which oppresses him.

Since, before entering on the process, his own labor has already been alienated from himself by the sale of his labor-power, has been appropriated by the capitalist and incorporated with capital, it must, during the process, be realised in a product that does not belong to him. Since the process of production is also the process by which the capitalist consumes labor-power, the product of the laborer is incessantly converted, not only into commodities, but into capital, into value that sucks up the value-creating power, into means of subsistence that buy
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the person of the laborer, into means of production that command the producers. The laborer therefore constantly produces material, objective wealth, but in the form of capital, of an alien power that dominates and exploits him: and the capitalist as constantly produces labor-power, but in the form of a subjective source of wealth, separated from the objects in and by which it can alone be realised; in short he produces the laborer, but as a wage-laborer. This incessant reproduction, this perpetuation of the laborer, is the sine qua non of capitalist production.

5 “This is a remarkably peculiar property of productive labor. Whatever is productively consumed is capital and it becomes capital by consumption.” (James Mill, l.c., p. 242.) James Mill, produziert daher beständig den objektiven Reichtum als Kapital, ihm fremde, ihn beherrschende und ausbeutende Macht, und der Kapitalist produziert ebenso beständig die Arbeitskraft als subjektive, von ihren eigenen Vergegenständlichungs- und Verwirklichungsmitteln getrennte, abstrakte, in der bloßen Leiblichkeit des Arbeiters existierende Reichtumsquelle, kurz den Arbeiter als Lohnarbeiter. Diese beständige Reproduktion oder Verewigung des Arbeiters ist das sine qua non der kapitalistischen Produktion.

5 „Da ist eine besonders merkwürdige Eigenschaft der produktiven Konsumtion. Was produktiv konsumiert wird, ist Kapital, und es wird Kapital durch die Konsumtion.“ (James Mill,
however, never got on the track of this “remarkably peculiar property.”

6 “It is true indeed, that the first introducing a manufacture employs many poor, but they cease not to be so, and the continuance of it makes many.” (“Reasons for a Limited Exportation of Wool.” London, 1677, p. 19.) “The farmer now absurdly asserts, that he keeps the poor. They are indeed kept in misery.” (“Reasons for the Late Increase of the Poor Rates: or a Comparative View of the Prices of labor and Provisions.” London, 1777, p. 31.)

↑ Production leads here to disempowerment instead of more wealth and power. But by his emphasis that the worker himself is the one who produces capital, Marx of course also implies that the workers can cease to produce capital. This summary paragraph can be considered the climax of the chapter. The rest of the chapter contains the elaboration, in


6 „Es ist tatsächlich wahr, daß die erste Einführung einer Manufaktur viele Arme beschäftigt, aber sie bleiben arm, und die Fortdauer der Manufaktur erzeugt ihrer noch viele.“ („Reasons for a limited Exportation of Wool“, Lond. 1677, p. 19.) „Der Pächter versichert nun entgegen aller Vernunft, daß er die Armen erhalte. In Wirklichkeit werden sie im Elend erhalten.“ („Reasons for the late increase of the Poor Rates: or a comparative view of the prices of labor and provisions“, Lond. 1777, p. 31.)
much more detail, of the connections spelled out here.

3.a. [The Worker’s Consumption Benefits Capital and not the Worker]

First Marx takes a closer look at the consumption of the workers. He begins with the basic distinction between productive and individual consumption:

The laborer consumes in a two-told way. While producing he consumes by his labor the means of production, and converts them into products with a higher value than that of the capital advanced. This is his productive consumption. It is at the same time consumption of his labor-power by the capitalist who bought it. On the other hand, the laborer turns the money paid to him for his labor-power, into means of subsistence: this consumption of his labor-power by the capitalist who bought it.
is his individual consumption. Geld in Lebensmittel: dies ist seine individuelle Konsumtion.

Is there a typo in the last sentence? “Verwendet” does not go together with “in”: should it be “Andrerseits verwandelt” instead of “Andrerseits verwendet”? The French says: “l’argent est dépensé,” which does not conclusively decide between verwandelt and verwandelt.

French is here p. 53:1 in second half volume.

From an individualistic point of view (which is appropriate if one talks about consumption) these two kinds of consumption are quite different:

The laborer’s productive consumption, and his individual consumption, are therefore totally distinct. In the former, he acts as the motive power of capital, and belongs to the capitalist. In the latter, he belongs to himself, and performs his necessary vital functions outside the process of production. The

Die produktive und die individuelle Konsumtion des Arbeiters sind also total verschieden. In der ersten handelt er als bewegende Kraft des Kapitals und gehört dem Kapitalisten; in der zweiten gehört er sich selbst und verrichtet Lebensfunktionen außerhalb des Produktionsprozesses. Das Resultat der einen ist das
result of the one is, that the capitalist lives; of the other, that the laborer lives. Leben des Kapitalisten, das der andern ist das Leben des Arbeiter selbst.

Despite this difference between individual and productive consumption, there are instances in capitalism where the worker’s individual consumption looks empirically just like productive consumption:

717:2 When treating of the working-day, we saw that the laborer is often compelled to make his individual consumption a mere incident of production. In such a case, he supplies himself with necessaries in order to maintain his labor-power, just as coal and water are supplied to the steam-engine and oil to the wheel. His means of consumption, in that case, are the mere means of consumption required by a means of production; his individual consumption is directly productive consumption. This, however, ap-

pears as an abuse which is inessential for capitalist production.\textsuperscript{7} Marx is about to explain, in the next paragraph, that in capitalism the worker’s individual consumption is indeed productive consumption for the capitalist, because it is the maintenance of the capitalist’s most productive machine. However it is not necessary for capitalism that this fact manifests itself on the surface in such a direct way that the worker consumes while he or she is working. On the contrary, this has many disadvantages. Not only that the bread crumbs fall into the product, but the feeding on the job foregoes one of the features of capitalism which makes it so efficient: the workers’ willing responsibility for their own consumption. Situations in which the worker has to eat while he or she is working fall into the same category as price gouging, organized crime, the illegal drug business, etc.: they are against the rules because they manifest the inner tendencies of capital too openly and directly, without the mediating steps which make capitalism such a smooth system of exploitation.
The Fowkes translation did not get this at all: “This, however, appears to be an abuse not essentially appertaining to capitalist production.”

Rossi would not declaim so emphatically against this, had he really penetrated the secret of “productive consumption.”

Nevertheless, this superficial irregularity is a sign of deeper connections. If one looks at the matter socially instead of individually, the separation between private and “productive” consumption of the worker disappears:

The matter takes quite another aspect, when we contemplate, not the single capitalist, and the single laborer, but the capitalist class and the laboring class, not an isolated process of production, but capitalist production in full swing, and on its actual social scale. By converting part of his capital into labor-power, the capitalist augments the value of his entire capital. He kills two...
3. [Reproduction of Separation of Producers from Means of Production]

birds with one stone. He profits, not only by what he receives from but also by what he gives to, the laborer.

The capital given in exchange for labor-power is converted into necessaries, by the consumption of which the muscles, nerves, bones, and brains of existing laborers are reproduced, and new laborers are begotten. Within the limits of what is strictly necessary, the individual consumption of the working-class is, therefore, the reconversion of the means of subsistence given by capital in exchange for labor-power, into fresh labor-power at the disposal of capital for exploitation. It is the production and reproduction of the means of subsistence given by capital in exchange for labor-power, into fresh labor-power at the disposal of capital for exploitation. It is the production and reproduction of the means of subsistence given by capital in exchange for labor-power, into fresh labor-power at the disposal of capital for exploitation. 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23. Simple Reproduction

This is true whether or not the worker consumes during the production process:
The individual consumption of the laborer, whether it proceed within the workshop or outside it, whether it be part of the process of production or not, forms therefore a factor of the production and reproduction of capital; just as cleaning machinery does, whether it be done while the machinery is working or while it is standing.

⇑ This was an analogy which no longer clarifies, because customs have changed: it was conventional that workers cleaned their machines on their own time.

⇓ The workers’ satisfaction from consumption and therefore their motivation to consume and procreate does not change the deeper social connections:
The fact that the laborer consumes his

στον Προκτορία της Παροικίας, του Ανεργού του Μέρους. 

Es tut nichts zur Sache, daß der Arbeiter sei-

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means of subsistence for his own sake, and not for the sake of the capitalist, has no bearing on the matter. The consumption of food by a beast of burden is none the less a necessary factor in the process of production, because the beast enjoys what it eats. The maintenance and reproduction of the working-class is, and must ever be, a necessary condition for the reproduction of capital.

The workers’ individual motivation is even advantageous for the capitalist, because the capitalist does not have to feed and house the worker but paying him a wage is sufficient. The worker is so good at making the best use of the pay that no special incentives are needed to induce the worker to take care of himself. On the contrary, often the capitalists make it difficult for the workers to meet their needs by cutting wages to the bare minimum.

But the capitalist may safely leave the satisfaction of this condition to the laborer’s indi-
23. Simple Reproduction

Instincts of self-preservation and of propagation. All the capitalist cares for, is to reduce the laborer’s individual consumption as far as possible to what is strictly necessary, and he is far away from imitating those brutal South Americans, who force their laborers to take the more substantial, rather than the less substantial, kind of food.⁸

⁸ “The laborers in the mines of S. America, whose daily task (the heaviest perhaps in the world) consists in bringing to the surface on their shoulders a load of metal weighing from 180 to 200 pounds, from a depth of 450 feet, live on broad and beans only; they themselves would prefer the bread alone for food, but their masters, who have found out that the men cannot work so hard on bread, treat them like horses, and compel them to eat beans; beans, however, are rel-

trieb der Arbeiter überlassen. Er sorgt nur dafür, ihre individuelle Konsumtion möglichst auf das Notwendige einzuschränken, und ist himmelweit entfernt von jener südamerikanischen Rohheit, die den Arbeiter zwingt, substantiellere statt weniger substantieller Nahrungsmittel einzunehmen.⁸

⁸ „Die Arbeiter in den Bergwerken Südamerikas, deren tägliches Geschäft (das schwerste vielleicht in der Welt) darin besteht, eine Last Erz, im Gewicht von 100 bis 200 Pfund, aus einer Tiefe von 450 Fuß auf ihren Schultern zutage zu fördern, leben nur noch von Brot und Bohnen; sie würden das Brot allein zur Nahrung vorziehen, allein ihre Herrn, welche gefunden haben, daß sie mit Brot nicht so stark arbeiten können, behandeln sie wie Pferde und zwingen sie, die Bohnen zu essen; die
3. [Reproduction of Separation of Producers from Means of Production]

The interest of the capitalists to keep wages low is reflected in the language they use. Consumption which exceeds the minimum is called “unproductive consumption.”

718:1/o Hence both the capitalist and his ideologist, the political economist, consider that part alone of the laborer’s individual consumption to be productive, which is requisite for the perpetuation of the class, and which therefore must take place in order that the capitalist may have labor-power to consume; what the laborer consumes for his own pleasure beyond that part, is unproductive consumption.⁹ If the accumulation of capital were to cause a rise of wages and an increase in the laborer’s con-

598:1 Daher betrachtet auch der Kapitalist und sein Ideolog, der politische Ökonom, nur den Teil der individuellen Konsumtion des Arbeiters als produktiv, der zur Verewigung der Arbeiterklasse erheischt ist, also in der Tat verzehrt werden muß, damit das Kapital die Arbeitskraft verzehre; was der Arbeiter außerdem zu seinem Vergnügen verzeihren mag, ist unproduktive Konsumtion.⁹ Würde die Akkumulation des Kapitals eine Erhöhung des Arbeitslohns und daher Vermehrung der Konsumtionsmit-
23. Simple Reproduction

sumption, unaccompanied by increase in the consumption of labor-power by capital, the additional capital would be consumed unproductively.  

9 James Mill, l.c., p. 238.

10 “If the price of labor should rise so high that, notwithstanding the increase of capital, no more could be employed, I should say that such increase of capital would be still unproductively consumed.” (Ricardo, l.c., p. 163.)

Marx picks up the question whether the consumption of the worker is unproductive and turns it around: it is unproductive for the worker himself!

In reality, the individual consumption of the laborer is unproductive for himself, for it reproduces nothing but the needy individual; it is productive to the capitalist and to the State, since it is the production of the power
that creates the wealth of others. \(^{11}\)

Interesting that Marx includes the state here too (but he has this from the Malthus quote).

\(^{11}\) “The only productive consumption, properly so called, is the consumption or destruction of wealth” (he alludes to the means of production) “by capitalists with a view to reproduction … The workman … is a productive consumer to the person who employs him, and to the State, but not, strictly speaking, to himself.” (Malthus’ “Definitions, etc.”, p. 30.)

3.b. [Individual Consumption Keeps the Worker Hostage of Capital]

First a two-sentence summary of the argument just made:

719:1 From a social point of view, therefore, the working-class, even when not di-

598:2 Von gesellschaftlichem Standpunkt ist also die Arbeiterklasse, auch außerhalb
23. Simple Reproduction

Directly engaged in the labor-process, is just as much an appendage of capital as the ordinary instruments of labor. Even its individual consumption is, within certain limits, a mere factor in the process of reproduction of capital.

Next thought: the fact that the reproduction of labor-power takes the form of the worker’s individual consumption is beneficial for capital: it motivates the workers to sell themselves to capital.

That process, however, takes good care to prevent these self-conscious instruments from leaving it in the lurch, for it removes their product, as fast as it is made, from their pole to the opposite pole of capital. Individual consumption provides, on the one hand, the means for their maintenance and reproduction: on the other hand, it secures the unmittelbaren Arbeitsprozesses, ebenso sehr Zubehör des Kapitals als das tote Arbeitsinstrument. Selbst ihre individuelle Konsumtion ist innerhalb gewisser Grenzen nur ein Moment des Reproduktionsprozesses des Kapitals.

Der Prozeß aber sorgt dafür, daß diese selbstbewußten Produktionsinstrumente nicht weglauen, indem er ihr Produkt beständig von ihrem Pol zum Gegenpol des Kapitals entfernt. Die individuelle Konsumtion sorgt einerseits für ihre eigne Erhaltung und Reproduktion, andererseits durch Vernichtung der Lebensmittel für ihr beständiges Wiedererscheinen.
3. [Reproduction of Separation of Producers from Means of Production]

by the annihilation of the necessaries of life, the continued re-appearance of the workman in the labor-market. The Roman slave was held by fetters: the wage-laborer is bound to his owner by invisible threads. The appearance of independence is kept up by means of a constant change of employers, and by the fictio juris of a contract.

As a proof that this is an actual concern for the capitalist, Marx cites laws forbidding emigration:

719:2 In former times, capital resorted to legislation, whenever necessary, to enforce its proprietary rights over the free laborer. For instance, down to 1815, the emigration of mechanics employed in machine making was, in England, forbidden, under grievous pains and penalties.

599:1 Früher machte das Kapital, wo es ihm nötig schien, sein Eigentumsrecht auf den freien Arbeiter durch Zwangsgesetz geltend. So war z.B. die Emigration der Maschinenarbeiter in England bis 1815 bei schwerer Strafe verboten.
23. Simple Reproduction

In this case, emigration was not forbidden because of the loss of the workers themselves. There was a surplus of warm bodies. But the capitalists feared the loss of the skills which these particular workers had acquired. Before continuing to discuss these laws, Marx therefore says something about this, it is a new aspect of reproduction:

3.c. [Capital also Benefits from the Skills of the Workers and Considers them as its Property]

719:3 The reproduction of the working-class carries with it the accumulation of skill, that is handed down from one generation to another.\(^{12}\)

12 “The only thing, of which one can say, that it is stored up and prepared beforehand, is the skill of the laborer… The accumulation and storage of skilled labor, that most important operation, is, as regards the great mass of laborers, ac-

599:2/o Die Reproduktion der Arbeiterklasse schließt zugleich die Überlieferung und Häufung des Geschicks von einer Generation zur andern ein.\(^{12}\)

12 „Das einzige Ding, wovon man sagen kann, daß es aufgespeichert und vorher präpariert ist, ist das Geschick des Arbeiters … Die Akkumulation und Aufspeicherung geschickter Arbeit, diese wichtigste Operation wird, was die große Masse
The increasing skills of the work force are an important but often overlooked aspect of reproduction. Again it is not the workers but the capitalists who benefit from this. To what extent the capitalist reckons the existence of such a skilled class among the factors of production that belong to him by right, and to what extent he actually regards it as the reality of his variable capital, is seen so soon as a crisis threatens him with its loss.

Now Marx brings a lengthy anecdote from the year 1863:

In consequence of the civil war in the United States and of the accompanying cotton famine, the majority of the cotton operatives in Lancashire were, as is well known,
thrown out of work. Both from the working-class itself, and from other ranks of society, there arose a cry for State aid, or for voluntary national subscriptions, in order to enable the “superfluous” hands to emigrate to the colonies or to the United States. Thereupon, *The Times* published on the 24th March, 1863, a letter from Edmund Potter, a former president of the Manchester Chamber of Commerce. This letter was rightly called in the House of Commons, the manufacturers’ manifesto.¹³ We cull here a few characteristic passages, in which the proprietary rights of capital over labor-power are unblushingly asserted.

¹³ “That letter might be looked upon as the manifesto of the manufacturers.” (Ferrand: “Mo-
“He” (the man out of work) “may be told the supply of cotton-workers is too large ... and ... must ... in fact be reduced by a third, perhaps, and that then there will be a healthy demand for the remaining two-thirds ... Public opinion ... urges emigration ... The master cannot willingly see his labor supply being removed; he may think, and perhaps justly, that it is both wrong and unsound ... But if the public funds are to be devoted to assist emigration, he has a right to be heard, and perhaps to protest.”

Mr. Potter then shows how useful the cotton trade is, how the “trade has undoubtedly drawn the surplus-population ...
from Ireland and from the agricultural districts,” how immense is its extent, how in the year 1860 it yielded $5/13$ ths of the total English exports, how, after a few years, it will again expand by the extension of the market, particularly of the Indian market, and by calling forth a plentiful supply of cotton at 6d. per lb. He then continues:

“Some time . . ., one, two, or three years, it may be, will produce the quantity . . . The question I would put then is this—Is the trade worth retaining? Is it worth while to keep the machinery (he means the living labor machines) in order, and is it not the greatest folly to think of parting with that? I think it is. I allow that the workers are not a property, not the property of Lancashire and the mas-

Bevölkerung aus Irland und den englischen Agrikulturdistrikten wegdrainiert hat“, wie ungeheuer ihr Umfang, wie sie im Jahr 1860 $5/13$ des ganzen englischen Exporthandels lieferte, wie sie nach wenigen Jahren sich wieder ausdehnen werde durch Erweiterung des Markts, besonders Indiens, und durch Erzwingung hinreichender „Baumwollzufuhr, zu 6 d. das Pfund“. Er fährt dann fort:

„Zeit—ein, zwei, drei Jahre vielleicht—wird die nötige Quantität produzieren . . . Ich möchte dann die Frage stellen, ist diese Industrie wert, sie festzuhalten, ist es der Mühe wert, die Maschinerie“ (nämlich die lebendigen Arbeitsmaschinen) „in Ordnung zu halten, und ist es nicht die größte Narrheit, daran zu denken, sie aufzugeben! Ich glaube das. Ich will zugeben, daß die Arbeiter nicht Eigentum sind (I allow that
3. [Reproduction of Separation of Producers from Means of Production]

ters; but they are the strength of both; they are the mental and trained power which cannot be replaced for a generation; the mere machinery which they work might much of it be beneficially replaced, nay improved, in a twelvemonth. Encourage or allow (!) the working-power to emigrate, and what of the capitalist? ... This cry from the heart reminds one of Lord Chamberlain Kalb.

14 It will not be forgotten that this same capital sings quite another song, under ordinary circumstances, when there is a question of reducing wages. Then the masters exclaim with one voice: the workers are not a property), nicht das Eigentum Lancashesires und der Meister; aber sie sind die Stärke beider; sie sind die geistige und geschulte Kraft, die in einer Generation nicht ersetzt werden kann; die andere Maschinerie dagegen, woran sie arbeiten (the mere machinery which they work), könnte zum großen Teil mit Vorteil ersetzt und verbessert werden in zwölf Monaten. Ermuntert oder erlaubt (!) die Emigration der Arbeitskraft, und was wird aus dem Kapitalisten? (Encourage or allow the working power to emigrate, and what of the capitalist?)

Dieser Herzensstoß erinnert an Hofmarschall Kalb.

14 Man erinnert sich, daß dasselbe Kapital aus einem andern Loch pfeift unter gewöhnlichen Umständen, wenn es gilt, den Arbeitslohn herabzusetzen. Dann erklären „die Meister“ aus einem
23. Simple Reproduction

“The factory operatives should keep in wholesome remembrance the fact that theirs is really a low species of skilled labor, and that there is none which is more easily acquired, or of its quality more amply remunerated, or which, by a short training of the least expert, can be more quickly, as well as abundantly, acquired… The master’s machinery” (which we now learn can be replaced with advantage in 12 months,) “really plays a far more important part in the business of production than the labor and skill of the operative” (who cannot now be replaced under 30 years), “which six months’ education can reach, and a common laborer can learn.” (See ante, p. 423.)

Munde (sieh Vierter Abschnitt, Note 188, S. 389 [548:2/oo]: „Fabrikarbeiter sollten in heilsamer Erinnerung halten, daß ihre Arbeit in der Tat eine sehr niedrige Sorte geschickter Arbeit ist, daß keine leichter aneigenbar und in Anbetracht ihrer Qualität besser belohnt ist, daß keine durch kurze Unterweisung des mindest Erfahrnen in so kurzer Zeit und in solchem Überfluß zugeführt werden kann. Des Meisters Maschinerie“ (die, wie wir jetzt hören, in 12 Monaten mit Vorteil und verbessert ersetzt werden kann) „spielt in der Tat eine viel wichtigere Rolle in dem Geschäft der Produktion als die Arbeit und das Geschick des Arbeiter“ (die jetzt in 30 Jahren nicht ersetzbar sind), „die eine Erziehung von 6 Monaten lehren und jeder Bauernknecht lernen kann.“

After this footnote, the Potter quote in the main text continues:

Take away the cream of the workers, and fixed capital will depreciate in a great degree, and
the floating will not subject itself to a struggle with the short supply of inferior labor . . . We are told the workers wish it” (emigration). “Very natural it is that they should do so . . . Reduce, compress the cotton trade by taking away its working power and reducing their wages expenditure, say one-fifth, or five millions, and what then would happen to the class above, the small shopkeepers; and what of the rents, the cottage rents . . . Trace out the effects upwards to the small farmer, the better householder, and . . . the landowner, and say if there could be any suggestion more suicidal to all classes of the country than by enfeebling a nation by exporting the best of its manufacturing population, and destroying the value of some of its most productive capital and enrichment . . . I advise a loan (of five or six millions sterling), . . . extending it may be over two or three
23. Simple Reproduction

years, administered by special commissioners added to the Boards of Guardians in the cotton districts, under special legislative regulations, enforcing some occupation or labor, as a means of keeping up at least the moral standard of the recipients of the loan... can anything be worse for landowners or masters than parting with the best of the workers, and demoralising and disappointing the rest by an extended depletive emigration, a depletion of capital and value in an entire province?"

722:1–723:0 Potter, the chosen mouth-piece of the manufacturers, distinguishes tivsten Kapitals und Reichtums?“ „Ich rate zu einer Anleihe von 5 bis 6 Millionen, über 2 oder 3 Jahre verteilt, administriert durch Spezialkommissare, beigegnet den Armenverwaltungen in den Baumwolldistrikten, unter speziellen gesetzlichen Regulationen, mit gewisser Zwangsarbeit, um die moralische Valuta der Almosenempfänger aufrechtzuerhalten... Kann es irgend etwas Schlimmeres geben für Grundeeigentümer oder Meister (can anything be worse for landowners or masters), als ihre besten Arbeiter aufzugeben und die übrigbleibenden zu demoralisieren und zu verstimmen durch eine ausgedehnte entleerende Emigration und Entleerung von Wert und Kapital in einer ganzen Provinz?“

601:3–602:0 Potter, das auserwählte Organ der Baumwollfabrikanten, unterscheidet dop-
two sorts of “machinery,” each of which belongs to the capitalist, and of which one stands in his factory, the other at night-time and on Sundays is housed outside the factory, in cottages. The one is inanimate, the other living. The inanimate machinery not only wears out and depreciates from day to day, but a great part of it becomes so quickly superannuated, by constant technical progress, that it can be replaced with advantage by new machinery after a few months. The living machinery, on the contrary gets better the longer it lasts, and in proportion as the skill, handed from one generation to another, accumulates. The Times answered the cotton lord as follows:

“Mr. Edmund Potter is so impressed with
the exceptional and supreme importance of the cotton masters that, in order to preserve this class and perpetuate their profession, he would keep half a million of the laboring class confined in a great moral workhouse against their' will. ‘Is the trade worth retaining?’ asks Mr. Potter. ‘Certainly by all honest means it is,’ we answer. ‘Is it worth while keeping the machinery in order?’ again asks Mr. Potter. Here we hesitate. By the ‘machinery’ Mr. Potter means the human machinery, for he goes on to protest that he does not mean to use them as an absolute property. We must confess that we do not think it ‘worth while,’ or even possible, to keep the human machinery in order—that is to shut it up and keep it oiled till it is wanted. Human machinery will rust under inaction, oil and rub it as you may. Moreover, the human machinery will, as we have just seen, get the außerordentlichen und absoluten Wichtigkeit der Baumwollmeister, daß er, um diese Klasse zu erhalten und ihr Metier zu verewigen, eine halbe Million der Arbeiterklasse wider ihren Willen in ein großes moralisches Workhouse einsperren will. Ist diese Industrie wert, sie festzuhalten? fragt Herr Potter. Sicher, durch alle ehrbaren Mittel, antworten wir. Ist es der Mühe wert, die Maschinerie in Ordnung zu halten? fragt wieder Herr Potter. Hier stutzen wir. Unter der Maschinerie versteht Herr Potter die menschliche Maschinerie, denn er beteuert, daß er sie nicht als absolutes Eigentum zu behandeln vorhat. Wir müssen gestehen, wir halten es nicht, ‚der Mühe wert‘ oder selbst für möglich, die menschliche Maschinerie in Ordnung zu halten, d.h. sie einzusperren und einzuölen, bis man ihrer bedarf. Menschliche Maschinerie hat die Eigenschaft, während der Untätig-
steam up of its own accord, and burst or run amuck in our great towns. It might, as Mr. Potter says, require some time to reproduce the workers, but, having machinists and capitalists at hand, we could always find thrifty, hard, industrious men wherewith to improvise more master-manufacturers than we can ever want. Mr. Potter talks of the trade reviving ‘in one, two, or three years,’ and he asks us not ‘to encourage or allow (!) the working power to emigrate.’ He says that it is very natural the workers should wish to emigrate; but he thinks that in spite of their desire, the nation ought to keep this half million of workers with their 700,000 dependents, shut up in the cotton districts; and as a necessary consequence, he must of course think that the nation ought to keep down their discontent by force, and sustain them by alms—and upon the chance that

keit zu verrosten, ihr mögt noch soviel dran ölen oder reiben. Zudem ist menschliche Maschinerie, wie der Augenschein uns eben lehrt, imstand, von eignen Stücken den Dampf anzulassen und zu platzen oder einen Veitstanz in unsren großen Städten zu tollen. Es mag, wie Herr Potter sagt, längere Zeit zur Reproduktion der Arbeiter erheischt sein, aber mit Maschinisten und Geld zur Hand werden wir stets betriebsame, harte, industrielle Männer finden, um daraus mehr Fabrikmeister zu fabrizieren, als wir je verbrauchen können … Herr Potter plaudert von einer Wiederbelebung der Industrie in 1, 2, 3 Jahren und verlangt von uns, die Emigration der Arbeitskraft nicht zu ermuntern oder nicht zu erlauben! Er sagt, es sei natürlich, daß die Arbeiter zu emigrieren wünschen, aber er meint, daß die Nation diese halbe Million Arbeiter mit den 700 000, die an ihnen hängen,
23. Simple Reproduction

the cotton masters may some day want them. . .
The time is come when the great public opinion of these islands must operate to save this ‘working power’ from those who would deal with it as they would deal with iron, and coal, and cotton.”

The Times, March 24 1863.

15 The Times’ article was only a jeu d’esprit. The “great public opinion” was, in fact, of Mr. Potter’s opinion, that the factory


602:1 Der „Times“-Artikel war nur ein jeu d’esprit. Die „große öffentliche Meinung“ war in der Tat der Meinung des Herrn
3. [Reproduction of Separation of Producers from Means of Production]

Operatives are part of the movable fittings of a factory. Their emigration was prevented. They were locked up in that “moral workhouse,” the cotton districts, and they form, as before, “the strength” of the cotton manufacturers of Lancashire.

16 Parliament did not vote a single farthing in aid of emigration, but simply passed some Acts empowering the municipal corporations to keep the operatives in a half-starved state, i.e., to exploit them at less than the normal wages. On the other hand, when 3 years later, the cattle disease broke out, Parliament broke wildly through its usages and voted, straight off, millions for indemnifying the millionaire landlords, whose farmers in any event came off without loss, owing to the rise in the price of meat. The bull-like Potter, daß die Fabrikarbeiter Mobiliarzuzehr der Fabriken. Ihre Emigration wurde verhindert.16 Man sperrte sie in das „moralische Workhouse“ der Baumwolldistrikte, und sie bilden nach wie vor „die Stärke (the strength) der Baumwollmeister von Lancashire“.

16 Das Parlament votierte keinen Farthing für Emigration, sondern nur Gesetze, welche die Munizipalitäten befähigten, die Arbeiter zwischen Leben und Sterben zu halten oder sie zu exploitieren, ohne Zahlung von Normallohn. Als dagegen drei Jahre später die Rinderseuche ausbrach, durchbrach das Parlament wild sogar die parlamentarische Etikette und votierte im Umsehn Millionen zur Schadloshaltung der Millionäre von Landlords, deren Pächter sich ohnehin durch Steigerung der Fleischpreise schadlos hielten. Das
23. Simple Reproduction

bellow of the landed proprietors at the opening of Parliament, in 1866, showed that a man can worship the cow Sabala without being a Hindu, and can change himself into an ox without being a Jupiter.

3.d. [Result: A Society Divided into Classes]

The concluding passage of the chapter begins with a summary of the arguments so far:

Capitalist production, therefore, just by the fact that it is happening, reproduces the separation between labor-power and the means of labor. It thereby reproduces and perpetuates the condition for exploiting the laborer. It incessantly forces him to sell his labor-power in order to live, and enables the capitalist to purchase labor-power in order that he may enrich himself.\(^{17}\)

603:1 Der kapitalistische Produktionsprozeß reproduziert also durch seinen eigenen Vorgang die Scheidung zwischen Arbeitskraft und Arbeitsbedingungen. Er reproduziert und verewigt damit die Exploitationsbedingungen des Arbeiters. Er zwingt beständig den Arbeiter zum Verkauf seiner Arbeitskraft, um zu leben, und befähigt beständig den Kapitalisten zu ihrem Kauf,
3. [Reproduction of Separation of Producers from Means of Production]

17 “L’ouvrier demandait de la subsistence pour vivre, le chef demandait du travail pour gagner.” (Sismondi, l.c., p. 91.)

These individual mechanisms conspire to create a new reality, namely, a society divided into classes:

It is no longer a mere accident, that capitalist and laborer confront each other in the market as buyer and seller. It is the process itself that incessantly hurls back the laborer on to the market as a vendor of his labor-power, and that incessantly converts his own product into a means by which another man can purchase him. In reality, the laborer belongs to capital before he has sold himself to capital. His economic bondage is both brought about and concealed by the periodic sale of

<table>
<thead>
<tr>
<th>um sich zu bereichern. 17</th>
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<tr>
<td>„Der Arbeiter forderte Unterhaltsmittel, um zu leben, der Chef forderte Arbeit, um zu verdienen.“ (Sismondi, l.c. p. 91.)</td>
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23. Simple Reproduction

himself, by his change of masters, and by
the oscillations in the market-price of labor-

power.19

18 A boorishly clumsy form of this bondage
exists in the county of Durham. This is one
of the few counties, in which circumstances do
not secure to the farmer undisputed proprietary
rights over the agricultural laborer. The mining
industry allows the latter some choice. In this
county, the farmer, contrary to the custom else-
where, rents only such farms as have on them
laborers’ cottages. The rent of the cottage is a
part of the wages. These cottages are known as
“hinds’ houses.” They are let to the laborers in
consideration of certain feudal services, under a
contract called “bondage,” which, amongst other
things, binds the laborer, during the time he is

und zugleich versteckt durch die periodische
Erneuerung seines Selbstverkaufs, den Wech-

sel seiner individuellen Lohnherrn und die
Oszillation im Marktpreise der Arbeit.19

18 Eine bäuerlich plumpe Form dieser Hörigkeit
existiert in der Grafschaft Durham. Es ist dies eine
der wenigen Grafschaften, worin die Verhältnisse
dem Pächter nicht unbestrittenen Eigentumstitel auf
die Ackerbautaglöhner sichern. Die Bergwerkin-
dustrie erlaubt letzteren eine Wahl. Der Pächter,
im Gegensatz zur Regel, übernimmt hier daher nur
Pacht von Ländereien, worauf sich cottages für die
Arbeiter befinden. Der Mietpreis der cottage bil-
det Teil des Arbeitslohns. Diese cottages heißen
„hind’s houses“. Sie werden den Arbeitern un-
ter gewissen Feudalverpflichtungen vermietet un-
ter einem Vertrag, der „bondage“ (Hörigkeit) heißt
und den Arbeiter z.B. bindet für die Zeit, während
employed elsewhere, to leave some one, say his daughter, etc., to supply his place. The laborer himself is called a “bondsman.” The relationship here set up also shows how individual consumption by the laborer becomes consumption on behalf of capital—or productive consumption—from quite a new point of view: “It is curious to observe that the very dung of the hind and bondsman is the perquisite of the calculating lord … and the lord will allow no privy but his own to exist in the neighbourhood, and will rather give a bit of manure here and there for a garden than bate any part of his seigneurial right.” (“Public Health, Report VII., 1864,” p. 188.)

19 It will not be forgotten, that, with respect to the labor of children, etc., even the formality of a voluntary sale disappears.

Since this division of society into classes is the result of the continuous repetition of
the capitalist production process itself, Marx coins the phrase that the capitalist production process produces the capital relation.

724:1 Capitalist production, therefore, under its aspect of a continuous connected process, of a process of reproduction, produces not only commodities, not only surplus-value, but it also produces and reproduces the capitalist relation; on the one side the capitalist, on the other the wage-laborer.²⁰

↓ In a more informal setting, Marx has summarized this already in 1849 with the words: the workers produce capital.

²⁰ “Capital pre-supposes wage-labor, and wage-labor pre-supposes capital. One is a necessary condition to the existence of the other; they mutually call each other into existence. Does an operative in a cotton-factory produce nothing but cotton goods? No, he produces capital. He produces values that give fresh command over...
3. [Reproduction of Separation of Producers from Means of Production]

his labor, and that, by means of such command, create fresh values.” (Karl Marx: “Lohnarbeit und Kapital,” in the Neue Rheinische Zeitung: No. 266, 7th April, 1849.) The articles published under the above title in the N. Rh. Z. are parts of some lectures given by me on that subject, in 1847, in the German “Arbeiter-Verein” at Brussels, the publication of which was interrupted by the revolution of February.

Simple reproduction, as discussed in chapter Twenty-Three, is not an option for the capitalist. The laws of capitalism do not permit a steady state but require growth. Marx nevertheless discussed reproduction first, because reproduction is a systemic necessity for any viable economic system, whether capitalist or not. Any economic organization of production must be such that it maintains and reproduces its structure over time. For capitalism, an additional requirement exists, which is often in contradiction with the requirement for reproduction, namely, this reproduction must be expanded reproduction (there must be economic “growth”).
1. Expanded Reproduction. Inversion of the Property Laws

1. The Capitalist Production Process on an Expanded Scale. The Inversion by which the Property Laws of Commodity Production become Laws of Capitalist Appropriation

“Umschlag” is “inversion” in Ben Fowkes’s translation and “transition” in the Moore-Aveling translation. The above translation “inversion by which” makes it clearer than Fowkes that this inversion comes from the inside, not the outside.

725:1 Earlier we investigated how surplus-value arises from capital; now we have to see how capital arises from surplus-value. The application of surplus-value as capital, its reconversion into capital, is called accumulation of capital.21

605:1 Früher hatten wir zu betrachten, wie der Mehrwert aus dem Kapital, jetzt wie das Kapital aus dem Mehrwert entspringt. Anwendung von Mehrwert als Kapital oder Rückverwandlung von Mehrwert in Kapital heißt Akkumulation des Kapitals.21
Transformation of Surplus-Value into Capital


This introductory paragraph defines the word “accumulation.” At the same time, it defines the place of chapter Twenty-Four in the logical development of Capital. It is not enough to investigate how surplus-value emanates from capital; with this, the process is not yet completed. We also have to understand the converse, how capital arises from surplus-value. This closes the circle: capital arising from capital.

1.a. [Expanded Reproduction]

The next may seem surprising. Marx first looks at accumulation from the point of view of the individual capitalist. This does not mean that he tries to reduce the social process of the accumulation of capital to individual actions and motivations. His look at the individual is only a prelude of an exploration, in a second step, of the social conditions that must hold for
1. Expanded Reproduction. Inversion of the Property Laws

this individual activity to be possible.

725:2 First let us consider this transaction from the standpoint of the individual capitalist. Suppose a spinner to have advanced a capital of £10,000, of which four-fifths (£8,000) are laid out in cotton, machinery, etc., and one-fifth (£2,000) in wages. Let him produce 240,000 lbs. of yarn annually, having a value of £12,000. The rate of surplus-value being 100%, the surplus-value lies in the surplus or net product of 40,000 lbs. of yarn, one-sixth of the gross product, with a value of £2,000 which will be realised by a sale.

The annual product of £12,000 splits up into £8000c + £2000v + £2000s.

£2,000 is £2,000. We can neither see nor smell in this sum of money a trace of


surplus-value. When we know that a given value is surplus-value, we know how its owner came by it; but that does not alter the nature either of the value or of the money.

The money representing surplus-value looks, feels, and smells exactly the same as the money which is the backflow of the original capital. If he wants to convert the additional money into capital, he will therefore do the same with it as he did with the original money. (This argument is related to 252:2/o.)

725:3/o In order to convert this additional sum of £2,000 into capital, the master-spinner will, all circumstances remaining as before, advance four-fifths of it (£1,600) in the purchase of cotton, etc., and one-fifth (£400) in the purchase of additional spinners, who will find in the market the necessaries of life whose value the master has

605:3/o Um die neu hinzugekommene Summe von 2000 Pfd.St. in Kapital zu wandeln, wird also der Spinner, alle andern Umstände gleichbleibend, vier Fünftel davon vorschießen im Ankauf von Baumwolle usw. und ein Fünftel im Ankauf neuer Spinnarbeiter, die auf dem Markte die Lebensmittel finden werden, deren Wert er ihnen vorge-
1. Expanded Reproduction. Inversion of the Property Laws

advanced to them. Then the new capital of £2,000 functions in the spinning-mill, and brings in, in its turn, a surplus-value of £400. schlossen hat. Dann fungiert das neue Kapital von 2000 Pfd.St. in der Spinnerei und bringt seinerseits einen Mehrwert von 400 Pfd. ein.

Second year: old capital as in first year: £12,000 = 8000c + 2000v + 2000s. Surplus-value: £2,400 = 1600c + 400v + 400s. Etc. We all have enough experience with market economies to know that this is how it’s being done in the practical “business as usual.”

For the individual capitalist, accumulation is therefore easy: he treats the surplus-value the same way as he treats the backflow of his constant and variable capital. If Marx’s usual assumption holds that demand equals supply, then the additional means of production and the means of consumption for the additional workers are readily available on the market. The individual capitalist will therefore be vindicated in his practical activity, and may not even be aware that very specific social conditions are necessary for his actions. However the fulfilment of these conditions is by no means a matter of course. To develop the necessary conditions so that the individual capitalist’s assumptions can be ratified by the market, Marx first shows that there is a difference between capital value and surplus-value after all: The capital value returns to its original form, money, and therefore is simply repeating its circuit, while the original form of the surplus-value is the surplus-product, not money. This is a
24. Transformation of Surplus-Value into Capital

point Marx discusses also in volume 2, 167:5/o.

726:1 The capital-value was originally advanced in the money-form. By contrast, the surplus-value exists, originally, as the value of a definite portion of the gross product.

This is a qualification of the last sentence of 725:2, which said that from the individual point of view there was no difference. A closer look shows that there is a difference after all. When this gross product is sold, converted into money, the capital-value regains its original form, but the surplus-value assumes a form of existence different from its original one.

But this difference pertains only to the first transaction made by the surplus-value. After this, the transactions on the surface of the economy look exactly alike:

From this moment on, however, the capital-value and the surplus-value are both sums 2258
1. Expanded Reproduction. Inversion of the Property Laws

of money, and their reconversion into capital takes place in precisely the same way. The one, as well as the other, is laid out by the capitalist in the purchase of commodities that place him in a position to begin afresh the fabrication of his goods, the only difference being that this time it is on an extended scale.

The surface transactions can only be this smooth if the composition of the overall social product is just right.

But in order to be able to buy those commodities, he must find them ready in the market.

But the conditions under which he finds these things on the market are not generated on the market but in production.

726:2 His own yarns circulate only because he brings his annual product to market. 606:2 Seine eignen Garne zirkulieren nur, weil er sein Jahresprodukt auf den Markt
transformation of surplus-value into capital

ket, as all other capitalists likewise do with their commodities. But these commodities, before coming to market, were part of the general annual product, part of the total mass of objects of every kind, into which the sum of the individual capitals, i.e., the total capital of society, had been converted in the course of the year, and of which each capitalist had in hand only an aliquot part. The transactions in the market effectuate only the interchange of the individual components of this annual product, transfer them from one hand to another, but can neither augment the total annual production, nor alter the nature of the objects produced. Hence the use, that can be made of the total annual product, depends entirely upon its brings, wie das alle andern Kapitalisten mit ihren Waren ebenfalls tun. Aber ehe sie auf den Markt kamen, hatten sie sich schon befunfen im jährlichen Produktionsfonds, d.h. der Gesamtmasse der Gegenstände aller Art, worin die Gesamtsumme der Einzelkapitale oder das gesellschaftliche Gesamtkapital im Laufe des Jahres sich verwandelt und wovon jeder Einzelkapitalist nur einen aliquoten Teil in Händen hat. Die Vorgänge auf dem Markt bewerkstelligen nur den Umsatz der einzelnen Bestandteile der Jahresproduktion, schicken sie von einer Hand in die andre, aber sie können weder die Gesamtjahresproduktion vergrößern noch die Natur der produzierten Gegenstände ändern. Welcher Gebrauch also von dem jährlichen Ge-
1. Expanded Reproduction. Inversion of the Property Laws

own composition, but in no way upon circulation.

I.e., in order to see why the market transactions, which the capitalist enters almost as a matter of course, can indeed be completed successfully, we must look beyond the market, at the production underneath.

Now Marx develops the conditions which the annual product must satisfy. How must the annual product be composed for accumulation to be possible?

726:3 The annual production must in the first place furnish all those objects (use-values) from which the material components of capital, used up in the course of the year, have to be replaced.

It is therefore obvious in which natural form the constant and variable capital must exist. But what about the surplus-value?

Deducting these there remains the net or surplus-product, in which the surplus-value

samtprodukt gemacht werden kann, das hängt ab von seiner eigenen Zusammensetzung, keineswegs aber von der Zirkulation.

606:3 Zunächst muß die Jahresproduktion alle die Gegenstände (Gebrauchswerte) liefern, aus denen die im Lauf des Jahres verbrauchten sachlichen Bestandteile des Kapitals zu ersetzen sind.

Nach Abzug dieser bleibt das Netto- oder Mehrprodukt, worin der Mehrwert steckt.
lies. And of what does this surplus-product consist?

Now Marx starts an elimination argument, he goes through all the possibilities for this part of the value:

Only of things destined to satisfy the wants and desires of the capitalist class, things which, consequently, enter into the consumption-fund of the capitalists? Were that the case, the cup of surplus-value would be drained to the very dregs, and nothing but simple reproduction would ever take place.

Since we know that accumulation indeed takes place, not all of the surplus-product can enter capitalist consumption:

To accumulate it is necessary to convert a portion of the surplus-product into capital. But we cannot, except by a miracle, convert into capital anything but such arti-
1. Expanded Reproduction. Inversion of the Property Laws

cles as can be employed in the labor-process (\textit{i.e.}, means of production), and such further articles as are suitable for the sustenance of the laborer (\textit{i.e.}, means of subsistence).

Now we know which form the surplus-product is taking (and this must have happened before the market transactions take place):

Consequently, a part of the annual surplus-labor must have been applied to the production of additional means of production and subsistence, over and above the quantity of these things required to replace the capital advanced. In one word, surplus-value is convertible into capital solely because the surplus-product, whose value it is, already comprises the material elements of new capital.\textsuperscript{21a}

\textsuperscript{21a} We here take no account of export trade,
by means of which a nation can change articles of luxury either into means of production or means of subsistence, and *vice versa.*’ In order to examine the object of our investigation in its integrity, free from all disturbing subsidiary circumstances, we must treat the whole world as one nation, and assume that capitalist production is everywhere established and has possessed itself of every branch of industry.

 Prior production must have had the right proportions to ensure this. Marx makes here the assumption that it did. This is similar to 711:2. In addition to these products also an enlarged supply of labor-power is necessary. But since ordinary wages are high enough to allow for the growth of the working-class, this does not present an additional constraint:

 727:1 Now in order to allow of these elements actually functioning as capital, the capitalist class requires additional labor. If the exploitation of the laborers already employed do not increase, either extensively

 607:1 Um nun diese Bestandteile tatsächlich als Kapital fungieren zu lassen, bedarf die Kapitalistenklasse eines Zuschusses von Arbeit. Soll nicht die Ausbeutung der schon beschäftigten Arbeiter extensiv oder intensiv
1. Expanded Reproduction. Inversion of the Property Laws

or intensively, then additional labor-power must be found. For this the mechanism of capitalist production provides beforehand, by converting the working-class into a class dependent on wages, a class whose ordinary wages suffice, not only for its maintenance, but for its increase.

⇓ To reconvert surplus-value into capital, capital simply has to put the additional means of production on line and hire the workers to run them:

It is only necessary for capital to incorporate this additional labor-power, annually supplied by the working-class in the shape of laborers of all ages, with the surplus means of production comprised in the annual product, and the conversion of surplus-value into capital is complete.

Diesen, ihm durch die Arbeiterklasse auf verschiedenen Altersstufen jährlich gelieferten, zuschüssigen Arbeitskräfte braucht das Kapital nur noch den in der Jahresproduktion schon enthaltenen zuschüssigen Produktionsmitteln einzuverleiben, und die Verwandlung des Mehrwerts in Kapital ist fertig.
24. Transformation of Surplus-Value into Capital

The difference between simple reproduction and accumulation is therefore only quantitative.

From a concrete point of view, accumulation resolves itself into the reproduction of capital on a progressively increasing scale. The circle in which simple reproduction moves, alters its form and, to use Sismondi’s expression, changes into a spiral.\textsuperscript{21b}

\textsuperscript{21b} Sismondi’s analysis of accumulation suffers from the great defect, that he contents himself, to too great an extent, with the phrase “conversion of revenue into capital,” without fathoming the material conditions of this operation.

Note that accumulation requires (1) the decision by the capitalists to reinvest the surplus-value, (2) availability of the products on the market, (3) availability of labor-power on the market. There is no guarantee that those go together.

This concludes the first half of section 1 corresponding to the first part of the title: cap-
1. **Expanded Reproduction. Inversion of the Property Laws**

Marx discusses the inversion of the laws of appropriation that occurs during the development from the simple production of commodities to capitalism. For this he first develops what these laws of property are, before their inversion, and he shows that the surplus-value does not fit into the commonly given explanation:

### 1.b. [Origin of Property]

Marx returns to the individual capitalist re-investing his surplus-value and asks: where does the capitalist have the original capital from?

Let us now return to our illustration. It is the old story: Abraham begat Isaac, Isaac begat Jacob, and so on. The original capital of £10,000 brings in a surplus-value of £2,000, which is capitalised. The new capital of £2,000 brings in a surplus-value of £400, and this, too, is capitalised. The new capital of £2,000 brings in a surplus-value of £400, and this, too, is capitalised.
24. Transformation of Surplus-Value into Capital

italised, converted into a second additional capital, which, in its turn, produces a further surplus-value of £80. And so the ball rolls on.

In the real world, the capitalists cannot convert all surplus-value into capital because they have to live, but Marx abstracts from this here:

728:1 We here leave out of consideration the portion of the surplus-value consumed by the capitalist.

We are also not concerned here whether accumulation is done by the capitalist who earned this surplus-value, or by a different one:

Just as little does it concern us, for the moment, whether the additional capital is joined on to the original capital, or is separated from it to function independently; whether the same capitalist, who accumulated it, employs it, or whether he hands it over to another.
over to another.

The next passage says that capitalist growth is compounded, i.e., exponential growth:

This only we must not forget, that by the side of the newly-formed capital, the original capital continues to reproduce itself, and to produce surplus-value, and that this is also true of all accumulated capital, and the additional capital engendered by it.

Perhaps Marx wanted to emphasize where the metaphor with Adam, Isaac, and Jacob has its limits. In the biblical example, Adam has stopped having his own offspring when Isaac begets Jacob, but with capital the original capital continues generating children alongside its grandchildren and greatgrandchildren.

The first question regarding the conditions of this accumulation process asks: where does the capital stock of £ 12,000 at the beginning of the second year come from? The origin of one part of it, the original £ 10,000, is clear.

728:2 The original capital was formed | 608:1 Das ursprüngliche Kapital bildete
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by the advance of £10,000. How did the owner become possessed of it? “By his own labor and that of his forefathers,” answer unanimously the spokespeople of Political Economy.\(^\text{21c}\) And, in fact, their supposition seems to be the only one consonant with the laws of the production of commodities.


\(\uparrow\) Marx does not agree with this answer. In order to prepare his case, he contrasts this alleged origin of the original capital with the origin of the new part of the capital, which we know very well because we just witnessed it:

\(728:3\) But it is quite otherwise with regard to the additional capital of £2,000. How that originated we know perfectly well. There is not one single atom of its value that does not

owe its existence to unpaid labor.

Next Marx is talking about the origin of the generation of capital after this. Here it is not only unpaid labor, but even the capital hiring this laborer comes originally from the laborer himself.

The means of production, with which the additional labor-power is incorporated, as well as the necessaries with which the laborers are sustained, are nothing but component parts of the surplus-product, of the tribute annually exacted from the working-class by the capitalist class. Though the latter with a portion of that tribute purchases the additional labor-power even at its full price, so that equivalent is exchanged for equivalent, yet the transaction is for all that only
the old dodge of every conqueror who buys commodities from the conquered with the money he has robbed them of.

↑ This is the same example mentioned in 264:2.

In order to make the social connection palatable, Marx first looks at the situation in which the surplus-value created by a given worker is converted into capital which employs this same worker:

728:4/o If the additional capital employs the person who produced it, this producer must not only continue to augment the value of the original capital, but must buy back the fruits of his previous labor with more labor than they cost.

Isn’t it a good use of the unpaid labor of the workers to hire more workers? As Marx will argue in more detail in chapter Twenty-Five, see e.g. 768/oo, this increased demand will never reach the point where it threatens the dependence of the laborers on capital:

When viewed as a transaction between the
1. Expanded Reproduction. Inversion of the Property Laws

capitalist class and the working-class, it makes no difference that additional laborers are employed by means of the unpaid labor of the previously employed laborers. The capitalist may even convert the additional capital into a machine that throws the producers of that capital out of work, and that replaces them by a few children. In every case the working-class creates by the surplus-labor of one year the capital destined to employ additional labor in the following year. And this is what is called: creating capital out of capital.


klasse und der Arbeiterklasse betrachtet, ändert es nichts an der Sache, wenn mit der unbezahlten Arbeit der bisher beschäftigten Arbeiter zuschüssige Arbeiter beschäftigt werden. Der Kapitalist verwandelt vielleicht auch das Zusatzkapital in eine Maschine, die den Produzenten des Zusatzkapitals aufs Pflaster wirft und durch ein paar Kinder ersetzt. In allen Fällen hat die Arbeiterklasse durch ihre diesjährige Mehrarbeit das Kapital geschaffen, das im nächsten Jahr zuschüssige Arbeit beschäftigen wird. Das ist es, was man nennt: Kapital durch Kapital erzeugen.

22 „Die Arbeit schafft das Kapital, bevor das Kapital die Arbeit anwendet.“ („Labor creates capital, before capital employs labor.“) (E. G. Wakefield, „England and America“, London 1833, v. II,
1.c. [Inversion of the Property Laws]

Now Marx goes back to the example of the individual capitalist and carries it over several production periods. He uses this example to illustrate how the property laws of commodity production (according to which one acquires property of something only by one’s own labor) are turned upside down under capitalism.

729:1 The accumulation of the first additional capital of £2,000 pre-supposes a value of £10,000 belonging to the capitalist by virtue of his “primitive labor,” and advanced by him. The second additional capital of £400 pre-supposes, on the contrary, only the previous accumulation of the £2,000, of which the £400 is the surplus-value capitalised. The ownership of past unpaid labor

1. Expanded Reproduction. Inversion of the Property Laws

therefore appears as the sole condition for the appropriation of living unpaid labor on a constantly increasing scale. The more the capitalist has accumulated, the more is he able to accumulate.

729:2/o In so far as the surplus-value, of which the additional capital, No. 1, consists, is the result of the purchase of labor-power with part of the original capital, a purchase that conformed to the laws of the exchange of commodities, and that, from a legal standpoint, pre-supposes nothing beyond the free disposal, on the part of the laborer, of his own capacities, and on the part of the owner of money or commodities, of the values that belong to him; in so


609:2/o Insofern der Mehrwert, woraus Zusatzkapital Nr. I besteht, das Resultat des Ankaufs der Arbeitskraft durch einen Teil des Originalkapitals war, ein Kauf, der den Gesetzen des Warenaustausches entsprach, und, juristisch betrachtet, nichts voraussetzt als freie Verfügung auf seiten des Arbeiters über seine eigenen Fähigkeiten, auf seiten des Geld- oder Warenbesitzers über ihm gehörige Werte; sofern Zusatzkapital Nr. II usw. bloß Resultat von Zusatzkapital Nr. I, also
24. Transformation of Surplus-Value into Capital

far as the additional capital, No. 2, etc., is the mere result of No. 1, and, therefore, a consequence of the above conditions; in so far as each single transaction invariably conforms to the laws of the exchange of commodities, the capitalist buying labor-power, the laborer selling it, and we will assume at its real value; in so far as all this is true, it is evident that the laws of appropriation or of private property, laws that are based on the production and circulation of commodities, become by their own inner and inexorable dialectic changed into their very opposite.

There is “evidently” a dialectic involved because everything strictly follows the laws of commodity exchange, yet the result is opposite to the principles governing simple commodity production and exchange.

The exchange of equivalents, the original
1. Expanded Reproduction. Inversion of the Property Laws

operation with which we started, has now become turned round in such a way that only the mere semblance of exchange remains. This is owing to the fact, first, that the capital which is exchanged for labor-power is itself but a portion of the product of others’ labor appropriated without an equivalent; and, secondly, that this capital must not only be replaced by its producer, but replaced together with an added surplus. The relation of exchange between capitalist and laborer becomes a mere semblance appertaining to the process of circulation, a mere form which is foreign to the content itself and only mystifies it. The ever repeated purchase and sale of labor-power is now the mere form; what really takes place is die ursprüngliche Operation erschien, hat sich so gedreht, daß nur zum Schein ausgetauscht wird, indem erstens der gegen Arbeitskraft ausgetauschte Kapitalteil selbst nur ein Teil des ohne Äquivalent angeneigten fremden Arbeitsproduktes ist und zweitens von seinem Produzenten, dem Arbeiter, nicht nur ersetzt, sondern mit neuem Surplus ersetzt werden muß. Das Verhältnis des Austausches zwischen Kapitalist und Arbeiter wird also nur ein dem Zirkulationsprozeß angehöriger Schein, bloße Form, die dem Inhalt selbst fremd ist und ihn nur mystifiziert. Der beständige Kauf und Verkauf der Arbeitskraft ist die Form. Der Inhalt ist, daß der Kapitalist einen Teil der bereits vergebenständlichten fremden Arbeit, die er sich unaufhörlich oh-
24. **Transformation of Surplus-Value into Capital**

The capitalist first appropriates, without equivalent, a portion of the materialised labor of others, and then exchanges a part of it for a greater quantity of living labor.

The equitable exchange between capitalist and laborer on the surface of the economy is a mere form which is alien to, and disguises, the content of this transaction.

At first the rights of property seemed to us based on a man’s own labor. This had at least to be a valid assumption, because only commodity-owners with equal rights confronted each other, and the sole means by which a person could become possessed of the commodities of others, was by alienating his own commodities; and these could be replaced by labor alone. Now, however, property turns out to be the right, on the part of the capitalist, to appropriate the unpaid
1. Expanded Reproduction. Inversion of the Property Laws

labor of others or its product, and the im-
possibility, on the part of the laborer, of ap-
propriating his own product. The separation
of property from labor has become the nec-
essary consequence of a law that seemed to
originate in their identity.  

23 The property of the capitalist in the product
of the labour of others “is a strict consequence of
the law of appropriation, the fundamental prin-
cipal of which was, on the contrary, the exclusive
title of every laborer to the product of his own la-
bor.” (Cherbuliez, “Richesse ou Pauvreté,” Paris,
1841, p. 58, where, however, the dialectical re-
versal is not properly developed.)

Since the laws of commodity exchange are not violated in this inversion of the property
laws, this inversion must come from the own inexorable dialectic of these property laws.

The 4th German edition gives here once more a systematic review of all the different steps

anzueignen. Die Scheidung zwischen Eigen-
tum und Arbeit wird zur notwendigen Konse-
quenz eines Gesetzes, das scheinbar von ihrer
Identität ausging.  

23 Das Eigentum des Kapitalisten an dem frem-
den Arbeitsprodukt „ist strenge Konsequenz des
Gesetzes der Aneignung, dessen Fundamental-
prinzip umgekehrt der ausschließliche Eigentums-
titel jedes Arbeiters am Produkt seiner eignen Ar-
beit war“. (Cherbuliez, „Richesse ou Pauvreté“, 
Paris 1841, p. 58, wo jedoch dieser dialektische
Umschlag nicht richtig entwickelt wird.)
leading to capital accumulation. All transactions in the logical development of capital are based on the laws of commodity production and do not violate them.

Therefore, however much the capitalist mode of appropriation may seem to fly in the face of the original laws of commodity production, it nevertheless arises, not from a violation, but, on the contrary, from the application of these laws. Let us make this clear once more by briefly reviewing the consecutive phases of motion whose culminating point is capitalist accumulation.

This overview distinguishes three phases. In each of these phases, a paradoxical result is obtained:

First step: the original conversion of money into capital is strictly in keeping with the laws of commodity exchange:

We saw, in the first place, that
1. Expanded Reproduction. Inversion of the Property Laws

the original conversion of a sum of values into capital was achieved in complete accordance with the laws of exchange. One party to the contract sells his labor-power, the other buys it. The former receives the value of his commodity, whose use-value—labor—is thereby alienated to the buyer. Means of production which already belong to the latter are then transformed by him, with the aid of labor equally belonging to him, into a new product which is likewise lawfully his.

Now Marx (or is it Engels?) looks at every component of the value of the end product, to see whether something funny is happening:

730:3/o The value of this product includes: first, the value of the used-up means of production. Useful labor cannot consume

610:3 Der Wert dieses Produkts schließt ein: erstens den Wert der verbrauchten Produktionsmittel. Die nützliche Arbeit kann
these means of production without transferring their value to the new product, but, to be saleable, labor-power must be capable of supplying useful labor in the branch of industry in which it is to be employed.

This ties into the discussion in chapter Eight, 307:4/o, that it is the useful labor which transfers value.

731:1 The value of the new product further includes: the equivalent of the value of the labor-power together with a surplus-value.

The addition of a surplus-value is a surprise here, which needs more of an explanation: This is so because the value of the labor-power—sold for a definite length of time, say a day, a week, etc.—is less than the value created by its use during that time.

610:4 Der Wert des neuen Produkts schließt ferner ein: das Äquivalent des Werts der Arbeitskraft und einen Mehrwert.

Und zwar deshalb, weil die für einen bestimmten Zeitraum, Tag, Woche etc., verkauften Arbeitskraft weniger Wert besitzt, als ihr Gebrauch während dieser Zeit schafft.
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However this is not a violation of the laws of commodity exchange.

But the worker has received payment for the exchange-value of his labor-power and by so doing has alienated its use-value—this being the case in every sale and purchase.

731:2 The fact that this particular commodity, labor-power, possesses the peculiar use-value of supplying labor, and therefore of creating value, cannot affect the general law of commodity production. If, therefore, the magnitude of value advanced in wages is not merely found again in the product, but is found there augmented by a surplus-value, this is not because the seller has been defrauded, for he has really received the value of his commodity; it has its origin in the consumption of this commodity by the buyer.

Der Arbeiter aber hat den Tauschwert seiner Arbeitskraft bezahlt erhalten und hat damit ihren Gebrauchswert veräußert—wie das bei jedem Kauf und Verkauf der Fall.

610:5 Daß diese besondere Ware Arbeitskraft den eigentümlichen Gebrauchswert hat, Arbeit zu liefern, also Wert zu schaffen, das kann das allgemeine Gesetz der Warenproduktion nicht berühren. Wenn also die in Arbeitslohn vorgeschobene Wertsumme sich in Produkt nicht bloß einfach wieder vorfindet, sondern um einen Mehrwert vermehrt vorfindet, so rührt dies nicht her aus einer Übervorteilung des Verkäufers, der ja den Wert seiner Ware erhalten, sondern nur aus dem Verbrauch dieser Ware durch den Käufer.
And this consumption is beyond the realm of commodity exchange; commodity owners can do with their commodities what they want.

731:3 The law of exchange requires equality only between the exchange-values of the commodities given in exchange for one another. From the very outset it presupposes even a difference between their use-values and it has nothing whatever to do with their consumption, which only begins after the deal is closed and executed.

The laws of commodity exchange have therefore not been violated.

731:4–7 Thus the original conversion of money into capital is achieved in the most exact accordance with the economic laws of commodity production and with the right of property derived from them.

Nevertheless one obtains a paradoxical result in this first step of the argument: the product
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of the labor does not belong to the producer. Nevertheless, its result is:

1. that the product belongs to the capitalist and not to the worker;
2. that the value of this product includes, besides the value of the capital advanced, a surplus-value which costs the worker labor but the capitalist nothing, and which none the less becomes the legitimate property of the capitalist;
3. that the worker has retained his labor-power and can sell it anew if he finds a buyer.

This last point was not mentioned before: discrepancy between form of content.

Second step, simple reproduction. The repetition of the law cannot overturn it, but now one obtains the paradoxical result that the capitalists get to consume for free.

731:8/o Simple reproduction is only the
periodical repetition of this first operation; each time money is converted afresh into capital. Thus the law is not broken; on the contrary, it is merely enabled to operate continuously.

“Several successive acts of exchange have only made the last represent the first” (Sismondi, “Nouveaux Principes, etc.,” p. 70).

732:1 And yet we have seen that simple reproduction suffices to stamp this first operation, in so far as it is conceived as an isolated process, with a totally changed character.

“Of those who share the national income among themselves, the one side (the workers) acquire every year a fresh right to their share by fresh work; the others (the capitalists) have already acquired, by work done originally, a
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permanent right to their share” (Sismondi, l.c., pp. 110, 111).

It is indeed notorious that the sphere of labor is not the only one in which primogeniture works miracles.

Third step, accumulation. The miracle, which in simple reproduction only pertained to the consumption of the capitalists, applies now also to their advances of capital. Capitalists no longer only get to consume for free because they advanced their capital once in the past, but they also get to advance their capital for free.

732:2 Nor does it matter if simple reproduction is replaced by reproduction on an extended scale, by accumulation. In the former case the capitalist squanders the whole surplus-value in dissipation, in the latter he demonstrates his bourgeois virtue by consuming only a portion of it and converting the rest into money.

primitif.“ (Sismondi, l.c. p. 110, 111.)

Das Gebiet der Arbeit ist bekanntlich nicht das einzige, wo die Erstgeburt Wunder tut.

612:2 Es verschlägt auch nichts, wenn die einfache Reproduktion ersetzt wird durch die Reproduktion auf erweiterter Stufenleiter, durch die Akkumulation. Bei jener vermöbelt der Kapitalist den gesamten Mehrwert, bei dieser beweist er seine Bürgertugend durch Verzehrung nur eines Teils, und Verwandlung des Restes in Geld.
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Now interpretation of this activity (re-investing part of surplus-value) from the individual point of view:

732:3 The surplus-value is his property; it has never belonged to anyone else. If he advances it for the purposes of production, the advances made come from his own funds, exactly as on the day when he first entered the market. The fact that on this occasion the funds are derived from the unpaid labor of his workers makes absolutely no difference. If worker \( B \) is paid out of the surplus-value which worker \( A \) produced, then, in the first place, \( A \) furnished that surplus-value without having the just price of his commodity cut by a half-penny, and, in the second place, the transaction is no concern of \( B \)’s whatever. What \( B \) claims, and has a right

612:3–4 Der Mehrwert ist sein Eigentum, er hat nie einem andern gehört. Schießt er ihn zur Produktion vor, so macht er, ganz wie am Tag, wo er zuerst den Markt beschritt, Vorschüsse aus seinem eignen Fonds. Daß dieser Fonds diesmal aus der unbezahlten Arbeit seiner Arbeiter stammt, tut absolut nichts zur Sache. Wird Arbeiter \( B \) beschäftigt mit dem Mehrwert, den Arbeiter \( A \) produziert hat, so hat erstens \( A \) diesen Mehrwert geliefert, ohne daß man ihm den gerechten Preis seiner Ware um einen Heller verkürzt hat, und zweitens geht dies Geschäft den \( B \) überhaupt nichts an. Was \( B \) verlangt und das Recht hat zu verlangen, ist, daß der Kapitalist ihm den
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to claim, is that the capitalist should pay him the value of his labor-power.

"Both were still gainers: the worker because he was advanced the fruits of his labor" (should read: of the unpaid labor of other workers) "before the work was done" (should read: before his own labor had borne fruit); "the employer (le maître), because the labor of this worker was worth more than his wages" (should read: produced more value than the value of his wages). (Sismondi, l.c., p. 135.)

The discrepancy, which we have seen now in an escalating three-step sequence, comes from the fact that the laws of commodity exchange only deal with isolated acts of exchange and with individual buyers and sellers. The snapshot view of such isolated acts cannot explain the continuous flow of production and the relations between whole classes. Commodity exchange must be viewed as the merely superficial gears and levers that keep the class relations going. It does not reveal what these class relations themselves are.

732:4 To be sure, the matter looks quite

Wert seiner Arbeitskraft zahle.

„Tous deux gagnaient encore; l’ouvrier parce qu’on lui avançait les fruits de son travail“ (soll heißen du travail gratuit d’autres ouvriers) „avant qu’il fût fait;“ (soll heißen: avant que le sien ait porté de fruit) „le maître, parce que le travail de cet ouvrier valait plus que le salaire“ (soll heißen: produisait plus de valeur que celle de son salaire). (Sismondi, l.c. p. 135.)

612:5 Allerdings sieht die Sache ganz an-
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different if we consider capitalist production in the uninterrupted flow of its renewal, and if, in place of the individual capitalist and the individual worker, we view in their totality, the capitalist class and the working-class confronting each other. But in so doing we should be applying standards entirely foreign to commodity production.

\[\text{⇓ The exchange acts are not only viewed in a snapshot fashion, they are also ontologically isolated!} \]

733:1 Only buyer and seller, mutually independent, face each other in commodity production. The relations between them cease on the day when the term stipulated in the contract they concluded expires. If the transaction is repeated, it is repeated as the result of a new agreement which has noth-

612:6 In der Warenproduktion stehn sich nur, voneinander unabhängig, Verkäufer und Käufer gegenüber. Ihre gegenseitigen Beziehungen sind zu Ende mit dem Verfalltag des zwischen ihnen abgeschlossenen Vertrags. Wiederholt sich das Geschäft, dann infolge eines neuen Vertrags, der mit dem vorherge-
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ing to do with the previous one and which only by chance brings the same seller together again with the same buyer.

733:2 If, therefore, commodity production, or one of its associated processes, is to be judged according to its own economic laws, we must consider each act of exchange by itself, apart from any connexion with the act of exchange preceding it and that following it. And since sales and purchases are negotiated solely between particular individuals, it is not admissible to seek here for relations between whole social classes.

Very important formulation! Makes it very clear that social relations are emergent from interpersonal relations, and that the laws of commodity exchange are interpersonal surface relations and not core relations.
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733:3 However long a series of periodical reproductions and preceding accumulations the capital functioning to-day may have passed through, it always preserves its original virginity. So long as the laws of exchange are observed in every single act of exchange the mode of appropriation can be completely revolutionised without in any way affecting the property rights which correspond to commodity production. These same rights remain in force both at the outset, when the product belongs to its producer, who, exchanging equivalent for equivalent, can enrich himself only by his own labor, and also in the period of capitalism, when social wealth becomes to an ever-increasing degree the property of those

613:2 Wie lang auch die Reihenfolge der periodischen Reproduktionen und vorhergegangnen Akkumulationen, die das heutete funktionierende Kapital durchgemacht hat, es bewahrt immer seine ursprüngliche Jungfräulichkeit. Solange bei jedem Austauschakt—einzeln genommen—die Gesetze des Austausches eingehalten werden, kann die Aneignungsweise eine totale Umwälzung erfahren, ohne das, der Warenproduktion gemäße, Eigentumsrecht irgendwie zu berühren. Dieses selbe Recht steht in Kraft wie am Anfang, wo das Produkt dem Produzenten gehört und wo dieser, Äquivalent gegen Äquivalent austauschend, sich nur durch eigene Arbeit bereichern kann, so auch in der kapitalistischen Periode, wo der gesellschaftli-
who are in a position to appropriate continually and ever afresh the unpaid labor of others.

The fact that commodity relations are interpersonal surface relationa and not core relations gives the possibility; the fact that labor-power is a commodity gives the necessity of the inversion of the law of appropriation.

733:4/o This result becomes inevitable from the moment there is a free sale, by the laborer himself, of labor-power as a commodity. But it is also only from then onwards that commodity production is generalised and becomes the typical form of production; it is only from then onwards that, from the first, every product is produced for sale and all wealth produced goes through the sphere of circulation. Only when and

613:3 Dies Resultat wird unvermeidlich, sobald die Arbeitskraft durch den Arbeiter selbst als Ware frei verkauft wird. Aber auch erst von da an verallgemeinert sich die Warenproduktion und wird sie typische Produktionsform; erst von da an wird jedes Produkt von vornherein für den Verkauf produziert und geht aller produzierte Reichtum durch die Zirkulation hindurch. Erst da, wo die Lohnarbeit ihre Basis, zwingt die Warenpro-
Transformation of Surplus-Value into Capital

where wage-labor is its basis does commodity production impose itself upon society as a whole; but only then and there also does it unfold all its hidden potentialities.

If commodity exchange seizes the whole social product only with the advent of the commodity labor-power, then the intervention of labor-power as a commodity cannot be an adulteration of commodity production,

To say that the supervention of wage-labor adulterates commodity production is to say that commodity production must not develop if it is to remain unadulterated. To the extent that commodity production, in accordance with its own inherent laws, develops further, into capitalist production, the property laws of commodity production change into the laws of capitalist appropriation.²⁴
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24 We may well, therefore, feel astonished at the cleverness of Proudhon, who would abolish capitalistic property by enforcing the eternal laws of property that are based on commodity production!

Now the concluding remark of this section:

734:1 We have seen that even in the case of simple reproduction, all capital, whatever its original source, becomes converted into accumulated capital, capitalised surplus-value. But in the flood of production all the capital originally advanced becomes a vanishing quantity (*magnitudo evanescens*, in the mathematical sense), compared with the directly accumulated capital, *i.e.*, with the surplus-value or surplus-product that is reconverted into capital, whether it functions

24 Man bewundere daher die Pfiffigkeit Proudhons, der das kapitalistische Eigentum abschaffen will, indem er ihm gegenüber—die ewigen Eigentumsgesetze der Warenproduktion geltend macht!

613:4 Man sah, daß selbst bei einfacher Reproduktion alles vorgeschoßne Kapital, wie immer ursprünglich erworben, sich in akkumuliertes Kapital oder kapitalisierten Mehrwert verwandelt. Aber im Strom der Produktion wird überhaupt alles ursprünglich vorgeschoßne Kapital eine verschwindende Größe (*magnitudo evanescens im mathematischen Sinn*), verglichen mit dem direkt akkumulierten Kapital, d.h. dem in Kapital rückverwandelten Mehrwert oder Mehrprodukt,
in the hands of its accumulator, or in those of others. Hence, Political Economy describes capital in general as “accumulated wealth” (converted surplus-value or revenue), “that is employed over again in the production of surplus-value,” and the capitalist as “the owner of surplus-value.” It is merely another way of expressing the same thing to say that all existing capital is accumulated or capitalised interest, for interest is a mere fragment of surplus-value.

25 “Capital, viz., accumulated wealth employed with a view to profit.” (Malthus, l.c.) “Capital ... consists of wealth saved from revenue, and used with a view to profit.” (R. Jones: 25 „Kapital ist akkumulierter Reichtum, ange- 

wandt, um Profit zu erzielen.“ (Malthus, l.c. [p. 262.]) „Kapital ... besteht aus Reichtum, von der Revenue erspart und zur Erzielung von Profit ge-
2. Erroneous Conception of Reproduction on an Increasing Scale by Political Economy

“An Introductory Lecture on Polit. Econ.,” Lond., 1833, p. 16.)


27 “Capital, with compound interest on every portion of capital saved, is so all engrossing that all the wealth in the world from which income is derived, has long ago become the interest on capital.” (London, Economist, 19th July, 1851.)

braucht.“ (R. Jones, „Text-book of lectures on the Political Economy of Nations“, Hertford 1852, p. 16.)

26 „Die Besitzer des Mehrprodukts oder Kapitals.“ („The Source and Remedy of the National Difficulties. A Letter to Lord John Russell“, Lond. 1821, [p. 4.])

Before we further investigate accumulation or the reconversion of surplus-value into capital, we must remove an ambiguity introduced by the classical economists.

The topic of this section is an *ambiguity* in the teachings of classical economists, i.e., a statement which is correct on the one hand and incorrect on the other. The statement in question is that accumulation of capital equals employment of productive laborers. Marx begins his discussion with a negative version of this statement which is clearly correct: the employment of laborers who perform personal services for the employer is *not* part of accumulation, these laborers are *unproductive*.

Just as little as the commodities that the capitalist buys with a part of the surplus-value for his own consumption, serve the purpose of production and of creation of value, so little is the labor that he...
buys for the satisfaction of his natural and social requirements, productive labor. Instead of converting surplus-value into capital, he, on the contrary, by the purchase of those commodities and that labor, consumes or expends it as revenue.

\[\downarrow\] This is why the economists preached: the accumulation of capital is the hiring of productive, not unproductive, workers. This was necessary at the origins of capitalism, to combat the feudalist sentiment “to consume what is at hand.”

In the face of the habitual mode of life of the old feudal nobility, which, as Hegel rightly says, “consists in consuming what is in hand,” and more especially displays itself in the luxury of personal retainers, it was extremely important for bourgeois economy to promulgate the doctrine that accumulation of capital is the first duty of every citizen, gung seiner natürlichen und sozialen Bedürfnisse kauft, produktive Arbeit. Statt durch den Kauf jener Waren und Arbeit den Mehrwert in Kapital zu verwandeln, verzehrt oder verausgabt er ihn umgekehrt als Revenue.

Gegenüber der altadligen Gesinnung, die, wie Hegel richtig sagt, „im Verzehren des Vorhandenen besteht“ und namentlich auch im Luxus persönlicher Dienste sich breitmacht, war es für die bürgerliche Ökonomie entscheidend wichtig, die Akkumulation des Kapitals als erste Bürgerpflicht zu verkünden und unermüdlich zu predigen: man kann nicht ak-
and to preach without ceasing, that a man cannot accumulate, if he eats up all his revenue, instead of spending a good part of it in the acquisition of additional productive laborers, who bring in more than they cost.

⇓ This is not the only popular misconception the early capitalists had to contend with; another misconception was that accumulation of capital is the same thing as hoarding.

On the other hand the economists had to contend against the popular prejudice, that confuses capitalist production with hoarding, and fancies that accumulated wealth is either wealth that is rescued from being destroyed in its existing form, \( i.e. \), from being consumed, or wealth that is withdrawn from circulation. Exclusion of money from circulation would also exclude absolutely its self-expansion as capital, if man seine ganze Revenue außt, statt einen guten Teil davon zu verausgaben in Werbung zuschüssiger produktiver Arbeiter, die mehr einbringen, als sie kosten.

Andrerseits hatte sie gegen das Volksvorurteil zu polemisieren, welches die kapitalistische Produktion mit der Schatzbildung verwechselt und daher wähnt, akkumulierter Reichtum sei Reichtum, welcher der Zerstörung in seiner vorhandenen Naturalform, also dem Verbrauch entzogen oder auch vor der Zirkulation gerettet werde. Verschluß des Geldes gegen die Zirkulation wäre grade das Gegenteil seiner Verwertung als Kapital.
2. Erroneous Conception

ital, while accumulation of a hoard in the shape of commodities would be sheer tomfoolery.\textsuperscript{28a}

28 “No political economist of the present day can by saving mean mere hoarding: and beyond this contracted and insufficient proceeding, no use of the term in reference to the national wealth can well be imagined, but that which must arise from a different application of what is saved, founded upon a real distinction between the different kinds of labor maintained by it.” (Malthus, l.c., pp. 38, 39.)

\textsuperscript{28a} Thus for instance, Balzac, who so thoroughly studied every shade of avarice, represents the old usurer Gobseck as in his second childhood when he begins to heap up a hoard of com-

und Warenakkumulation im schatzbildnerischen Sinn reine Narrheit.\textsuperscript{28a}

28 „Kein politischer Ökonom der heutigen Zeit kann unter Sparen nur Schatzbildung verstehen: und abgesehen von diesem abgekürzten und ungenügenden Verfahren, kann man sich keinen andren Gebrauch dieses Ausdrucks im Hinblick auf den nationalen Reichtum vorstellen als jenen, der aus der verschiedenen Verwendung des Ersparten hervorgehen muß und auf einer wirklichen Unterscheidung zwischen den verschiedenen Arten von Arbeit basiert, die davon erhalten werden.“ (Malthus, l.c. p. 38, 39.)

\textsuperscript{28a} So ist bei Balzac, der alle Schattierungen des Geizes so gründlich studiert hatte, der alte Wucherer Gobseck schon verkindisch, als er anfängt, sich einen Schatz aus aufgehäuften Waren zu bil-
Although accumulation of commodities as a means of accumulating wealth is foolish (since these commodities lose their use-value, see 289:3/o), one will neverthelesss find accumulation of commodities under capitalism. Marx gives three examples: market glut because of overproduction, durable consumer goods, and reserves.

The accumulation of commodities in great masses is the result either of overproduction or of a stoppage of circulation.²⁹ It is true that the popular mind is impressed by the sight, on the one hand, of the mass of goods that are stored up for gradual consumption by the rich,²⁹ᵃ and on the other hand, by the formation of reserve stocks; the latter, a phenomenon that is common to all modes of production, and on which we shall dwell for a moment, when we come to analyse circulation.
2. Erroneous Conception

29 “Accumulation of stocks ... non-exchange ... over-production.” (Th. Corbet, l.c., p. 104.)

29a In this sense Necker speaks of the “articles of pomp and magnificence,” whose “accumulation has increased with time” and which “the laws of property have assembled together in the hands of a single class of society.” (Oeuvres de M. Necker, Paris and Lausanne, 1789, t. ii., p. 291.)

So far Marx has given the justifications for the slogan that all accumulated capital should be converted into wages for productive laborers. Now Marx points out its errors:

736:1/0 Classical economy is therefore quite right, when it maintains that the consumption of surplus-products by productive, instead of by unproductive laborers, is a characteristic feature of the process of accumulation. But at this point the mistakes also

615:1–616:0 Soweit also ist die klassische Ökonomie im Recht, wenn sie den Verzehr von Mehrprodukt durch produktive Arbeiter statt durch unproduktive als charakteristisches Moment des Akkumulationsprozesses betont. Aber hier beginnt auch ihr Irrtum.
24. Transformation of Surplus-Value into Capital

begin. Adam Smith has made it the fashion, to represent accumulation as nothing more than consumption of surplus-products by productive laborers, which amounts to saying, that the capitalising of surplus-value consists in merely turning surplus-value into labor-power. Let us see what Ricardo, e.g., says:

"It must be understood that all the productions of a country are consumed; but it makes the greatest difference imaginable whether they are consumed by those who reproduce, or by those who do not reproduce another value. When we say that revenue is saved, and added to capital, what we mean is, that the portion of revenue, so said to be added to capital, is consumed by productive instead of unproductive laborers. There can be no greater error than

A. Smith hat es zur Mode gemacht, die Akkumulation bloß als Konsumtion des Mehrprodukts durch produktive Arbeiter oder die Kapitalisierung des Mehrwerts als dessen bloßen Umsatz in Arbeitskraft darzustellen. Hören wir z.B. Ricardo:

„Man muß verstehn, daß alle Produkte eines Landes konsumiert werden; aber es macht den größten Unterschied, den man denken kann, ob sie konsumiert werden durch solche, die einen anderen Wert reproduzieren, oder durch solche, die ihn nicht reproduzieren. Wenn wir sagen, daß Revenue erspart und zum Kapital geschlagen wird, so meinen wir, daß der Teil der Revenue, von dem es heißt, er sei zum Kapital geschlagen, durch produktive statt durch unpro-
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in supposing that capital is increased by non-consumption.”

30 Ricardo, l.c., p. 163, note.

737:1/o There can be no greater error than that which Ricardo and all subsequent economists repeat after A. Smith, viz., that “the part of revenue, of which it is said, it has been added to capital, is consumed by productive laborers.”

According to this, all surplus-value that is changed into capital becomes variable capital. So far from this being the case, the surplus-value, like the original capital, divides itself into constant capital and variable capital, into means of production and labor-power. Labor-power is the form un-

duktive Arbeiter verzehrt wird. Es gibt keinen größern Irrtum, als zu unterstellen, daß Kapital durch Nicht-Konsum vermehrt wird.“

30 Ricardo. l.c. p. 163, Note.

616:1 Es gibt keinen größern Irrtum als der dem A. Smith von Ricardo und allen späteren nachgeplauderte, daß „der Teil der Revenue, von dem es heißt, er sei zum Kapital geschlagen, von produktiven Arbeitern verzehrt wird“.

Nach dieser Vorstellung würde aller Mehrwert, der in Kapital verwandelt wird, zu variablem Kapital. Er teilt sich vielmehr, wie der ursprünglich vorgeschossene Wert, in konstantes Kapital und variables Kapital, in Produktionsmittel und Arbeitskraft. Arbeitskraft ist die Form, worin das variable Kapital in-
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der which variable capital exists during the process of production. In this process the labor-power is itself consumed by the capitalist while the means of production are consumed by the labor-power in the exercise of its function, labor. At the same time, the money paid for the purchase of the labor-power, is converted into necessaries, that are consumed, not by “productive labor,” but by the “productive laborer.” Adam Smith, by a fundamentally perverted analysis, arrives at the absurd conclusion, that even though each individual capital is divided into a constant and a variable part, the capital of society resolves itself only into variable capital, *i.e.*, is laid out exclusively in payment of wages.
Now Marx gives Ricardo’s erroneous reasoning:

For instance, suppose a cloth manufacturer converts £2,000 into capital. One portion he lays out in buying weavers, the other in woollen yam, machinery, etc. But the people, from whom he buys the yarn and the machinery, pay for labor with a part of the purchase money, and so on until the whole £2,000 are spent in the payment of wages, i.e., until the entire product represented by the £2,000 has been consumed by productive laborers.

Now Marx’s critique:

It is evident that the whole gist of this argument lies in the words “and so on,” which send us from pillar to post. In truth, Adam Smith breaks his investigation off, Z.B. ein Tuchfabrikant verwandle 2000 Pfd. St. in Kapital. Er legt einen Teil des Geldes im Ankauf von Webern aus, den andern Teil in Wollengarn, Wollenmaschinerie usw. Aber die Leute, von denen er das Garn und die Maschinerie kauft, zahlen wieder mit einem Teil davon Arbeit usw., bis die ganzen 2000 Pfd.St. in Zahlung von Arbeitslohn verausgabt sind oder das ganze durch die 2000 Pfd.St. repräsentierte Produkt durch produktive Arbeiter verzehrt ist.

Man sieht: die ganze Wucht dieses Arguments liegt in dem Wort „usw.“, das uns von Pontius zu Pilatus schickt. In der Tat, A. Smith bricht die Unteruchung grade da ab, wo
just where its difficulties begin.\textsuperscript{31}

\textsuperscript{31} In spite of his “Logic,” John St. Mill never even detects such faulty analysis as this when made by his predecessors, an analysis which, even from the bourgeois standpoint of the science, cries out for rectification. In every case he registers with the dogmatism of a disciple, the confusion of his master’s thoughts. So here: “The capital itself in the long run becomes entirely wages, and when replaced by the sale of produce becomes wages again.”

Marx himself does not exactly break off the analysis but, after emphasizing how complicated it is, refers the reader to \textit{Capital II}.

738:1 The annual process of reproduction is easily understood, so long as we keep in view merely the sum total of the year’s production. But every single component of this...
product must be brought into the market as a commodity, and there the difficulty begins. The movements of the individual capitals, and of the personal revenues, cross and intermingle and are lost in the general change of places, in the circulation of the wealth of society; this dazes the sight, and propounds very complicated problems for solution. In the third part of Book II. I shall give the analysis of the real bearings of the facts.

Now three concluding remarks. ¶ (1) The physiocrats were the first who tried to solve the problem using appropriate means:

It is one of the great merits of the Physiocrats, that in their Tableau économique they were the first to attempt to depict the annual production in the shape in which it


—Es ist das große Verdienst der Physiokräten, in ihrem Tableau economique zum ersten Mal den Versuch gemacht zu haben, ein Bild der Jahresproduktion zu geben in der
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is presented to us after passing through the process of circulation.$^{32}$

(2) Footnote 32 points to a related problem whose solution was also incorrect:

$^{32}$ In his description of the process of reproduction, and of accumulation, Adam Smith, in many ways, not only made no advance, but even lost considerable ground, compared with his predecessors, especially by the Physiocrats. Connected with the illusion mentioned in the text, is the really wonderful dogma, left by him as an inheritance to Political Economy, the dogma, that the price of commodities is made up of wages, profit (interest) and rent, \textit{i.e.}, of wages and surplus-value. Starting from this basis, Storch naively confesses, “Il est impossible de résoudre le prix nécessaire dans ses àlèments les plus simples.” (Storch, l.c., Petersb. Edit., 1815, t. ii., p. 141, note.) A fine science of economy this,

$^{32}$ A. Smith hat in der \textit{Darstellung} des Reproduktionsprozesses, daher auch der Akkumulation, nach mancher Seite hin nicht nur keine Fortschritte, sondern entschiedene Rückschritte gemacht im Vergleich zu seinen Vorgängern, namentlich den Physiokraten. Mit seiner im Text erwähnten \textit{Illusion} hängt das ebenfalls von ihm der politischen Ökonomie vererbte, wahrhaft fabelhafte Dogma zusammen, daß der Preis der Waren aus Arbeitslohn, Profit (Zins) und Grundrente, also bloß aus Arbeitslohn und Mehrwert zusammengesetzt ist. Von dieser Basis ausgehend, gesteht wenigstens Storch naiv: „Es ist unmöglich, den notwendigen Preis in seine einfachsten Elemente aufzulösen.“ (Storch, l.c., Petersb., Edit. 1815, t. II,
which declares it impossible to resolve the price of a commodity into its simplest elements! This point will be further investigated in the seventh part of Book III.

(3) Political economists exploit this error for their pro-capitalist apologetics.

738:2 For the rest, it is a matter of course, that Political Economy, acting in the interests of the capitalist class, has not failed to exploit the doctrine of Adam Smith, viz., that the whole of that part of the surplus-product which is converted into capital, is consumed by the working-class.

The Abstinence Theory

The topic of this section is the contradiction between individual consumption of the capitalists and accumulation. The first three pages 738:2–741:1 give general remarks about it.

Chapter Twenty-Three and the beginning of chapter Twenty-Four discussed the two limiting cases for the division of surplus-value: either none of it is reinvested, or all of it is reinvested. Actual capitalism is somewhere in-between:

738:2 In the preceding chapter, we treated surplus-value (or the surplus-product) solely as a fund for supplying the individual consumption of the capitalist. In the present chapter we have, so far, treated it solely as a fund for accumulation. It is, however, neither the one nor the other, but is both together. One portion is consumed by the capitalist as revenue,\(^{33}\) the other is employed as
capital, is accumulated.

The reader will notice, that the word revenue is used in a double sense: first, to designate surplus-value so far as it is the fruit periodically yielded by capital; secondly, to designate the part of that fruit which is periodically consumed by the capitalist, or added to the fund that supplies his private consumption. I have retained this double meaning because it harmonises with the language of the English and French economists.

738:3/o Given the mass of surplus-value, then, the larger the one of these parts, the smaller is the other. Caeteris paribus, the ratio of these parts determines the magnitude of the accumulation.

The question arises here who decides how much will be accumulated, and how much consumed. Answer: the capitalist. I.e., it is an individual decision, not an economic necessity.
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But it is by the owner of the surplus-value, by the capitalist alone, that the division is made. It is his deliberate act. That part of the tribute exacted by him which he accumulates, is said to be saved by him, because he does not eat it, i.e., because he performs the function of a capitalist, and enriches himself.

739:1 Only to the extent that the capitalist is personified capital does he have historical value and the historic right to exist—which, to use an expression of the witty Lichnowsky, “hasn’t got no date.”

618:2 Nur soweit der Kapitalist personifiziertes Kapital ist, hat er einen historischen Wert und jenes historische Existenzrecht, das, wie der geistreiche Lichnowski sagt, keinen Datum nicht hat.

⇑ The double negation “hasn’t got no date” means that capitalism’s right to exist is not eternal but historically transitory:

⇓ The dilemma here is that capitalist consumption negates capitalism’s albeit transitory historical mission:
And only to the extent that the capitalist is personified capital is the necessity for his own transitory existence implied in the transitory necessity for the capitalist mode of production. But, so far as he is personified capital, it is not values in use and the enjoyment of them, but exchange-value and its augmentation, that spur him into action. Fanatically bent on making value expand itself, he ruthlessly forces the human race to produce for production’s sake; he thus forces the development of the productive powers of society, and creates those material conditions, which alone can form the real basis of a higher form of society, a society in which the full and free development of every individual forms the ruling principle.

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Only as personification of capital is the capitalist respectable. As such, he shares with the miser the absolute drive for enrichment. But that which, in the case of the miser, appears as an individual mania, is, in the capitalist, the effect of the social mechanism in which he is but one of the drive-wheels.

A similar comparison between miser and capitalist was already given in 254:1. Marx has argued here that accumulation, as opposed to consumption, is a necessity for the individual capitalists, because the accumulation of capital is capitalism’s historical mission. How does this necessity enforce itself? If capitalists do not accumulate, then they fail to do that what justifies capitalism historically, which exposes the capitalist system to the tendency to be swept away as a historically redundant social formation. This is therefore not a law which is enforced by capitalist competition.

Marx then adds that in addition, the development of the capitalist mode of production makes accumulation a necessity (and this is, indeed, a law enforced by competition, as we know it generally from the laws of capitalism, see 433:1).
Besides, the development of capitalist production makes it constantly necessary to keep increasing the amount of the capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist, as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he cannot, except by means of progressive accumulation.

Nice passage about competition.

Next the conflict between consumption and accumulation in the capitalist:

So far, therefore, as his actions are a mere function of capital—endowed as capital is, in his person, with consciousness and a will—his own private consumption is a mere function of his capital. Let us now trace the development of this consumption as a function of capital.

Therefore, the development of capitalist production makes it constantly necessary to keep increasing the amount of the capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist, as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he cannot, except by means of progressive accumulation.

619:1 Soweit daher sein Tun und Lassen nur Funktion des in ihm mit Willen und Bewusstsein begabten Kapitals, gilt ihm sein eigener Privatkonsum als ein Raub an der Ak-
a robbery perpetrated on accumulation, just as in book-keeping by double entry, the private expenditure of the capitalist is placed on the debtor side of his account against his capital. To accumulate, is to conquer the world of social wealth, to increase the mass of human beings exploited by him, and thus to extend both the direct and the indirect sway of the capitalist.  

By promoting accumulation the capitalist foregoes individual consumption but gains power! The footnote brings a long quote from Martin Luther about the usurer (capitalist):  

Taking the usurer, that old-fashioned but ever renewed specimen of the capitalist for his text, Luther shows very aptly that the love of power is an element in the desire to get rich. “The heathen were able, by the light of reason, to conclude that a usurer is a double-dyed thief and murderer. We Christians, however, hold them in
3. Division into Capital and Revenue. Abstinence Theory

such honour, that we fairly worship them for the sake of their money . . . Whoever eats up, robs, and steals the nourishment of another, that man commits as great a murder (so far as in him lies) as he who starves a man or utterly undoes him. Such does a usurer, and sits the while safe on his stool, when he ought rather to be hanging on the gallows, and be eaten by as many ravens as he has stolen guilders, if only there were so much flesh on him, that so many ravens could stick their beaks in and share it. Meanwhile, we hang the small thieves . . . Little thieves are put in the stocks, great thieves go flaunting in gold and silk . . . Therefore is there, on this earth, no greater enemy of man (after the devil) than a gripe-money, and usurer, for he wants to be God over all men. Turks, soldiers, and tyrants are also bad men, yet must they let the people live, and Confess that they are bad, and enemies, and do, nay, must, wir sie schier anbeten umb ihres Geldes willen . . . Wer einem andern seine Narung aussauget, raubet und stilet, der thut eben so grossen Mord (so viel an jm ligt) als der einen Hungers sterbet und zu Grunde verterbet. Solches thut aber ein Wucherer, und sitzet die weil auf seinem Stuel sicher, so er billicher hangen solt am Galgen, und von so-viel Raben gefressen werden, als er guldigen gestolen hatte, wo anders so viel fleisches an jm wen-re, das so viel Raben sich drein stücken und teilen kündnten. Dieweil hanget man die kleinen Diebe . . . Kleine Diebe ligen in Stöcken gefangen, grosse Diebe gehn in gold und seiden prangen . . . Al-so ist auch kein grösser Menschenfeind auff Erden (nach dem Teuffel) denn ein Geitshals und Wucherer, denn er will über alle menschen Gott sein. Tüurcken, Krieger, Tyrannen sind auch böse Menschen, doch müssen sie lassen die Leute leben und bekennen, dass sie Böse und Feinde sind. Und
now and then show pity to some. But a usurer and money-glutton, such a one would have the whole world perish of hunger and thirst, misery and want, so far as in him lies, so that he may have all to himself, and every one may receive from him as from a God, and be his serf for ever. To wear fine cloaks, golden chains, rings, to wipe his mouth, to be deemed and taken for a worthy, pious man . . . Usury is a great huge monster, like a werewolf, who lays waste all, more than any Cacus, Gerion or Antus. And yet decks himself out, and would be thought pious, so that people may not see where the oxen have gone, that he drags backwards into his den. But Hercules shall hear the cry of the oxen and of his prisoners, and shall seek Cacus even in cliffs and among rocks, and shall set the oxen loose again from the villain. For Cacus means the villain that is a pious usurer, and steals, robs, eats everything. And will können, ja müssen wol zu weilen sich über etliche erbarmen. Aber ein Wucherer und Geitzwanst, der wilt das alle Welt im müsste in Hunger und Durst, Trauer und Not verderben, so viel an jm ist, auff das ers alles allein möchten haben, und jedenmann von jm, als von einem Gott empfahen und ewiglich sein Leibeigener sein. Schauben, güldene Kette, Ringe tragen, das maul wischen, sich für einen theuren, frommen Mann lassen ansehen und rhüm en . . . Wucher ist ein gros und ungeheur monstrum, wie ein Beerwolff, der alles wüstet, mehr den kein Cacus, Gerion oder Antus. Und schmückt sich doch und wil fromm sein, das man nicht sehen sol, wo die Ochsen, die er rücklings in sein Loch zieht, hinkommen. Aber Hercules sol der Ochsen und der Gefangenen Geschrey hören und den Cacum suchen auch in Klippen und Felsen, die Ochsen wider lösen, von dem Bösewicht. Denn Cacus heisst ein Bösewicht, der ein frommer Wuche-
not own that he has done it, and thinks no one will find him out, because the oxen, drawn backwards into his den, make it seem, from their foot-prints, that they have been let out. So the usurer would deceive the world, as though he were of use and gave the world oxen,—which he, however, rends, and eats all alone … And since we break on the wheel, and behead highwaymen, murderers and housebreakers, how much more ought we to break on the wheel and kill … hunt down, curse and behead all usurers.” (Martin Luther, l.c.)

Luther condemns the usurer more than the common criminal, and he compares the usurer’s piety with the trick of pulling the cattle into the cave backwards.

740:1/o But original sin is at work everywhere. As capitalist production, accumulation, and wealth, become developed, the capitalist ceases to be the mere incarnation of capital. He has a fellow-feeling
for his own Adam, and his education gradually enables him to smile at the rage for asceticism, as a mere prejudice of the old-fashioned miser.

The aphorism “but original sin is at work everywhere” is apparently meant approvingly! Just as humans cannot remain subordinate to God they can also not remain subordinate to capital. Capital, which overpowers everything, cannot subordinate the capitalist!

While the capitalist of the classical type brands individual consumption as a sin against his function, and as “abstinence” from accumulating, the modernised capitalist is capable of looking upon accumulation as “abstinence” from pleasure.

“Two souls, alas, do dwell within his breast; The one is ever parting from the other.”

Again, it does not seem that the word “capable” is meant ironically here. The capitalist’s decision to consume rather than accumulation is indeed emancipation of the capitalist from
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the imperatives of capital!

In the next paragraph, Marx argues that the conflict between accumulation versus consumption is resolved differently in different historical epochs, and also has a different resolution in the individual development of a new capital than in established enterprises. This shows that economic considerations affect the choice of the capitalist, i.e., the capitalist’s emancipation is not complete:

741:1 At the historical dawn of capitalist production,—and every capitalist upstart has personally to go through this historical stage—avarice, and desire to get rich, are the ruling passions. But the progress of capitalist production not only creates a world of delights; it lays open, in speculation and the credit system, a thousand sources of sudden enrichment. When a certain stage of development has been reached, a conventional degree of prodigality, which is also

620:1 In den historischen Anfängen der kapitalistischen Produktionsweise, und jeder kapitalistische Parvenü macht dies historische Stadium individuell durch—herrschen Bereicherungstrieb und Geiz als absolute Leidenschaften vor. Aber der Fortschritt der kapitalistischen Produktion schafft nicht nur eine Welt von Genüssen. Er öffnet mit der Spekulation und dem Kreditwesen tausend Quellen plötzlicher Bereicherung. Auf einer gewissen Entwicklungshöhe wird ein konven-
an exhibition of wealth, and consequently a source of credit, becomes a business necessity to the “unfortunate” capitalist. Luxury enters into capital’s expenses of representation. Moreover, the capitalist gets rich, not like the miser, in proportion to his personal labor and restricted consumption, but at the same rate as he squeezes out the labor-power of others, and enforces on the laborer abstinence from all life’s enjoyments. Although, therefore, the prodigality of the capitalist never possesses the bona-fide character of the open-handed feudal lord’s prodigality, but, on the contrary, has always lurking behind it the most sordid avarice and the most anxious calculation, yet his expenditure grows with his accumulation, without
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the one necessarily restricting the other. But along with this growth, there is at the same time developed in his breast, a Faustian conflict between the passion for accumulation, and the desire for enjoyment.

⇑ Even with the more mature capitalists who consume a lot, this consumption is still subordinated to accumulation.

⇓ Next Marx gives a historical example how the division of surplus-value between capital and revenue changed in Manchester.

741:2/o Dr. Aikin says in a work published in 1795: “The trade of Manchester may be divided into four periods. First, when manufacturers were obliged to work hard for their livelihood.”

They enriched themselves chiefly by robbing the parents, whose children were bound

620:2–621:2 „Die Industrie von Manchester“, heißt es in einer Schrift, die Dr. Aikin 1795 veröffentlichte, „kann in vier Perioden geteilt werden. In der ersten waren die Fabrikanten gezwungen, hart für ihren Lebensunterhalt zu arbeiten.“

Sie bereicherten sich besonders durch Be-
as apprentices to them; the parents paid a high premium, while the apprentices were starved. On the other hand, the average profits were low, and to accumulate, extreme parsimony was requisite. They lived like misers and were far from consuming even the interest on their capital.

“The second period, when they had begun to acquire little fortunes, but worked as hard as before,”—for direct exploitation of labor costs labor, as every slave-driver knows—“and lived in as plain a manner as before . . . The third, when luxury began, and the trade was pushed by sending out riders for orders into every market town in the Kingdom . . . It is probable that few or no capitals of £3,000 to £4,000 acquired by trade existed here before 1690.
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However, about that time, or a little later, the traders had got money beforehand, and began to build modern brick houses, instead of those of wood and plaster.” Even in the early part of the 18th century, a Manchester manufacturer, who placed a pint of foreign wine before his guests, exposed himself to the remarks and headshakings of all his neighbours.

Before the rise of machinery, a manufacturer’s evening expenditure at the public house where they all met, never exceeded sixpence for a glass of punch, and a penny for a screw of tobacco. It was not till 1758, and this marks an epoch, that a person actually engaged in business was seen with
an equipage of his own. “The fourth period,” the last 30 years of the 18th century, “is that in which expense and luxury have made great progress, and was supported by a trade extended by means of riders and factors through every part of Europe.”

What would the good Dr. Aikin say if he could rise from his grave and see the Manchester of to-day?

Dr. Aikin: “Description of the Country from 30 to 40 miles round Manchester.” Lond., 1795, p. 182, sq.

Next Marx discusses how the economists treated the dilemma between luxury consumption and accumulation.

The Classical economists make themselves the mouthpieces of the historical mission of capital: they consider both capitalists and workers as the engines of social progress. Workers have to work (the Classical economists do not deny that wealth comes from the workers),
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but capitalists have to accumulate.

742:1/o Accumulate, accumulate! That is Moses and the prophets! “Industry furnishes the material which saving accumulates.”⁴⁶

Therefore, save, save, i.e., reconvert the greatest possible portion of surplus-value, or surplus-product into capital! Accumulation for accumulation’s sake, production for production’s sake: by this formula classical economy expressed the historical mission of the bourgeoisie, and did not for a single instant deceive itself over the birth-throes of wealth.⁴⁷ But what avails lamentation in the face of historical necessity? If to classical economy, the proletarian is but a machine for the production of surplus-value; on the other hand, the capitalist is in its eyes

621:3–622:3 Akkumuliert, Akkumuliert! Das ist Moses und die Propheten! „Die Industrie liefert das Material, welches die Spar-samkeit akkumuliert.“⁴⁶ Also spart, spart, d.h., rückverwandelt möglichst großen Teil des Mehrwerts oder Mehrprodukts in Kapi-tal! Akkumulation um der Akkumulation, Produktion um der Produktion willen, in dieser Formel sprach die klassische Ökonomie den historischen Beruf der Bourgeoisperi-ode aus. Sie täuschte sich keinen Augenblick über die Geburtswehn des Reichtums,⁴⁷ aber was nützt der Jammer über historische Notwendigkeit? Wenn der klassischen Öko-nomie der Proletarier nur als Maschine zur Produktion von Mehrwert, gilt ihr aber auch
only a machine for the conversion of this surplus-value into additional capital. Political Economy takes the historical function of the capitalist in bitter earnest.

36 A. Smith, l.c., bk. II., ch. III.

37 Even J. B. Say says: “Les àpargnes des riches se font aux dèpens des pauvres.” “The Roman proletarian lived almost entirely at the expense of society. . . It can almost be said that modern society lives at the expense of the proletarians, on what it keeps out of the remuneration of labor.” (Sismondi: “Études, etc.,” t. i., p. 24.)

Next Marx discusses Malthus. Malthus assigns luxury consumption to landed aristocracy, state, and church, in order to keep those who accumulate separate from those who consume: In order to charm out of his bosom the awful conflict between the desire for enjoyment der Kapitalist nur als Maschine zur Verwandlung dieses Mehrwerts in Mehrkapital. Sie nimmt seine historische Funktion in bitterm Ernst.

36 A. Smith, l.c., b. II, ch. III, [p. 367].

and the chase after riches, Malthus, about the year 1820, advocated a division of labor, which assigns to the capitalist actually engaged in production, the business of accumulating, and to the other sharers in surplus-value, to the landlords, the place-men, the beneficed clergy, etc., the business of spending. It is of the highest importance, he says, “to keep separate the passion for expenditure and the passion for accumulation.”\textsuperscript{38}

However the spokespersons of the capitalists did not like this—not because they wanted to consume, but because this does not give maximal production:

The capitalists having long been good lives and men of the world, uttered loud cries.
What, exclaimed one of their spokesmen, a disciple of Ricardo, Mr. Malthus preaches high rents, heavy taxes, etc., so that the pressure of the spur may constantly be kept on the industrious by unproductive consumers! By all means, production, production on a constantly increasing scale, runs the shibboleth; but

“production will, by such a process, be far more curbed in than spurred on. Nor is it quite fair thus to maintain in idleness a number of persons, only to pinch others, who are likely, from their characters, if you can force them to work, to work with success.”

38 Malthus, l.c., pp. 319, 320.

Was, rief einer ihrer Wortführer, ein Ricardianer, Herr Malthus predigt hohe Grundrente, hohe Steuern usw., um dem Industriellen einen fortwährenden Stachel durch unproduktive Konsumenten aufzudrücken! Allerdings Produktion, Produktion auf stets erweiterter Stufenleiter, lautet das Schibboleth, aber

„Produktion wird durch einen solchen Prozeß weit mehr gehemmt als gefördert. Auch ist es nicht ganz billig (nor is it quite fair), eine Anzahl Personen so im Müßiggang zu erhalten, nur um andre zu kneipen, aus deren Charakter man schließen darf (who are likely, from their characters), daß, wenn ihr sie zu funktionieren zwingen könnt, sie mit Erfolg funktionieren.“

38 Malthus, l.c. p. 319, 320.
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39 “An Inquiry into those Principles Respecting the Nature of Demand, etc.,” p. 67.

The same fairness is not accorded to the workers:

743:0b Unfair as he finds it to spur on the industrial capitalist, by depriving his bread of its butter, yet he thinks it necessary to reduce the laborer’s wages to a minimum “to keep him industrious.” Nor does he for a moment conceal the fact, that the appropriation of unpaid labor is the secret of surplus-value.

“Increased demand on the part of the laborers means nothing more than their willingness to take less of their own product for themselves, and leave a greater part of it to their employers; and if it be said, that this begets glut, by lessening consumption” (on the part of the la-

39 „An Inquiry into those principles respecting the Nature of Demand etc.“, p. 67.

622:2 So unbillig er es findet, den industriellen Kapitalisten zur Akkumulation zu stacheln, indem man ihm das Fett von der Suppe wegchöpft, so notwendig dünkt ihm, den Arbeiter möglichst auf den Minimallohn zu beschränken, „um ihn arbeitsam zu erhalten“. Auch verheimlicht er keinen Augenblick, daß Aneignung unbezahlter Arbeit das Geheimnis der Plusmacherei ist.

„Vermehrte Nachfrage von Seite der Arbeiter meint durchaus nichts als ihre Geneigtheit, weniger von ihrem eigenen Produkt für sich selbst zu nehmen und einen größeren Teil davon ihren Anwendern zu überlassen; und wenn man sagt, daß dies, durch Verminderung der
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...borers), “I can only reply that glut is synonymous with large profits.”\(^{40}\)

Konsumtion” (auf seiten der Arbeiter) „glut“ (Marktüberfüllung, Überproduktion) „erzeugt, so kann ich nur antworten, daß glut synonym mit hohem Profit ist.“\(^{40}\)

\(^{40}\) l.c., p. 59.

\(^{40}\) l.c. p. 59.

But in face of the resistance of the proletariat, the economists turn into apologists. The “vulgar economists” take the opposite point of view of the classical economists. Instead of the duty to accumulate they emphasize the capitalist’s right not to accumulate. The capitalist becomes the abstaining saint.

743:1/oo743:1–746 The learned disputation, how the booty pumped out of the laborer may be divided, with most advantage to accumulation, between the industrial capitalist and the rich idler, was hushed in face of the revolution of July. Shortly afterwards, the town proletariat at Lyons sounded the tocsin of revolution, and the country proletariat...
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tariat in England began to, set fire to farm-yards and corn-stacks. On this side of the Channel Owenism began to spread; on the other side, St. Simonism and Fourierism. The hour of vulgar economy had struck. Exactly a year before Nassau W. Senior discovered at Manchester, that the profit (including interest) of capital is the product of the last hour of the twelve, he had announced to the world another discovery. “I substitute,” he proudly says, “for the word capital, considered as an instrument of production, the word abstinence.” An unparalleled sample this, of the discoveries of vulgar economy! It substitutes for an economic category, a sycophantic phrase—voilà tout. “When the savage,” says Senior, “makes land flygen. Diesseits des Kanals grassierte der Owenismus, jenseits St.-Simonismus und Fourierismus. Die Stunde der Vulgärökonomie hatte geschlagen. Grade ein Jahr, bevor Nassau W. Senior zu Manchester ausfand, daß der Profit (inkl. Zins) des Kapitals das Produkt der unbezahlten „letzten zwölfen Arbeitsstunde“ ist, hatte er der Welt eine andere Entdeckung angekündigt. „Ich“, sagte er feierlich, „ich ersetze das Wort Kapital, als Produktionsinstrument betrachtet, durch das Wort Abstinenz (Enthaltung).“ Ein unübertroffenes Muster dies von den „Entdeckungen“ der Vulgärökonomie! Sie ersetzte eine ökonomische Kategorie durch eine sykophantische Phrase. Voila tout. „Wenn der Wilde“, doziert Senior, „Bogen fabriziert,
bows, he exercises an industry, but he does not practise abstinence." The way and why, in the earlier states of society, the implements of labor were fabricated without abstinence on the part of the capitalist. “The more society progresses, the more abstinence is demanded,” namely, from those who ply the industry of appropriating the fruits of others’ industry. All the conditions for carrying on the labor-process are suddenly converted into so many acts of abstinence on the part of the capitalist. If the corn is not all eaten, but part of it also sown—abstinence of the capitalist. If the wine gets time to mature—abstinence of the capitalist. The capitalist robs his own self, whenever he “lends (!) the in- so übt er eine Industrie aus, aber er praktiziert nicht die Abstinenz.” Dies erklärt uns, wie und warum in früheren Gesellschaftszuständen „ohne die Abstinenz“ des Kapitalisten Arbeitsmittel fabriziert wurden. „Je mehr die Gesellschaft fortschreitet, um so mehr Abstinenz erfordert sie“ von denen, welche die Industrie ausüben, sich die fremde Industrie und ihr Produkt anzueignen. Alle Bedingungen des Arbeitsprozesses verwandeln sich von nun in ebenso viele Abstinenzpraktiken des Kapitalisten. Daß Korn nicht nur gegessen, sondern auch gesät wird, Abstinenz des Kapitalisten! Daß der Wein die Zeit erhält, auszugären, Abstinenz des Kapitalisten! Der Kapitalist beraubt seinen eignen Adam, wenn er die „Produk-
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Instruments of production to the laborer,” that is, whenever by incorporating labor-power with them, he uses them to extract surplus-value out of that labor-power, instead of eating all these steam-engines, cotton, railways, manure, horses, and all; or as the vulgar economist childishly imagines, instead of squandering “their value” in luxuries and other articles of consumption.\(^44\) How the capitalists as a class are to perform that feat, is a secret that vulgar economy has hitherto obstinately refused to divulge. Enough, that the world still jogs on, solely through the self-chastisement of this modern penitent of Vishnu, the capitalist. Not only accumulation, but the simple “conservation of a capital requires a constant effort to resist the

44 Wie die Kapitalistenklasse das anstellen soll, ist ein von der Vulgärökonomie bisher hartnäckig bewahrtes Geheimnis. Genug, die Welt lebt nur noch von der Selbstkasteiung dieses modernen Büssers des Wischnu, des Kapitalisten. Nicht nur die Akkumulation, die einfache „Erhaltung eines Kapitals erheischt beständige Kraftanstrengung, um der Versuchung zu widerstehn, es aufzuesen“.\(^45\) Die einfache Humanität gebeut al-
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temptation of consuming it.”\(^{45}\) The simple dictates of humanity therefore plainly enjoin the release of the capitalist from this martyrdom and temptation, in the same way that the Georgian slave-owner was lately delivered, by the abolition of slavery, from the painful dilemma, whether to squander the surplus-product, lashed out of his niggers, entirely in champagne, or whether to recon- vert a part of it into more niggers and more land.

\(^{41}\) (Senior, “Principes fondamentaux de l’Économie Politique,” trad. Arrivabene, Paris, 1836, p. 308.) This was rather too much for the adherents of the old classical school. “Mr. Senior has substituted for it” (the expression, labor and profit) “the expression labor and Abstinence. He who converts his revenue abstains from the enjoyment which its

so offenbar, den Kapitalisten von Martyrdom und Versuchung zu erlösen, in derselben Weise, wie der georgische Sklavenhalter jüngst durch Abschaffung der Sklaverei von dem schmerzlichen Dilemma erlöst ward, ob das dem Negersklaven ausgepeitschte Mehrprodukt ganz in Champagner zu verjubeln oder auch teilweis in mehr Neger und mehr Land rückzuverwandeln.

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expenditure would afford him. It is not the capital, but the use of the capital productively, which is the cause of profits.” (John Cazeno-ve, l.c., p. 130, Note.) John St. Mill, on the contrary, accepts on the one hand Ricardo’s theory of profit, and annexes on the other hand Senior’s “remuneration of abstinence.” He is as much at home in absurd contradictions, as he feels at sea in the Hegelian contradiction, the source of all dialectic.

41 ctd It has never occurred to the vulgar economist to make the simple reflexion, that every human action may be viewed, as “abstinence” from its opposite. Eating is abstinence from fasting, walking, abstinence from standing still, working, abstinence from idling, idling, abstinence from working, etc. These gentlemen would do well, to ponder, once in a way, over Spinoza’s: “Determinatio est Negatio.”

brauch des produktiv verwandten Kapitals, welcher die Quelle des Profits bildet.“ (John Cazeno-ve, l.c., p. 130, Note.) Herr John St. Mill exzerpiert dagegen auf der einen Seite Ricardos Profittheorie und annexiert auf der andren Seniors „remuneration of abstinence“. So fremd ihm der Hegelsche „Widerspruch“, die Springquelle aller Dialektik, so heimisch ist er in platten Widersprüchen.

24. *Transformation of Surplus-Value into Capital*

Marx’s examples illustrate not only Spinoza’s “Determinatio est negatio” but also Hegel’s inversion “all negation is determination” and thus his identification of negation and determination:

Das *Nichtsein* so in das Sein aufgenommen, daß das konkrete ganze in der Form des Seins, der Unmittelbarkeit ist, macht die *Bestimmtheit* als solche aus. [Heg69b, p. 116]

Bhaskar criticizes this in [Bha93, p. 240].

42 Senior, l.c., p. 342.

43 “No one … will sow his wheat, for instance, and allow it to remain a twelvemonth in the ground, or leave his wine in a cellar for years, instead of consuming these things or their equivalent at once … unless he expects to acquire additional value, etc.” (Scrope, “Polit. Econ.,” edit. by A. Potter, New York, 1841, pp. 133–134.)

44 “La privation que s’impose le capitaliste, en prêtant (this euphemism used, for the purpose
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of identifying, according to the approved method of vulgar economy, the laborer who is exploited, with the industrial capitalist who exploits, and to whom other capitalists lend money) ses instruments de production au travailleur au lieu d’en consacrer la valeur à son propre usage, en la transformen en objets d’utilité ou d’agrément.” (G. de Molinari, l.c., p. 36.)

45 “La conservation d’un capital exige . . . un effort constant pour résister à la tentation de le consommer.” (Courcelle-Seneuil, l.c., p. 57.)

After showing the philosophical absurdity of this way of thinking, Marx gives now a careful economic refutation of the abstinence theory:

745:1/o In economic forms of society of the most different kinds, there occurs, not only simple reproduction, but, in varying degrees, reproduction on a progressively in-

45 „La conservation d’un capital exige . . . un effort . . . constant pour resister a la tentation de le consommer.“ (Courcelle-Seneuil, l.c. p. 20.)

624:1/o In den verschiedensten ökonomischen Gesellschaftsformationen findet nicht nur einfache Reproduktion statt, sondern, obgleich auf verschiedenem Maßstab, Reproduk-
creasing scale. By degrees more is produced and more consumed, and consequently more products have to be converted into means of production. This process, however, does not present itself as accumulation of capital, nor as the function of a capitalist, so long as the laborer’s means of production, and with them, his product and means of subsistence, do not confront him in the shape of capital.\footnote{46}

Expanded reproduction is happening in many different social formations, but only if the means of production are the private property of the capitalist will it take the social form of being the function of a capitalist. The abstinence theory therefore imputes a social process to the decision and merit of an individual.

Footnote 46 and the rest of the paragraph give examples of alternative social forms of this expanded reproduction:

\footnote{46} “The particular classes of income which}
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yield the most abundantly to the progress of national capital, change at different stages of their progress, and are, therefore, entirely different in nations occupying different positions in that progress... Profits... unimportant source of accumulation, compared with wages and rents, in the earlier stages of society... When a considerable advance in the powers of national industry has actually taken place, profits rise into comparative importance as a source of accumulation.” (Richard Jones, “Textbook, etc.,” pp. 16, 21.)

Richard Jones, who died a few years ago, and was the successor of Malthus in the chair of Political Economy at Haileybury College, discusses this point well in the light of two important facts. Since the great mass

am reichlichsten zum Fortschritt des nationalen Kapitals beitragen, ändern sich auf verschiedenen Stufen ihrer Entwicklung und sind infolgedessen gänzlich verschieden bei Nationen, die verschiedene Positionen in der Entwicklung einnehmen... Profite... eine unwichtige Quelle der Akkumulation, im Vergleich zu Löhnen und Renten, auf den früheren Stufen der Gesellschaft... Wenn ein beträchtliches Anwachsen in den Kräften der nationalen Industrie tatsächlich stattgefunden hat, erlangen die Profite eine vergleichsweise größere Wichtigkeit als Quelle der Akkumulation.“ (Richard Jones, „Textbook etc.“, p. 16, 21.)

Der vor einigen Jahren verstorbene Richard Jones, Nachfolger von Malthus auf dem Lehrstuhl der politischen Ökonomie am ostindischen College zu Haileybury, erörtert dies gut an zwei großen Tatsachen. Da der zahl-
of the Hindu population are peasants cultivating their land themselves, their products, their instruments of labor and means of subsistence never take “the shape of a fund saved from revenue, which fund has, therefore, gone through a previous process of accumulation.”47 On the other hand, the non-agricultural laborers in those provinces where the English rule has least disturbed the old system, are directly employed by the magnates, to whom a portion of the agricultural surplus-product is rendered in the shape of tribute or rent. One portion of this product is consumed by the magnates in kind, another is converted, for their use, by the laborers, into articles of luxury and such like things, while the rest forms the wages

reichste Teil des indischen Volks selbstwirtschaftende Bauern, existiert ihr Produkt, ihre Arbeits- und Lebensmittel, auch nie in der Form (in the shape) eines Fonds, der aus fremder Revenue erspart wird (saved from Revenue) und daher einen vorläufigen Prozeß der Akkumulation (a previous process of accumulation) durchlaufen hat.“47. Andrerseits werden die nicht-agrikolen Arbeiter in den Provinzen, wo die englische Herrschaft das alte System am wenigsten aufgelöst hat, direkt von den Großen beschäftigt, denen eine Portion des ländlichen Mehrprodukts als Tribut oder Grundrente zufließt. Ein Teil dieses Produkts wird in Naturalform von den Großen verzehrt, ein anderer Teil für sie von den Arbeitern in Luxus- und sonstige Kon-
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of the laborers, who own their implements of labor. Here, production and reproduction go on a progressively increasing scale, go on their way without any intervention from that queer saint, that knight of the woeful countenance, the capitalist “abstainer.”

47 l.c., p. 36, sq.


47 l.c. p. 36 sq. {Zur 4.Aufl.—Muß ein Versehen sein, die Stelle ist nicht gefunden worden.—F. E.}
25. General Law of Capitalist Accumulation

With the development of the factory system, which Marx called “real subsumption of the labor process under capital,” capital re-shaped the production process according to its needs. In the present chapter, Marx shows that capital also subordinates the reproduction of the *working class* to its needs. The system of capital accumulation has managed to integrate the labor-market into its own logic instead of allowing it to disturb or constrain capital accumulation from the outside.
1. A Growing Demand for Labor-Power Accompanies Accumulation Under Equal Composition of Capital

In this chapter we shall consider the influence of the growth of capital on the fate of the working class.

An impasse is looming in the accumulation process: sooner or later, the accumulation of capital must run into the limitations of population growth. Instead of being scarce, one should expect that capital will eventually be abundant. Does this mean the accumulation of capital is constrained by population growth? Marx argues that it is not, but that capital comes to control the supply of the exploitable material on which its accumulation depends. Just like humans, in agriculture, control the growth of the food they need, capital controls the growth of the labor-supply which it needs. Capitalist wealth, therefore, is not only the command over material things but also the command over labor.

The most important factor in this investigation is the composition of capital, and its changes during the accumulation process.
Akkumulationsprozesses durchmacht.

In order to be able to explain the mechanisms which allow capital to control the supply of labor rather than being controlled by it, Marx introduces the concepts of technical composition, value composition, and organic composition. (A parallel discussion of the composition of capital can be found in *Capital III*, chapter Eight, 244:1–245:1). In a nutshell, capital is not limited by the growth of the labor force because it can adjust the rate at which it accumulates and its composition.

1.a. [The Composition of Capital]

762:2 The composition of capital is to be understood in a twofold sense. 640:2 Die Zusammensetzung des Kapitals ist in zweifachem Sinn zu fassen.

↑ Capital is not uniform but composed of heterogeneous parts. But this non-uniformity is not uniquely defined. If one looks at capital under the aspect of its value, it is possible to divide it into two parts which fundamentally differ from each other, and if one looks at it under the aspect of its use-value, it can again be divided into two parts which again fundamentally differ from each other. ↓ Marx first looks at capital under the aspect of its value. Capital can
1. Accumulation Under Equal Composition of Capital

be defined as self-expanding value. Here the fundamental difference between different parts of the capital-value is that only a part of the capital increases its value during $M - C - M'$, while a different part of capital is constant, i.e., does not change its value in this circuit:

On the one hand, with respect to value, it is determined by the proportion in which capital is divided into constant capital, i.e., the value of the means of production, and variable capital, i.e., the value of labor-power, the sum of the wages paid.

The definitions of constant capital and variable capital were given in chapter Eight. To recapitulate, constant capital is that part of the capital which is laid out in means of production (materials, supplies, and instruments or machines). Variable capital is the capital laid out in labor-power. The value of the “constant” capital does not change during the production process, while the value of the “variable” capital does change. Only the variable capital is source of surplus-value for the capitalist.

If one looks at the use-values which capital assumes in the production process, one can again divide the elements of the production process into two basic categories, namely, labor...
and means of production:

On the other hand, with respect to the physical aspect of the production process, all capital is divided into means of production and living labor-power. Here its composition is determined by the relation between the mass of the means of production employed and the mass of labor necessary for their employment.

↑ This is a basic distinction inherent in every production process, whether or not it is capitalist. ↓ These two ways to separate capital into two different components are related but not identical. Marx introduces two different words for them, “value composition” and “technical composition.”

I call the former the value-composition, the latter the technical composition of capital.

↑ The value composition of capital is the machinery and materials (measured in value)
1. Accumulation Under Equal Composition of Capital

divided by labor (measured in value of labor-power). It is therefore a pure number (dollars divided by dollars). The technical composition, by contrast, is mass of means of production per hours of labor. It cannot be represented numerically. Despite their differences, the two compositions are closely related: The two are closely interrelated. Zwischen beiden besteht enge Wechselbeziehung.

I translated “enge Wechselbeziehung” with “closely interrelated” rather than “correlated,” since the latter reminds of the statistical term, a pure surface-category of “moving together,” which is by no means what Marx meant.

Next, Marx introduces the concept of organic composition. Although it looks like another definition, this concept only makes sense if one makes certain assumptions about the nature of technical progress. Marx believed that technical progress usually requires a higher technical composition, i.e., more machines and materials per worker, and he also believed that this greater mass of means of production is not, by this same technical progress, cheapened so much to prevent its value, compared with the value of the labor-power employed in this production process, from increasing. This is not so in every single case, but it is usually,
and tendentially, so. In situations in which the value composition serves as a proxy for the
technical composition, Marx uses an alternative name: “organic composition” for this value composition.

To express this relationship, I call the value-composition of capital, in so far as it is determined by its technical composition and mirrors the changes in the latter, the organic composition of capital. Wherever I refer to the composition of capital, without further qualification, its organic composition is always understood.

Um diese auszudrücken, nenne ich die Wert zusammensetzung des Kapitals, insofern sie durch seine technische Zusammensetzung bestimmt wird und deren Änderungen widerspiegelt: die organische Zusammensetzung des Kapitals. Wo von der Zusammensetzung des Kapitals kurzweg die Rede ist, ist stets seine organische Zusammensetzung zu verstehn.

Here is an example from an unrelated field: a student’s grade is influenced by the student’s ability but also by other factors. For this reason, a standard question in the student evaluation forms is: “does the grade reflect the student’s ability”? Likewise, Marx asks: does the value composition reflect the technical composition? Only if it does will Marx use the word “organic composition” for it. The word “composition” without qualifier denotes the organic
1. Accumulation Under Equal Composition of Capital

composition.

Although the name “organic composition” might suggest that it measures how much of the capital is “organic,” i.e., is labor-power, Marx defines it as the unorganic part over the organic part $c/v$. I.e., a rise in the organic composition means: more constant capital per a given amount of variable capital. It does make sense to have labor in the denominator, because labor is what is moving the machines.

If the same production process is once applied to iron and once to copper, then the technical composition is the same, but since copper contains more labor, the value composition changes. This example is given in *Capital III*, l.c. An increase in the value of iron, or a fall in the wage would likewise increase the value-composition, but in this case Marx would not say that the “organic composition” has increased. The value composition can change by different kinds of processes than those which Marx would call “an increase in the organic composition.”

The next paragraph indicates that Marx uses the composition of capital not only as a microeconomic but also a macroeconomic concept:

763:3/o The many individual capitals invested in a particular branch of production | 640:3 Die zahlreichen in einem bestimmten Produktionszweig angelegten Einzelka-
have compositions which differ from each other to a greater or lesser extent. The average of their individual compositions gives us the composition of the total capital in the branch of production under consideration. Finally, the average of all the average compositions in all branches of production gives us the composition of the total social capital of a country, and it is with this alone that we are concerned here in the final analysis.

In the French edition, the discussion of organic composition concludes with the sentence: “After these preliminary remarks, let us come back to capitalist accumulation.”
1. Accumulation Under Equal Composition of Capital

1.b. [Accumulation of Capital is Increase of the Proletariat]

The portion of section 1 which we are going to read now consists of a long theoretical paragraph followed by a collection of quotes from the literature. The theoretical paragraph culminates in the sentence: “Accumulation of capital is, therefore, increase of the proletariat.” This sentence is a literal quote from Wage-Labor and Capital, [mecw9]214:3. I will first discuss the short two-sentence derivation of this statement in Wage-Labor and Capital, since the general structure of this derivation is similar to that in Capital. Here are the relevant three sentences from Wage-Labor and Capital with my comments:

1. “Capital can only increase by exchanging itself for labor-power, by calling wage labor to life.” In other words, capital needs labor. In order to accumulate, capital must employ wage labor formerly not employed. This dependence of capital on labor may cause an excess demand for labor, higher wages, better working conditions. But with the words “by calling wage labor to life” Marx also hints at the reverse dependence: wage labor without capital is not “alive,” i.e., the laborer cannot use her labor-power for herself because she is separated from the means of production.

2. “The labor-power of the wage worker can only exchange itself for capital by increas-
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ing capital, by strengthening the power whose slave it is.” This is the negation of the first sentence. Capital’s need for labor does not make it subordinate to labor, but capital will only then hire labor if the price is low enough to leave room for profit. This is a conditional statement: if capital accumulates, then we know that capital is strengthened by it, otherwise this accumulation would not happen.

The transition to the third sentence tacitly uses the fact which we all know, namely, that capital accumulation indeed proceeds apace. From the second sentence follows therefore that the growth of the working-class is such that it serves the interests of capital. But such an outcome cannot happen if the growth of the working class is independent, exogenous, to capital. This state of affairs can only be realized if the growth of the working-class is governed by capital:

3. “Hence, increase of capital is increase of the proletariat, that is, of the working class.”

In Wage-Labor and Capital, it is clear from the context that the emphasis of this sentence is on: accumulation is the *contradictory unity* of increase of capital and growth of the working-class.
The next thing Marx says in *Wage-Labor and Capital* is that it is indeed a *contradiction* and not a unity of interest.

Now let’s see how Marx argues in *Capital:*

763:1/o Growth of capital implies growth of its variable constituent, in other words, of the portion invested in labor-power.

Marx begins with an obvious observation: if capital grows, one should expect all its components to grow, including the variable capital. The growth of the variable capital generates additional demand for labor:

A part of the surplus-value which is to be transformed into additional capital must always revert back into the form of variable capital, or additional labor fund.

In order to specify this quantitatively, assumptions must be made about the composition of capital:

If we assume that accumulation takes place under unchanged circumstances, so that also the composition of capital remains constant.

Unterstellen wir, daß, nebst sonst gleichbleibenden Umständen, die Zusammensetzung des Kapitals unverändert bleibt, d.h. eine be-
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(i.e. any given mass of means of production or constant capital needs the same mass of labor-power as before to set it in motion), then the demand for labor, and the fund for the subsistence of the workers, both clearly increase in the same proportion as the capital. The faster capital grows, the faster the demand for labor will grow.

How does this relate to the supply of labor? In the accumulation of capital, situations can arise in which demand outstrips supply:

Since the capital produces a surplus-value every year, of which one part is added every year to the original capital; since this increment itself grows every year along with the augmentation of the capital already functioning; and since, lastly, under conditions especially liable to stimulate the drive for

Da das Kapital jährlich einen Mehrwert produziert, wovon ein Teil jährlich zum Originalkapital geschlagen wird, da dies Inkrement selbst jährlich wächst mit dem zunehmenden Umfang des bereits in Funktion begriffenen Kapitals und da endlich, unter besondrem Sporn des Bereicherungstriebes, wie z.B. Öff-
self-enrichment, such as the opening of new markets, or of new spheres for the outlay of capital resulting from newly developed social requirements, the scale of accumulation may suddenly be extended merely by a change in the proportion in which the surplus-value or the surplus product is divided into capital and revenue—for all these reasons the requirements of accumulating capital may exceed the growth in labor-power or in the number of workers; the demand for workers may outstrip the supply, and thus wages may rise.

As long as the value composition is unchanged, demand must eventually outstrip supply:

Dies muß sogar schließlich der Fall sein bei unveränderter Fortdauer obiger Voraussetzung. Da in jedem Jahr mehr Arbeiter nung neuer Märkte, neuer Sphären der Kapitalanlage infolge neu entwickelter gesellschaftlicher Bedürfnisse usw., die Stufenleiter der Akkumulation plötzlich ausdehnbar ist durch bloß veränderte Teilung des Mehrwerts oder Mehrprodukts in Kapital und Revenue, können die Akkumulationsbedürfnisse des Kapitals das Wachstum der Arbeitskraft oder der Arbeiteranzahl, die Nachfrage nach Arbeitern ihre Zufuhr überflügeln und daher die Arbeitslöhne steigen.
ers are employed than in the preceding year, sooner or later a point must be reached at which the requirements of accumulation begin to outgrow the customary supply of labor, and a rise of wages therefore takes place.

Marx says here not that demand for labor must outgrow its supply, but only that it must begin to outgrow its supply. The French edition immediately says that it must lead to a gradual rise in wages.

This theoretical reasoning that it must happen seems to be borne out by the facts: There are long historical periods during which wages did rise, to the lament of the capitalists:

Complaints were to be heard about this in England during the whole of the fifteenth century, and the first half of the eighteenth.

Despite rising wages, however, capital continues to accumulate. The more or less favorable circumstances, in which the wage-laborers support and multi-
ply themselves, do however not alter in any way the fundamental character of capitalist production.

↑ Through the ups and downs of wages, the capitalists have never given up their profit motive. ↓ It is our experience that the capitalist system not only persists, but even reproduces itself on an extended scale:

Just as simple reproduction continually reproduces the capital relation itself, capitalists on the one side and wage laborers on the other, so does reproduction on an expanded scale, i.e. accumulation, reproduce the capital relation on an expanded scale, with more capitalists, or bigger capitalists, at one pole, and more wage laborers at the other.

↑ This presents a riddle: how can capital reproduce itself on an extended scale in the face of the seemingly inexorable tendencies of capital to outstrip labor, discussed at the beginning.
of this same paragraph? At this point Marx does not resolve this paradox but only gives a hint where the resolution must be found. For this he reminds the reader that also in other respects, the worker is subservient to capital. In the second edition immediate[II/6] 561/o, Marx prefaces this next long sentence with the phrase: “One has already seen earlier:” The reproduction of labor-power, which must incessantly be re-incorporated into capital as its means of valorization, which cannot break loose from capital, and whose enslavement to capital is only concealed by the variety of individual capitalists to whom it sells itself, is in fact a moment in the reproduction of capital itself.

“bildet” should not be translated with “forms” as both Moore-Aveling and Fowkes did. It is not a matter of form but of constitutive elements or “moments.”

Just as the individual worker is trapped in the capitalist system and cannot overcome it or get away from it, so also (Marx implies here) is the reproduction of the entire working
class incorporated in the accumulation of capital. The solution to the riddle lies therefore in the fact that accumulation of capital and growth of the workforce are not two different autonomous processes interacting with each other, but two aspects of one and the same process:

**Accumulation of capital is therefore multiplication of the proletariat.**

The last, summary sentence must therefore be read in a subsumptive sense; the “is” in this sentence has the meaning of “entails, encompasses.” In the French edition immediate[megaII/7]535:4, Marx writes: “is at the same time.” The details how the accumulation of capital entails and controls the multiplication of the proletariat will be discussed throughout this chapter.

But before discussing the mechanisms which chain the working class to capital and perpetuate their dependence, Marx brings a collection of quotes which shows that the classical economists were aware of this fact and also approved of it. This collection of quotes is introduced by a reference to the place in Marx’s own *Wage Labor and Capital* which we discussed at the beginning, together with an economic definition of the proletarian as someone who is dependent on capital.
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70 Karl Marx, ‘Wage Labor and Capital’, op. cit. ‘If the masses are all oppressed equally, the more proletarians a country has, the richer it will be’ (Colins, L’Économie politique. Source des révolutions et des utopies prétendues socialistes, Paris, 1857, Vol. 3, p. 331). A ‘proletarian’ is, economically, nothing other than a ‘wage-laborer’, who produces and valorizes ‘capital’, and is thrown onto the street as soon as he becomes superfluous to the need for valorization possessed by ‘Monsieur Capital’, as Pecqueur calls this person. ‘The sickly proletarian of the primitive forest’ is a schoolboy-like Roscherian phantom. The inhabitant of the primitive forest owns this forest and treats it as his without any further thought, just as an orang-utang does. He is not a proletarian by any means. This would only be the case if the primitive forest exploited him, instead of being exploited by him. As far as
his health is concerned, such a man would well bear comparison, not only with the modern proletarian, but also with the syphilitic and scrofulous ‘honorable’ citizens. However, Herr Wilhelm Roscher probably means his native heath of Lüneburg when he talks about a ‘primitive forest’.

The next sentence addresses an error of Classical Economics: Smith and Ricardo thought that all accumulation goes into variable capital. This is wrong; part of the accumulated funds must be used to increase constant capital. But Smith and Ricardo sensed correctly that the growth of the working-class is an important element of accumulation.

Classical political economy grasped this fact so thoroughly that Adam Smith, Ricardo, etc., as mentioned earlier, wrongly identified accumulation with the consumption of the whole of the capitalized part of the surplus product by productive workers, or with the transformation of the surplus product even falsely identifying it with wages.
product into additional wage-laborers. This was already discussed by Marx in 737:1/o. The next quote is another piece of evidence showing that classical economists saw clearly that capitalist wealth is not only the command over material things but most importantly the command over labor:

John Bellers already said this in 1696:

‘For if one had a hundred thousand acres of land and as many pounds in money, and as many cattle, without a laborer, what would the rich man be, but a laborer? And as the laborers make men rich, so the more laborers there will be, the more rich men ... the labor of the poor being the mines of the rich.’

71 John Bellers, op. cit., p. 2.

⇑ Being wealthy in our society not just means to own many many things, but on top of this it gives you the ability to have others work for you.  

\[2366\]

Mandeville concludes from this that
workers should be kept moderately poor, and ignorant.

So also Bernard de Mandeville at the beginning of the eighteenth century:

‘It would be easier, where property is well secured, to live without money than without poor; for who would do the work? ... As they [the poor] ought to be kept from starving, so they should receive nothing worth saving. If here and there one of the lowest class, by uncommon industry, and pinching his belly, lifts himself above the condition he was brought up in, nobody ought to hinder him; nay, it is undeniably the wisest course for every person in the society, and for every private family to be frugal; but it is the interest of all rich nations, that the greatest part of the poor should almost never be idle, and yet continually spend what they get ... Those that get their living by their daily labor ... have nothing to stir them up to 642:3–643:0 So Bernard de Mandeville im Anfang des 18. Jahrhunderts:

„Wo das Eigentum hinreichend geschützt ist, wäre es leichter, ohne Geld zu leben als ohne Arme, denn—wer würde die Arbeit tun? ... Wie die Arbeiter vor Aushungerung zu bewahren sind, so sollten sie nichts erhalten, was der Ersparung wert ist. Wenn hier und da einer aus der untersten Klasse durch ungewöhnlichen Fleiß und Bauchkneipen sich über die Lage erhebt, worin er aufgewachsen war, so muß ihn keiner daran hindern: ja es ist unleugbar der weiseste Plan für jede Privatperson, für jede Privatfamilie in der Gesellschaft, frugal zu sein; aber es ist das Interesse aller reichen Nationen, daß der größte Teil der Armen nie untätig sei und sie dennoch stets verausgaben, was sie einnehmen ... Diejenigen, die ihr
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be serviceable but their wants which it is prudence to relieve, but folly to cure. The only thing then that can render the laboring man industrious, is a moderate quantity of money, for as too little will, according as his temper is, either dispirit or make him desperate, so too much will make him insolent and lazy ... From what has been said, it is manifest, that, in a free nation, where slaves are not allowed of, the surest wealth consists in a multitude of laborious poor; for besides that they are the never failing nursery of fleets and armies, without them there could be no enjoyment, and no product of any country could be valuable. To make the society’ (which of course consists of the non-workers) ‘happy and people easier under the meanest circumstances, it is requisite that great numbers of them should be ignorant as well as poor, knowledge both Leben durch ihre tägliche Arbeit gewinnen, haben nichts, was sie anstachelt, dienstlich zu sein außer ihren Bedürfnissen, welche es Klugheit ist zu lindern, aber Narrheit wäre zu kurieren. Das einzige Ding, das den arbeitenden Mann fleißig machen kann, ist ein mäßiger Arbeitslohn. Ein zu geringer macht ihn je nach seinem Temperament kleinmütig oder verzweifelt, ein zu großer insolent und faul ... Aus dem bisher Entwickelten folgt, daß in einer freien Nation, wo Sklaven nicht erlaubt sind, der sicherste Reichtum aus einer Menge arbeitsamer Armen besteht. Außerdem, daß sie die nie versagende Zufuhrquelle für Flotte und Armee, gäbe es ohne sie keinen Genuß und wäre das Produkt keines Landes verwertbar. Um die Gesellschaft“ (die natürlich aus den Nichtarbeitern besteht) „glücklich und das Volk selbst in kümmerlichen Zuständen zufrieden zu machen,
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enlarges and multiplies our desires, and the fewer things a man wishes for, the more easily his necessities may be supplied.'\textsuperscript{72}

\begin{itemize}
\item[\uparrow] Mandeville recommends not to “cure” the wants of the workers but only to “relieve” them, because these wants and incentive for them to work.
\item[\downarrow] The footnote brings a second quote by Mandeville, with the same idea, this time expressed less bluntly and adorned with the slogans “happiness for the workers and riches for the state.”
\end{itemize}

\textsuperscript{72} Bernard de Mandeville, \textit{The Fable of the Bees}, 5th edn, London, 1728, Remarks, pp. 212–13, 328. ‘Temperate living and constant employment is the direct road, for the poor, to rational happiness’ (by which the author means the longest possible working days and the smallest possible amount of the means of subsistence), ‘and to riches and strength for the state’ (namely for the landowners, capitalists, and their political

Mandeville lived prior to the Industrial Revolution, and therefore did not experience that capitalism has the ability to create exactly those ideal conditions he was proposing:

765:1/0 Mandeville, an honest man with a clear mind, does not yet see that the very mechanism of accumulation increases, along with the amount of capital, also the masses of the ‘laboring poor’, i.e. of wage laborers, who can sell their labor-power only if it becomes a force for increasing the valorization of the growing capital—who are therefore condemned to make their relation of dependence on their own product, as personified in the capitalist, into an eternal relation. In reference to this dependence, Sir F. M. Eden remarks, in his *The State of the
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Poor; or an History of the Laboring Classes in England:

The natural produce of our soil is certainly not fully adequate to our subsistence; we can neither be clothed, lodged nor fed but in consequence of some previous labor. A portion at least of the society must be indefatigably employed ... There are others who, though they “neither toil nor spin”, can yet command the produce of industry, but who owe their exemption from labor solely to civilization and order ... They are peculiarly the creatures of civil institutions, which have recognized that individuals may acquire property by various other means besides the exertion of labor ... 

Footnote 73 brings an interesting short defense of the primacy of the economic base, which is different from the usual “nothing would happen if people did not have to eat”:

„Unsere Zone erfordert Arbeit zur Befriedigung der Bedürfnisse, und deshalb muß wenigstens ein Teil der Gesellschaft unermüdet arbeiten ... Einige, die nicht arbeiten, haben dennoch die Produkte des Fleißes zu ihrer Verfügung. Das verdanken diese Eigentümer aber nur der Zivilisation und Ordnung; sie sind reine Kreaturen der bürgerlichen Institutionen.73 Denn diese haben es anerkannt, daß man die Früchte der Arbeit auch anders als durch Arbeit sich aneignen kann.
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Eden should have asked: who created ‘the civil institutions’? From the standpoint he adopts, that of juridical illusion, he does not regard the law as a product of the material relations of production, but rather the reverse: he sees the relations of production as products of the law. Linguet overthrew Montesquieu’s illusory ‘esprit des lois’ (spirit of the laws) with one word: ‘The spirit of the laws is property.’

Marx’s implied argument is here: Laws and other “bourgeois institutions” are the conscious creations of individuals. They are a reflection of material production because those individuals who create these laws are usually aware of the general structure of society, even if they do not formulate it as bluntly and honestly as Eden and Mandeville did.

Eden’s next point is: it is not the command over material goods (dead labor) but the command over living labor that distinguishes the rich from the poor.

Persons of independent fortune ... owe their superior advantages by no means to any superior abilities of their own, but almost entirely
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… to the industry of others. It is not the possession of land, or of money, but the command of labor which distinguishes the opulent from the laboring part of the community …

Next Eden seems to talk about hegemony. Marx will remark below that this “easy and liberal” treatment of the working class is specific to the extensive phase of accumulation.

This [the scheme approved by Eden] would give the people of property sufficient influence and authority over those who … work for them; and it would place such laborers, not in an abject or servile condition, but in such a state of easy and liberal dependence as all who know human nature, and its history, will allow to be necessary for their own comfort.74

Was dem Armen zusagt, ist nicht eine verworfene oder servile Lage, sondern ein bequemes und liberales Abhängigkeitsverhältnis (a state of easy and liberal dependence), und für die Leute von Eigentum hinreichender Einfluß und Autorität über die, die für sie arbeiten … Ein solches Abhängigkeitsverhältnis ist, wie jeder Kenner der menschlichen Natur weiß, notwendig für den Komfort der Arbeiter selbst.“74


74 Eden, l.c., v. I, l. I, ch. I, p. 1, 2 und Preface, p. XX.
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Sir F. M. Eden, it may be remarked in passing, was the only disciple of Adam Smith to have achieved anything of importance during the eighteenth century.\textsuperscript{75}

Malthus seems to be a counterexample here. According to his theory, there are too many laborers. Marx argues however that Malthus does not belong into the realm of classical thought but was a propagandist of party interests:

\textsuperscript{75} If the reader thinks at this point of Malthus, whose \textit{Essay on Population} appeared in 1798, I would remind him that this work in its first form is nothing more than a schoolboyish, superficial plagiarism of Defoe, Sir James Steuart, Townsend, Franklin, Wallace, etc., declaimed in the manner of a sermon, but not containing a single original proposition of Malthus himself. The great sensation this pamphlet caused was due solely to the fact that it corresponded to the interests of a particular party. The French Revolu-
tion had found passionate defenders in the United Kingdom; the ‘principle of population’, slowly worked out in the eighteenth century, and then, in the midst of a great social crisis, proclaimed with drums and trumpets as the infallible antidote to the doctrines of Condorcet and others, was greeted jubilantly by the English oligarchy as the great destroyer of all hankerings after a progressive development of humanity. Malthus, greatly astonished at his success, then set himself to the task of stuffing into the old framework of his book various bits of superficial compiled material, and adding to it new matter; but this new matter was not discovered by Malthus, it was merely annexed by him.

Now some side remarks whether the populations theorists practiced what they preached. Let us note incidentally that although Malthus was a parson of the Church of England he had taken the monastic vow of celibacy. For

—Nebenbei bemerkt. Obgleich Malthus Pfaffe der englischen Hochkirche, hatte er das Mönchsgelübde des Zölibats abgelegt. Dies ist...
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this is one of the conditions of holding a Fellowship in (Protestant) Cambridge University: ‘We do not permit the Fellows of the Colleges to be married, but rather as soon as anyone takes a wife, he ceases to be a Fellow of his College’. (Reports of Cambridge University Commission, p. 172). This circumstance favorably distinguishes Malthus from other Protestant parsons, who have flung off the Catholic requirement of the celibacy of the priesthood, and taken ‘Be fruitful and multiply’ as their special Biblical mission to such an extent that they generally contribute to the increase of population to a really unbecoming extent, whilst at the same time preaching the ‘principle of population’ to the workers. It is characteristic that the fall of man, as economically travestied, the apple of Adam, the ‘urgent appetite’, ‘the checks which tend to blunt the shafts of Cupid’, as Parson
Townsend waggishly puts it—it is characteristic that this delicate question was and is monopolized by the representatives of Protestant theology, or rather of the Protestant Church. With the exception of the Venetian monk Ortes, an original and clever writer, most of the population theorists are Protestant clerics. For instance, Bruckner's *Théorie du système animal* (Leyden, 1767), in which the whole of the modern theory of population is exhaustively treated, using ideas furnished by the passing dispute between Quesnay and his pupil, the elder Mirabeau, then Parson Wallace, Parson Townsend, Parson Malthus and his pupil, the arch-Parson Thomas Chalmers, to say nothing of lesser reverend scribblers in this line.

Since the protestant priests did not enter economics until the population principle debate, Marx adds a few remarks about the sociology of Economics:
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Originally, political economy was studied by philosophers such as Hobbes, Locke and Hume; by businessmen and statesmen, like Thomas More, Temple, Sully, De Witt, North, Law Vanderint, Cantillon and Franklin; and the theoretical aspects especially were studied, and with the greatest success, by medical men like Petty, Barbon Mandeville and Quesnay. Even in the middle of the eighteenth century, the Rev. Mr. Tucker, a notable economist for that time, made his excuses for meddling with Mammon. Later on, and indeed with the entry of the ‘principle of population’, the hour of the Protestant parsons struck. Petty, who regarded population as the basis of wealth, and was, like Adam Smith, an outspoken enemy of the parsons, said, as if he had a presentiment of their bungling interference, ‘that Religion best flourishes when the Priests are most mortified, as was before said of the Law,
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which best flourisheth when lawyers have least to do’. He advises the Protestant priests, therefore, if they, once for all, will not follow the Apostle Paul and ‘mortify’ themselves by celibacy, ‘not to breed more Churchmen than the Benefices, as they now stand shared out, will receive, that is to say, if there be places for about 12,000 in England and Wales, it will not be safe to breed up 24,000 ministers, for then the 12,000 which are unprovided for, will seek ways how to get themselves a livelihood, which they cannot do more easily than by persuadmg the people that the 12,000 incumbents do poison or starve their souls, and misguide them in their way to Heaven’ (Petty, [Pet67, p. 57]).

Petty noticed the contradiction too of the population-theory and the breeding by the priests. He used a version of population theory (namely the deleterious effects of an overpopulation of priests on religion) to advise the priests not to breed so much. Marx’s sociology of
science is different. Marx knows that the population theory is wrong, and the points out that
its very proponents do not seem to take it seriously for their own practical activities, which
is another sign that population theory is only an apology for their own privileged position.

Finally about Adam Smith and atheism:

Adam Smith’s position with the Protestant priesthood of his time is shown by the following. In A Letter to A. Smith, L.L.D., on the Life, Death, and Philosophy of His Friend, David Hume. By one of the People Called Christians, 4th edn, Oxford, 1784, Dr. Horne, Bishop of Norwich, reproves Adam Smith, because in a published letter to Mr Strahan, he ‘embalmed his friend David’ (i.e. Hume), because he told the world how ‘Hume amused himself on his deathbed with Lucian and Whist’, and because he even had the impudence to write of Hume: ‘I have always considered him, both in his life-time and since his death, as approaching as nearly to

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the idea of a perfectly wise and virtuous man, as, perhaps, the nature of human frailty will permit.’ The bishop cries out, in a passion: ‘Is it right in you, Sir, to hold up to our view as “perfectly wise and virtuous” the character and conduct of one, who seems to have been possessed with an incurable antipathy to all that is called Religion; and who strained every nerve to explode, suppress and extirpate the spirit of it among men, that its very name, if he could effect it, might no more be had in remembrance?’ (ibid., p. 8). ‘But let not the lovers of truth be discouraged, Atheism cannot be of long continuance’ (p. 17). Adam Smith ‘had the atrocious wickedness to propagate atheism through the land’ (namely by his Theory of Moral Sentiments). ‘Upon the whole, Doctor, your meaning is good; but I think you will not succeed this time. You would persuade us, by the example of David Hume, Esq., that seinem Tode so nahe dem Ideal eines vollkommen weisen und tugendhaften Mannes betrachtet, als die Schwäche der menschlichen Natur erlaubt.“ Der Bischof ruft entrüstet: „Ist es recht von Ihnen, mein Herr, uns als vollkommen weise und tugendhaft den Charakter und Lebenswandel eines Menschen zu schildern, der von einer unheilbaren Antipathie besessen war wider alles, was Religion heißt, und der jeden Nerv anspannte, um, so viel an ihm, selbst ihren Namen aus dem Gedächtnis der Menschen zu löschen?“ (l.c. p. 8.) „Aber laßt euch nicht entmutigen, Liebhaber der Wahrheit, der Atheismus ist kurzlebig.“ (p. 17.) Adam Smith „hat die gräßliche Ruchlosigkeit (the atrocious wickedness), den Atheismus durch das Land zu propagandieren“ (nämlich durch seine „Theory of moral sentiments“) „... Wir kennen Eure Schliche, Herr Doktor! Ihr meint’s gut, rechnet aber diesmal ohne den Wirt. Ihr wollt uns
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atheism is the only cordial for low spirits, and the proper antidote against the fear of death ... You may smile over Babylon in ruins and congratulate the hardened Pharaoh on his overthrow in the Red Sea’ (ibid., pp. 21–2). One orthodox individual among Adam Smith’s college friends wrote after his death: ‘Smith’s well-placed affection for Hume ... hindered him from being a Christian ... When he met with honest men whom he liked ... he would believe almost anything they said. Had he been a friend of the worthy ingenious Horrocks he would have believed that the moon sometimes disappeared in a clear sky without the interposition of a cloud ... He approached to republicanism in his political principles’ (*The Bee*, by James Anderson, 18 vols., Edinburgh, 1791–3, Vol. 3, pp. 166, 165). Parson Thomas Chalmers was inclined to suspect that Adam Smith invented the category of ‘unprodu-
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tive laborers’ out of pure malice, so that he could put the Protestant parsons in it, in spite of their blessed work in the vineyard of the Lord.
fand, trotz ihrer gesegneten Arbeit im Weinberg des Herrn.

1.c. [Dependence of Labor on Capital under Equal Organic Composition]

We are at an impasse. If one compares the growth of capital and the growth of the working-class quantitatively, the conclusion seems inescapable that workers will eventually become scarce and their wages will rise. However experience shows that the capitalist system remains in place and even strengthens its grip over society. In order to explain how this can be the case, Marx takes a closer look at accumulation, with a special emphasis of the qualitative aspect of the worker’s dependence on capital.

768/oo Under the conditions of accumulation assumed so far, conditions which are the most favorable to the workers, their relation of dependence on capital takes on forms 645/oo Unter den bisher unterstellten, den Arbeitern günstigsten Akkumulationsbedingungen kleidet sich ihr Abhängigkeitsverhältnis vom Kapital in erträgliche oder, wie
which are tolerable or, as Eden says, ‘easy and liberal’. Instead of becoming more intensive with the growth of capital, this relation of dependence merely becomes more extensive, i.e. the sphere of capital’s exploitation and domination merely extends with its own dimensions and the number of people subjected to it.

In addition to stressing the qualitative dimension, Marx also makes a second amendment during this closer look. He looks at the process not as the interaction between two independent factors, but as accumulation of capital and growth of the working-class as two aspects of the same overarching process:

A larger part of the workers’ own surplus product, which is always increasing and is continually being transformed into additional capital, comes back to them in the shape of means of payment, so that they

Eden sagt, „bequeme und liberale“ Formen. Statt intensiver zu werden mit dem Wachstum des Kapitals, wird es nur extensiver, d.h. die Exploitations- und Herrschaftssphäre des Kapitals dehnt sich nur aus mit seiner eigenen Dimension und der Anzahl seiner Untertanen.

Von ihrem eigenen anschwellenden und schwellend in Zusatzkapital verwandelten Mehrprodukt strömt ihnen ein größerer Teil in der Form von Zahlungsmitteln zurück, so daß sie den Kreis ihrer Genüsse erweitern, ih-
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can extend the circle of their enjoyments, make additions to their consumption fund of clothes, furniture, etc., and lay by a small reserve fund of money.

This is parallel to step 1 from \textit{Wage-Labor and Capital}. But step 2 nevertheless remains active:

But this rise in the price of labor, as a consequence of the accumulation of capital, no more abolishes the exploitation and dependence of the wage laborer than do better clothing, food and treatment, and a larger \textit{peculium}, abolish that of the slave. This rise is merely proof that the length and weight of the golden chain, which the wage-laborer has already forged for himself, allow this chain to be loosened somewhat.

In step 3, Marx explains why capital prevails by appealing to the purpose of capital accu-
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In the controversies around this question, one has generally overlooked that which matters most, namely, that which distinguishes capitalist production from other production. Labor-power is not purchased under this system for the purpose of satisfying, by its service or through its product, the personal needs of the buyer. The aim of the buyer is the valorization of his capital, the production of commodities which contain more labor than he paid for, whose value therefore contains a portion which costs him nothing and is nevertheless realized through the sale of those commodities.

Making profits is not only a wish of the capitalist but a law embedded in the structure of the capitalist system.
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The production of surplus-value, or the making of profits, is the absolute law of this mode of production.

Next, Marx describes the mechanism through which production of profits becomes an economic law: labor-power can only be sold if it creates profits.

Labor-power can be sold only to the extent that it preserves and maintains the means of production as capital, reproduces its own value as capital, and provides unpaid labor, the source of additional capital.76

Footnote 76 is running a little ahead of the text to which it refers: it already gives a concrete mechanism how capital’s general tendency manages to assert itself in the face of a tightening labor market. In the main text, this will discussed at the end of this paragraph.

76 ‘The limit, however, to the employment of both the operative and the laborer is the same; namely, the possibility of the employer realizing a profit on the produce of their industry. If

Produktion von Mehrwert oder Plusmacherei ist das absolute Gesetz dieser Produktionsweise.

Nur soweit sie die Produktionsmittel als Kapital erhält, ihren eignen Wert als Kapital reproduziert und in unbezahlter Arbeit eine Quelle von Zuschußkapital liefert, ist die Arbeitskraft verkaufbar.76

76 Note zur 2. Ausgabe. „Die Grenze jedoch der Beschäftigung von industriellen wie von ländlichen Arbeitern ist dieselbe: nämlich die Möglichkeit für den Unternehmer, einen Profit aus ih-
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the rate of wages is such as to reduce the master’s gains below the average profit of capital, he will cease to employ them, or will only employ them on condition of submission to a reduction of wages’ (John Wade, op. cit., p. 241).

Before discussing the implications which the condition of profitability has on wages, Marx interjects the remark that this condition implies the subordination of the accumulation of labor to the accumulation of capital.

The conditions of the sale of labor-power, even if they are the most favorable for the worker, always include the necessity of its constant re-sale and provide for the continued extended reproduction of wealth as capital.

Now Marx looks at the wages. Even if wages are comparatively favorable today, the condition of profitability ensures that they cannot be very favorable, and that they will never
become very favorable in the future. The purpose for which labor-power is bought puts a lid on wages:

Wages, as we have seen, imply by their very nature that the worker must always provide a certain quantity of unpaid labor.

If the worker sells more labor to the capitalist, this does not necessarily mean that the proportion between paid and unpaid labor is more favorable for the worker, although sometimes it may be the case.

In the best of cases, an increase in wages means only a quantitative reduction in the amount of unpaid labor the worker has to supply (not to speak of those cases where a rise of wages is accompanied by a fall in the price of labor).

Marx calls the decrease of unpaid labor only quantitative because it can never go to a point where it makes a qualitative difference.
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This reduction can never go so far as to threaten the system itself.

Examples how wages can rise although the price of labor falls are given in the chapter on time wages, 684. We know that the result of accumulation must be negative for labor, as long as accumulation maintains its capitalist character. This follows from the general purpose of capitalist production. But except for footnote 76, Marx has not said anything about it what the capitalists will do specifically when faced with the seemingly inexorable rise of excess demand for labor that one should expect to occur with capital accumulation. Only now is Marx going to look specifically at what will happen if wages rise. The first possibility mentioned is that such a rise in wages leads to open conflict: presumably, the capitalists refuse to pay the higher wages and force the workes to accept low wages.

Apart from violent conflicts over the rate of wages (and Adam Smith already showed that in such a conflict the master, by and large, remained the master) a rise in the price of labor resulting from accumulation

Abgesehen von gewaltsamen Konflikten über die Rate des Arbeitslohns, und Adam Smith hat bereits gezeigt, daß im großen und ganzen in solchem Konflikt der Meister stets Meister bleibt, unterstellt ein aus Akkumulation des
of capital may lead to the following alternatives:

Neither side of the following alternative allows the worker to truly get ahead:

770:1/o Either the price of labor keeps on rising, because its rise does not interfere with the progress of accumulation. There is nothing remarkable in this, for as Adam Smith says,

‘after these’ (profits) ‘are diminished, stock may not only continue to increase, but to increase much faster than before . . . A great stock, though with small profits, generally increases faster than a small stock with great profits’ (op. cit., Vol. 1, p. 189).

In this case it is evident that a reduction in the amount of unpaid labor in no way interferes with the extension of the reign of capital's entspringendes Steigen des Arbeitpreises folgende Alternative.

647:1–648:1 Entweder fährt der Preis der Arbeit fort zu steigen, weil seine Erhöhung den Fortschritt der Akkumulation nicht stört; es liegt darin nichts Wunderbares, denn, sagt A. Smith,

„selbst bei gesunknem Profit vermehren sich die Kapitale dennoch; sie wachsen selbst rascher als vorher . . . Ein großes Kapital wächst selbst bei kleinerem Profit im allgemeinen rascher als ein kleines Kapital bei großem Profit.“ (l.c. 1, p. 189.)

In diesem Falle ist es augenscheinlich, daß eine Verminderung der unbezahlten Arbeit die Ausdehnung der Kapitalherrschaft kei-
These are the phases in the business cycle in which the demand generated by wages leads to economic expansion, or in which high capacity utilization allows high profits even if wages are high, etc. It is not uncommon that temporarily both wages and profits rise.

The other alternative is not that the laborer triumphs over capital but that capital accumulates more slowly:

ør, the other alternative, accumulation slackens as a result of the rise in the price of labor, because the stimulus of gain is blunted. The rate of accumulation lessens.

—Oder, das ist die andre Seite der Alternative, die Akkumulation erschlafft infolge des steigenden Arbeitspreises, weil der Stachel des Gewinns abstumpft. Die Akkumulation nimmt ab.

Marx does not emphasize this here, but the key economic fact which allows capital to maintain the upper hand when confronted with the constraints of the natural population growth is the absence of any economic law determining the rate of accumulation. capital does not have to accumulate at a pre-set rate at every point in time, it will only accumulate to the extent that accumulation helps its drive for continuous profits. Of course, if accumulation stalls because wages are too high, this is a defeat for capital. But the ability to endure these
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defeats allows capital to continue the war to its final victory.

But this means that the primary cause of that lessening itself vanishes, i.e. the disproportion between capital and exploitable labor-power. The mechanism of the capitalist production process removes the very obstacles it temporarily creates. The price of labor falls again to a level corresponding with capital’s requirements for self-valorization, whether this level is below, the same as, or above that which was normal before the rise of wages took place.

Aber mit ihrer Abnahme verschwindet die Ursache ihrer Abnahme, nämlich die Disproportion zwischen Kapital und exploitabler Arbeitskraft. Der Mechanismus des kapitalistischen Produktionsprozesses beseitigt also selbst die Hindernisse, die er vorübergehend schafft. Der Arbeitspreis fällt wieder auf ein den Verwertungsbedürfnissen des Kapitals entsprechendes Niveau, ob dieses nun unter, über oder gleich mit dem Niveau, welches vor Eintritt des Lohnzuwachses als normal galt.

Capital has the flexibility to ride out any temporary wage increases because the rate of accumulation is not predetermined by the system. This is why these higher wages do not act as an unsurmountable curb on capital but self-correct downward again. This is why capital remains the independent variable. In the present discussion, Marx does not seem to pay
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much attention to this extra degree of freedom, although he seems aware of it when he says on p. 738:3/o that one of the main social functions of the capitalist class is to determine the rate of accumulation.

This was finally the discussion that was conspicuously absent in the discussion on p. 763:1/o, namely, the naming of specific mechanisms which allow capital to keep the price of labor-power down. So far, Marx has only argued that there must be such mechanisms, because capitalism hasn’t changed its character despite the limitations of the working-class. Capital can maintain a low price of labor in its accumulation process (a) because it can choose how great a portion of surplus-value to invest, and (b) because it can choose the technology and therefore the organic composition. The special case of equal organic composition is discussed here, and the more general case will be discussed in Sections 2 and 3. The mechanism described in the present subsection brings labor supply and demand in line through higher wages. The mechanism described in Sections 2 and 3 shifts the demand curve for labor.

Now discussion of point 3, the contradictory unity of the growth of capital and labor-power. This is written against the background of Malthus, whose population theory was so well-known that Marx did not see the need to explain it here. It will be described later, on
While Malthus claims that population growth is the independent variable which directs everything, Marx holds that capital accumulation is the independent variable.

Marx still refers to the two sides of the alternative: either capital continues to accumulate despite high wages, or accumulation slows until wages fall. In either case is it the action of capital, not the growth of the working population, which generates the outcome.

We see therefore that in the first case it was not the diminished rate, either of the absolute or of the proportional increase in labor-power or working population, which caused the excess quantity of capital, but rather the converse, the increase in capital made the exploitable labor-power insufficient. In the second case it was not the increased rate, either of the absolute or of the proportional increase in labor-power, or the working population, that made the capital insufficient, but rather the converse; the relative reduction in the absolute or the proportional increase in labor-power or working population, which caused the excess quantity of capital, but rather the converse, the increase in capital made the exploitable labor-power insufficient.
the amount of capital caused the exploitable labor-power, or rather its price, to be in excess.

"Or rather its price" is an important qualification. Through the present mechanism, capital accumulation does not increase the size of exploitable population directly but it lowers the price of labor-power. In the next section we will see an action of capital which has a more direct effect on the size of the labor-supply itself. Next Marx brings two more metaphors describing the relation between capital and wage labor, using the concepts of absolute versus relative and independent versus dependent.

It is these absolute movements of the accumulation of capital which manifest themselves as relative movements of the mass of exploitable labor-power, and therefore seem produced by the latter's own independent movement.

To put it mathematically: the magnitude of accumulation is the independent, not the dependent.
dependent variable; the magnitude of wages is the dependent, not the independent variable.

This is not the only situation where mainstream economics confuses cause and effect. The “Currency School,” i.e., the monetarists of Marx’s time, did it too. They confuse cause and effect in a different economic phenomenon, namely, cyclical fluctuations in price level and the quantity of money.

Thus, when the industrial cycle is in its phase of crisis, general fall in the price of commodities is expressed as a rise in relative value of money, and, in the phase of prosperity, a general rise in the price of commodities is expressed as a fall in the relative value of money. The so-called Currency School conclude from this that with high prices too much money is in circulation, with low prices too little.77

77 Marx, Zur Kritik der Politischen Ökonomie,
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I.e., the Currency School says that the quantity of money is the cause and the price level the effect, whereas Marx says that the price level is the cause and the quantity of money the effect. Just as the quantity of money is not the cause, although it seems to be, so also the number of exploitable laborers is not the cause, although it seems to be.

Their ignorance and complete misunderstanding of the facts are worthily paralleled by the economists, who interpret the above phenomena of accumulation by saying that in one case there are too few, and in the other, too many wage-laborers in existence.

Following up on his result that accumulation is active and the wage passive, Marx re-describes the relationship in such a way that capital is seen as the real agent, an “automatic subject,” as Marx called it in 255:1. The mechanism behind the alleged “natural population law” is not natural at all, Marx calls it “law of capitalist production” or “law of capitalist accumulation.”

771:1/o The law of capitalist production  648:2/o Das Gesetz der kapitalistischen
which lies at the basis of the supposed ‘natural law of population’ can be reduced simply to this: the relation between capital, accumulation and the rate of wages is nothing other than the relation between the part of the unpaid labor that has been transformed into capital, and the additional paid labor necessary to set in motion this additional capital. It is therefore in no way a relation between two magnitudes which are mutually independent, i.e. between the magnitude of the capital and the numbers of the working population; it is rather, at bottom, only the relation between the unpaid and the paid labor of the same working population. If the quantity of unpaid labor supplied by the working class and accumulated

Produktion, das dem angeblichen „natürlichen Populationsgesetz“ zugrunde liegt, kommt einfach auf dies heraus: Das Verhältnis zwischen Kapital, Akkumulation und Lohnrate ist nichts als das Verhältnis zwischen der unbezahlten, in Kapital verwandelten Arbeit und der zur Bewegung des Zusatzzkapitals erforderlichen zuschüssigen Arbeit. Es ist also keineswegs ein Verhältnis zweier voneinander unabhängigen Größen, einerseits der Größe des Kapitals, andererseits der Zahl der Arbeiterbevölkerung, es ist vielmehr in letzter Instanz nur das Verhältnis zwischen der unbezahlten und der bezahlten Arbeit derselben Arbeiterbevölkerung. Wächst die Menge der von der Arbeiterklasse gelieferten und von der Kapitalistenklasse akkumulier-
by the capitalist class increases so rapidly that its transformation into capital requires an extraordinary addition of paid labor, then wages rise and, all other circumstances remaining equal, the unpaid labor diminishes in proportion. But as soon as this diminution touches the point at which the surplus labor that nourishes capital is no longer supplied in normal quantity, a reaction sets in: a smaller part of revenue is capitalized, accumulation slows down, and the rising movement of wages comes up against an obstacle. The rise of wages is therefore confined within limits that not only leave intact the foundations of the capitalist system, but also secure its reproduction on an increasing scale.
Marx wrote “ein Verhältnis zweier voneinander unabhängigen Größen,” instead of the grammatically correct “unabhängiger.” He was probably thinking the more colloquial: “ein Verhältnis von zwei voneinander unabhängigen Größen.”

This is clearly the description of a limit cycle.

At the end, a pun on “natural law.” Malthus calls his law of population a “natural law.”

The law of capitalist accumulation, mystified by the economists into a supposed law of nature in fact expresses the situation that the very nature of accumulation excludes every diminution in the degree of exploitation of labor, every rise in the price of labor, which could seriously imperil the continual reproduction, on an ever larger scale, of the capital relation.

It is clearly a case of fetishism to call a law “natural” although it springs from the specific

"ein Stufenleiter sichern."
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nature of capitalist production. Next Marx alludes to the underlying fetish-like character of capital.

It cannot be otherwise in a mode of production in which the worker exists to satisfy the need of the existing values for valorization, as opposed to the inverse situation, in which objective wealth is there to satisfy the worker’s own need for development. Just as man is governed, in religion, by the products of his own brain, so, in capitalist production, he is governed by the products of his own hand.\textsuperscript{77a}

That the standard of living of the laborers is subordinated to the needs of capital is an expression of the fetish-like character of capital. “Fetish-like character” no longer means, as in the case of commodities, that the social relations lack transparency because they go through things, but that these things now dominate the individuals.

In footnote 77a, a question is asked similar to that which Marx earlier referred to as the
“secret” of the fetish-like character of commodities: how does it happen that people become subordinate to their own product?

77a ‘If we now return to our first inquiry, where we showed that capital itself is only a product of human labor . . . it seems quite incomprehensible that man can have fallen under the domination of capital, his own product, and can be subordinated to it; and as in reality this is indisputably the case, the question involuntarily forces itself on us: How has the worker been able to pass from being the master of capital—as its creator—to being its slave?’ (Von Thünen, Der isolirte Staat, Part Two, Section Two, Rostock, 1863, pp. 5, 6.) It is to Thünen’s credit that he asked this question. His answer is simply childish.

77a „Gehen wir aber nun auf unsere erste Untersuchung zurück, wo nachgewiesen ist . . . daß das Kapital selbst nur das Erzeugnis menschlicher Arbeit ist . . . so scheint es ganz unbegreiflich, daß der Mensch unter die Herrschaft seines eigenen Produkts—das Kapital—geraten und diesem untergeordnet werden könne; und da dies in der Wirklichkeit doch unleugbar der Fall ist, so drängt sich unwillkürlich die Frage auf: wie hat der Arbeiter aus dem Beherrscher des Kapitals—als Schöpfer desselben—zum Sklaven des Kapitals werden können?“ (Von Thünen, „Der isolirte Staat“, Zweiter Theil, Zweite Abtheilung, Rostock 1863, p. 5, 6.) Es ist das Verdienst Thünens, gefragt zu haben. Seine Antwort ist einfach kindisch.
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2. Relative Diminution of the Variable Part of Capital as Accumulation, and the Concentration that Accompanies it, Progresses

This section shows how accumulation leads to a “qualitative change” in the composition of capital (sic in 781:1), i.e., to a rise in the value composition \( c/v \). The following chain of arguments is presented: (1) Capital accumulation leads to higher technology, and (2) higher technology leads to higher organic composition. Both links are themselves sequences of finer steps: Link (1) is subdivided into (1a) capital accumulation leads to concentration of production sites, and (1b) more concentrated production leads to higher technology, and Marx discusses also the reverse connection that (1c) higher technology furthers capital accumulation. Link (2) is subdivided into (2a) higher technology leads to higher technical composition, and (2b) this higher technical composition is also reflected in a higher value composition. These links are given in the following order: (2a), (2b), (1b), (1c), (1a).

Section 2 concludes with a few remarks that this change in the composition of capital results in a declining demand for labor. I.e., not only do wages stay low during accumulation,
as argued in 1, but in addition, accumulation generates unemployment. A more thorough development of this additional link, that higher organic composition leads to a surplus population of laborers, will be the subject of section 3.

According to the economists themselves, it is neither the actual extent of social wealth nor the magnitude of the capital already acquired that leads to a rise of wages, but only the continued growth of accumulation and the speed of that growth (Adam Smith, Book I, chapter 8).

If wages were determined by the Malthusian mechanism (best described on p. 790), then the absolute size of capital, not the speed of its accumulation, should be the relevant factor. The Malthusian economists are therefore inconsistent when they say that speed matters. Marx agrees that speed indeed matters. But the mechanisms described in section 1 are not sufficient to explain the importance of speed. 1 only treated one particular phase of the accumulation process:
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So far, we have considered only one particular phase of this process: expansion of capital under a constant technical composition of capital. But the process advances beyond this phase.

Accumulation under constant technical composition of capital is only one phase of the process. Once this accumulation is under way, other things happen. Now one should expect that Marx is going to discuss link (1). But at this point Marx only summarizes link (1) with the words: “a point is regularly reached where,” and then goes on to discuss link (2).

2.a. [Law of Increasing Value Composition]

The first paragraph describes the result, which can be characterized as a dialectical transition from quantitative to qualitative accumulation. The paragraphs after it will develop how this result was obtained.

772:2 Once given the general basis of the capitalistic system . . .
This assumption will be relaxed in 775:1/o, where the conditions of the development of the productive forces will be investigated on the broader basis of commodity production.

... a point is regularly reached in the course of accumulation at which the development of the productivity of social labor becomes the most powerful lever of accumulation.

The English translation is not very clear here because the "jedesmal" is left out. The French is a little clearer than the German, it translates as follows: the development of the productive forces of social labor always intervenes (survient) at a certain point of accumulation, in order to become from then on its most powerful lever.

In other words, the ceteris paribus condition in the preceding section 763:1/o, which must eventually lead to rising wages, does not persist but is necessarily overturned!

‘The same cause’, says Adam Smith, ‘which raises the wages of labor, the increase of stock, tends to increase its productive powers, and
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to make a smaller quantity of labor produce a greater quantity of work.’

Fähigkeiten der Arbeit und setzt eine kleinere Arbeitsmenge instand, eine größere Menge von Produkten zu erzeugen.“

In the French edition 542:3/o, the next paragraph starts with: “But how does this result come about?” But instead of describing step (1) now in detail, Marx first concentrates on step (2), the link between increased productive powers of labor and the value composition. This is broken into two halves, first (2a), from productive powers of labor to technical composition:

773:1 Apart from natural conditions, such as the fertility of the soil etc., and the skill of independent and isolated producers (which has more of a bearing on the quality than the quantity of the products), the social degree of productivity of labor expresses itself in the relative extent of the means of production that one worker, during a given time, with the same intensity of exertion of his or her labor-power, turns into products.

650:4/o Abgesehen von Naturbedingungen, wie Fruchtbarkeit des Bodens usw., und vom Geschick unabhängiger und isoliert arbeitender Produzenten, das sich jedoch mehr qualitativ in der Güte als quantitativ in der Masse des Machwerks bewährt, drückt sich der gesellschaftliche Produktivgrad der Arbeit aus im relativen Größenumfang der Produktionsmittel, welche ein Arbeiter, während gegebener Zeit, mit derselben Anspannung von Ar-
2. Relative Diminution of Variable Capital

Marx distinguishes three aspects of the productivity of labor: (1) natural conditions, (2) the skills of the workers, and (3) an additional contribution from mechanization, division of labor, and other co-operative aspects of production. The degree of evolution of this third aspect, which Marx had already introduced in 443:2, expresses itself in in the technical composition.

I am interpreting *der gesellschaftliche Produktivgrad der Arbeit* to mean the level of the social productivity of labor, which was in the cooperation chapter 447:1 clarified to mean the productivity of social labor. The French edition supports this, it says in 544:1: “le développement des puissances productives du travail social.” Fowkes’s translation has the same connotation, but the Moore-Aveling translation does not; they write “the degree of productivity of labor, in a given society,” i.e., they mean the average of the individual productivities and not a social force separate from individual skills.

An *expression* of some invisible process (here: productivity growth) is an observable series of events which accompanies that process and which can be taken as an indicator that this invisible process is taking place. Here, the observable surface phenomena are the rise in the technical composition. They rise whenever the underlying process “rise in the productive
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powers of labor” takes place in production. The next sentence states this once more in simple terms:

The mass of means of production with which the laborer operates increases with the productivity of his labor.

By saying that something is an expression, we do not claim that it has to be one specific causal connection, i.e., expressions do not always have to be effects or conditions or causes. In some cases they are one, in other cases the other. In the present case there is a double connection; rising technical composition is both effect and condition of the increasing productivity:

The means of production play a double role here. The increase of some is a consequence and that of others a condition of the increasing productivity of labor. For example, with division of labor (under manual manufacture) and the application of machinery, more raw material is worked up in the same time,
2. Relative Diminution of Variable Capital

and therefore a greater mass of raw material and auxiliary substances enters into the labor process. This is a consequence of the increasing productivity of labor. On the other hand, the mass of machinery, beasts of burden, mineral fertilizers, drain pipes, etc. is a condition of the increasing productivity of labor. The means of production concentrated in buildings, furnaces, means of transport, etc. are conditions as well.

The next sentence can be considered an explanation of the terminology “expresses itself”: But whether condition or consequence, the growing extent of the means of production, as compared with the labor-power incorporated into them, is an expression of the growing productivity of labor.

⇓ The next sentence contains at its beginning a “therefore,” in German also, which is a
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weak version of “therefore” that might also be translated as “thus.” I.e., Marx makes an additional step here.

The increase of the latter appears, therefore, in the diminution of the mass of labor in proportion to the mass of means of production moved by it, or in the diminution of the subjective factor of the labor process as compared with the objective factors.

Here Marx no longer speaks of “expression” but of “form of appearance.” While an expression of a process going on in the core is part of channel (1) defined earlier (i.e., it is information which this process sends about itself to the surface), forms of appearance are part of channel (2): they are surface relations which direct and focus individual activities in such a way that they have an impact on the core. The problem with this appearance is that it is an inverted appearance: the increase of productivity in the core is, on the surface, experienced as a decrease of labor relative to the mass of means of production. In the French edition 544:1, Marx adds the following sentence here:
2. Relative Diminution of Variable Capital

544:1 To the extent therefore that the growth of capital makes labor more productive, it diminishes the demand for labor proportionally to its own magnitude.

↑ I.e., labor, which just has become better, is demanded less. The reaction on the surface to increasing productivity is therefore perverse: Instead of providing more wealth for all, higher productivity leads to unemployment and lower wages, more misery for the working class.

In the next two paragraphs, Marx discusses step (2b), from technical composition to value composition. He first gives an example of increasing technical composition:

773:2/o This change in the technical composition of capital, this growth in the mass of means of production, as compared with the mass of labor-power that gives life to them, is reflected in its value-composition, since the constant constituent of capital increases at the expense of its variable component.
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There may be, for example, originally 50 per cent of the capital laid out in means of production, and 50 per cent in labor-power; later on, with the development of the productivity of labor, 80 per cent may be laid out in means of production, 20 per cent in labor-power and so on.

There is no mathematical necessity for the increased technical composition to lead to an increased value composition, since higher technology also cheapens the means of production, which counteracts the increase in their mass. However it is a plausible hypothesis that labor can only be saved by increasing some other input into the production process. Rising technical composition means that machines have to be increased; rising value composition can perhaps be justified by the idea that the extent of co-operation has to be increased: one needs an increasing amount of labor elsewhere in order to assist a decrease here.

But even if something is very plausible, it is prudent to check it against the facts, and this is what Marx does next. He cannot bring direct data about value composition (which were unavailable at his time), but refers to price data.
This law of the progressive growth of the constant part of capital in comparison with the variable part is confirmed at every step (as already said in the earlier development) by the comparative analysis of the prices of commodities, whether we compare different economic epochs or different nations in the same epoch. The relative magnitude of the part of the price which represents the value of the means of production, or the constant part of the capital, is in direct proportion to the progress of accumulation, whereas the relative magnitude of the other part of the price, which represents the variable part of the capital, or the payment made for labor, is in inverse proportion to the progress of accumulation.

Dies Gesetz des steigenden Wachstums des konstanten Kapitalteils im Verhältnis zum variablen wird auf jedem Schritt bestätigt (wie schon oben entwickelt) durch die vergleichende Analyse der Warenpreise, gleichviel ob wir verschiedene ökonomische Epochen bei einer einzigen Nation vergleichen oder verschiedene Nationen in derselben Epoche. Die relative Größe des Preiselementes, welches nur den Wert der verzehrten Produktionsmittel oder den konstanten Kapitalteil vertreibt, wird in direktem, die relative Größe des andern, die Arbeit bezahlenden oder den variablen Kapitalteil vertretenden Preiselementen, wird im allgemeinen in umgekehrtem Verhältnis stehn zum Fortschritt der Akkumulation.
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Prices of constant capital in relation to overall prices were already discussed in the machinery chapter, p. 512. And the chapter about National Differences of Wages, 702, says that the wage relative to the value of the product, and therefore also the piece wage, is lower in countries with higher development.

But the increase in organic composition is by far not as great as the increase in technical composition:

774 However, this diminution in the variable part of capital as compared with the constant part, or, in other words, this change in the composition of the value of the capital, gives only an approximate indication of the change in the composition of its material constituents. The value of the capital employed today in spinning is 7/8 constant and 1/8 variable, while at the beginning of the eighteenth century it was 1/2 constant 1/2 variable. Yet, in contrast to 651:2/o Die Abnahme des variablen Kapitalteils gegenüber dem konstanten oder die veränderte Zusammensetzung des Kapitalwerts zeigt jedoch nur annähernd den Wechsel in der Zusammensetzung seiner stofflichen Bestandteile an. Wenn z.B. heute der in der Spinnerei angelegte Kapitalwert zu 7/8 konstant und 1/8 variabel ist, während er Anfang des 18. Jahrhunderts 1/2 konstant und 1/2 variabel war, so ist dagegen die Masse von Rohstoff, Arbeitsmitteln usw., die ein be-
this, the mass of raw material, instruments of labor, etc. that a certain quantity of spinning labor consumes productively today is many hundred times greater than at the beginning of the eighteenth century. The reason is simple: with the increasing productivity of labor, the mass of the means of production consumed by labor increases, but their value in comparison with their mass diminishes. Their value therefore rises absolutely, but not in proportion to the increase in their mass. The difference between constant and variable capital increases therefore much less than the difference between the mass of the means of production into which the constant capital, and the mass of the labor-power into which the variable cap-

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capital, is converted. The former difference increases with the latter, but in a smaller degree.

At the end of this discussion, Marx remarks: Although the proportion of variable capital declines, its absolute amount may still rise:

774:2 To avoid misunderstandings: if the progress of accumulation lessens the relative magnitude of the variable part of capital, this by no means excludes the possibility of a rise in its absolute magnitude. Suppose that a capital-value is divided at first into 50 per cent constant and 50 per cent variable capital, and later into 80 per cent constant and 20 per cent variable capital. If, in the meantime, the original capital, say £6,000, has increased to £18,000, its variable constituent has also increased, in fact by 20 per

652:1 Übrigens, wenn der Fortschritt der Akkumulation die relative Größe des variablen Kapitalteils vermindert, schließt er damit die Steigerung ihrer absoluten Größe keineswegs aus. Gesetzt, ein Kapitalwert spaltete sich anfangs in 50% konstantes und 50% variables Kapital, später in 80% konstantes und 20% variables. Ist inzwischen das ursprüngliche Kapital, sage 6000 Pfd.St., gewachsen auf 18 000 Pfd.St., so ist sein variabler Bestandteil auch um 1/5 gewachsen. Er war 3000 Pfd.St., er beträgt jetzt 3600 Pfd.St.
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cent. It was £3,000, it is now £3,600. But whereas formerly an increase of capital by 20 per cent would have sufficed to raise the demand for labor by 20 per cent, now the original capital needs to be tripled to secure an increase of 20 per cent in the demand for labor.

This paragraph starts in German with “übrigens” (by the way), in French with “enfin, pour éviter des erreurs.” This indicates that it is a mere side remark at the end of the discussion. My translation followed the French.

2.b. [Social Productive Powers and Accumulation]

Next, Marx begins to argue step (1): how accumulation leads to higher productive powers of labor. He first tackles step (1b): how large scale production furthers those productive powers.
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775:1/o We showed in Part IV how the development of the social productive powers of labor presupposes co-operation on a large scale. Only on this basis can the division and combination of labor be organized, can the means of production be economized by large scale concentration, can instruments of labor (such as systems of machinery) be developed which, by their technical nature, can only be used in common, can gigantic natural forces be pressed into the service of production, and can the transformation be carried out which turns the production process into a process of the technological application of scientific knowledge.

Large scale co-operative production is a presupposition for the development of the social productive powers of labor. This is not only true in capitalism. But capitalism enters the
picture in an interesting way:

When the prevailing system is the production of commodities, i.e., the means of production are the property of private persons, and the artisan therefore either produces in isolation and independently for the market, or sells his labor-power on the market because he lacks the means to produce independently, the above-mentioned presupposition, namely co-operation on a large scale, can come about only through the increase of individual capitals, only to the extent that the social means of production and subsistence are transformed into the private property of capitalists. The soil of commodity production can carry production on a large scale only in capitalist form.

Auf Grundlage der Warenproduktion, wo die Produktionsmittel Eigentum von Privatpersonen sind, wo der Handarbeiter daher entweder isoliert und selbständig Waren produziert oder seine Arbeitskraft als Ware verkauft, weil ihm die Mittel zum Selbstbetrieb fehlen, realisiert sich jene Voraussetzung nur durch das Wachstum der individuellen Kapitale oder im Maße, worin die gesellschaftlichen Produktions- und Lebensmittel in das Privateigentum von Kapitalisten verwandelt werden. Der Boden der Warenproduktion kann die Produktion auf großer Stufenleiter nur in kapitalistischer Form tragen.
This last sentence repeats something Marx had already remarked in 486:1.

But capitalism is special also in another respect. Under capitalism, the link between accumulation and productive powers of labor is not a one-way street. There is also a reaction accelerating accumulation: higher productive powers lead to faster accumulation. But before entering into this argument called here step (1c), Marx makes it clear that it is only a reaction, i.e., accumulation must come first. Since co-operative production cannot come about without the accumulation of capital, some kind of accumulation, which is not necessarily a capitalist accumulation, must come first. I will call this step in the argument (1c.1)

A certain accumulation of capital in the hands of individual producers is therefore a pre-condition for the specifically capitalist mode of production. We had therefore to presuppose this when dealing with the transition from handicrafts to capitalist industry. It may be called original accumulation, because it is the historical basis, instead of the historical result, of the specifically capital-

Eine gewisse Akkumulation von Kapital in den Händen individueller Warenproduzenten bildet daher die Voraussetzung der spezifisch kapitalistischen Produktionsweise. Wir mußten sie deshalb unterstellen bei dem Übergang aus dem Handwerk in den kapitalistischen Betrieb. Sie mag die ursprüngliche Akkumulation heißen, weil sie statt historisches Resultat historische Grundlage der spe-
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...production. How it itself comes about we need not investigate as yet. Enough, it constitutes the starting-point.

This same argument is repeated at the beginning of chapter Twenty-Six, 873:1.

(1c.2) The next two sentences develop the other side, that, once capitalism has been established through this process of original accumulation, higher productive powers of labor lead to increases in surplus-value and therefore accelerate accumulation.

But all methods for raising the social productive powers of labor that grow up on this basis are at the same time methods for the increased production of surplus-value or surplus product, which is in its turn the formative element of accumulation. They are, therefore, also methods for the production of capital by capital, or methods for its accelerated accumulation.

Aber alle Methoden zur Steigerung der gesellschaftlichen Produktivkraft der Arbeit, die auf dieser Grundlage erwachsen, sind zugleich Methoden der gesteigerten Produktion des Mehrwerts oder Mehrprodukts, welches seinerseits das Bildungselement der Akkumulation. Sie sind also zugleich Methoden der Produktion von Kapital durch Kapital oder Methoden seiner beschleunigten Akku-
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(1c.3) And this accumulation, in turn, accelerates technical progress.

The continual re-conversion of surplus-value into capital now appears in the shape of the increasing magnitude of the capital that enters into the production process. This is in turn the basis of an extended scale of production, of the methods for raising the productive powers of labor that accompany it, and of an accelerated production of surplus-value.

The next two sentences put steps (1c.1), (1c.2), and (1c.3) together, to get an accelerated development of both accumulation and technical progress:

While, therefore, a certain degree of accumulation of capital appears as a precondition for the specifically capitalist mode of production, the latter, in reaction, causes...

Wenn also ein gewisser Grad der Kapitalakkumulation als Bedingung der spezifisch kapitalistischen Produktionsweise erscheint, verursacht die letztere rückschlagend eine be-
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an accelerated accumulation of capital. With the accumulation of capital, therefore, the specifically capitalist mode of production develops, and, with the capitalist mode of production, the accumulation of capital.

Finally, Marx combines this with step (2) which was argued earlier:

These two economic factors bring about, in the compound ratio of the impulses they give to each other, that change in the technical composition of capital by which the variable component becomes smaller and smaller as compared with the constant component.
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2.c. [Attraction and Repulsion of Individual Capitals]

There is still one step missing in the argument, namely a precise reasoning of link (1a), from accumulation to mass production. Accumulation is the reproduction of the capital relation on an extended scale, i.e., the reconversion of surplus-value into capital. Does this lead to bigger firms? In the discussion of the laws of capital in general, which is the level of abstraction at which most of Capital I is written, the question whether this growth of capital takes the form of growth of individual firms or birth of new firms is not asked. But for the problematic at hand we have to step down to the level of individual firms, since establishment size matters for our previous argument regarding technical progress. Technical progress is developed in individual firms, and larger-scale co-operative production can only take place in larger firms. Therefore it is now necessary to look at accumulation at the level of individual capitals. Right at the beginning Marx states the results of this inquiry: accumulation means indeed a greater concentration of means of production in the hands of individual capitalists:

776:1/o Every individual capital is a larger or smaller concentration of means of production, with a corresponding command over a larger or smaller army of work-

653:1/o Jedes individuelle Kapital ist eine größere oder kleinere Konzentration von Produktionsmitteln mit entsprechendem Kommando über eine größere oder kleinere Arbei-
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ers. Every accumulation becomes the means of new accumulation. With the increasing mass of wealth which functions as capital, accumulation increases the concentration of that wealth in the hands of individual capitalists, and thereby widens the basis of production on a large scale and extends the specifically capitalist methods of production.

The “normal” course of events would be that the existing individual capitals grow at the same growth rate as the total capital. This is what Marx calls the concentration of capital.

The growth of the social capital is accomplished through the growth of many individual capitals. All other circumstances remaining the same, the individual capitals grow, and with their growth the concentration of the means of production increases,
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in the proportion in which they form aliquot parts of the total social capital.

I.e., capital which represents 1/20 of total capital will grow 5 times as much as capital which represents 1/100 of total capital. A simpler way of saying this would be: the proportional growth rate of individual capitals is the same as that of the total capital.

This concentration is thwarted (sic in 776:1/o) by the separation of new capitals from the old ones or formation of new capitals (inheritance).

At the same time offshoots split off from the original capitals and start to function as new and independent capitals. Apart from other causes, the division of property within capitalist families plays a great part in this. With the accumulation of capital, therefore, the number of capitalists grows to a greater or lesser extent.

Now Marx recapitulates, on a more general level, the two points he just made, and shows their limitations:
Two features characterize this kind of concentration, which grows directly out of accumulation, or rather is identical with it. Firstly: the increasing concentration of the social means of production in the hands of individual capitalists is, other things remaining equal, limited by the degree of increase of social wealth. Secondly: the part of the social capital domiciled in each particular sphere of production is divided among many capitalists who confront each other as mutually independent and competitive commodity-producers. Therefore not only are accumulation and the concentration accompanying it scattered over many points, but the increase of each functioning capital is thwarted by the formation of new capitals.
and the subdivision of old. Accumulation, therefore, presents itself on the one hand as increasing concentration of the means of production, and of the command over labor, and on the other hand as repulsion of many individual capitals from one another.

The French edition stresses at this point how limited this concentration based on accumulation is. But there is also a counterforce, called centralization. (This is the negation of the negation.)

777:1 This fragmentation of the total social capital into many individual capitals, or the repulsion of its fractions from each other, is counteracted by their attraction. The attraction of capitals no longer means the simple concentration of the means of production and the command over labor, der funktionierenden Kapitale ist durchkreuzt durch die Bildung neuer und die Spaltung alter Kapitale. Stellt sich die Akkumulation daher einerseits dar als wachsende Konzentration der Produktionsmittel und des Kommandos über Arbeit, so andererseits als Repulsion vieler individueller Kapitale voneinander.

654:1 Dieser Zersplitterung des gesellschaftlichen Gesamtkapitals in viele individuelle Kapitale oder der Repulsion seiner Bruchteile voneinander wirkt entgegen ihre Attraktion. Es ist dies nicht mehr einfache, mit der Akkumulation identische Konzentration von Produktionsmitteln und Kommando
which is identical with accumulation. It is concentration of capitals already formed, destruction of their individual independence, expropriation of capitalist by capitalist, transformation of many small into few large capitals. This process differs from the first one in this respect, that it only presupposes a change in the distribution of already available and already functioning capital. Its field of action is therefore not limited by the absolute growth of social wealth, or in other words by the absolute limits of accumulation. Capital grows to a huge mass in a single hand in one place, because it has been lost by many in another place. This is centralization proper, as distinct from accumulation and concentration.
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This last sentence was in the 1st and 2nd editions: Es ist die eigentliche Konzentration im Unterschied zur Akkumulation. My source is [Mar69, p. 576].

Note “expropriation of capitalist by capitalist”! Capitalists not only expropriate workers, they also expropriate each other. This is also said at the end of footnote 88 below, which quotes Misery of Philosophy, and in chapter Thirty-Two, p. 929:1.

Marx does not develop the general mechanisms of this centralization (which would belong into the book about competition), but only briefly describes a few facts.

777:2/o The laws of this centralization of capitals, or of the attraction of capital by capital, cannot be developed here. A few brief factual indications must suffice. The battle of competition is fought by the cheapening of commodities. The cheapness of commodities depends, all other circumstances remaining the same, on the productivity of labor, which depends in turn on the scale of production. Therefore the larger 654:2/o Die Gesetze dieser Zentralisation der Kapitale oder der Attraktion von Kapital durch Kapital können hier nicht entwickelt werden. Kurze tatsächliche Andeutung genügt. Der Konkurrenzkampf wird durch Verwohlfeilerung der Waren geführt. Die Wohlfeilheit der Waren hängt, caeteris paribus, von der Produktivität der Arbeit, diese aber von der Stufenleiter der Produktion ab. Die größeren Kapitale schlagen daher die
capitalists beat the smaller. It will further be remembered that, with the development of the capitalist mode of production, there is an increase in the minimum amount of individual capital necessary to carry on a business under its normal conditions. The smaller capitals, therefore, crowd into spheres of production which large-scale industry has taken control of only sporadically or incompletely. Here competition rages in direct proportion to the number, and in inverse proportion to the magnitude, of the rival capitals. It always ends in the ruin of many small capitalists, whose capitals partly pass into the hands of their conquerors, and partly vanish completely.
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In the first and second editions, the first sentence of this paragraph reads: “Die Gesetze dieser Konzentration der Kapitale . . . ,” and its last sentence reads: “Sie endet stets mit Untergang vieler kleiner Kapitalisten und Übergang ihrer Kapitale in die Hand des Siegers.”

Now Marx introduces *credit*:

Apart from this, an altogether new force comes into existence with the development of capitalist production: the credit system. Abgesehen hiervon bildet sich mit der kapitalistischen Produktion eine ganz neue Macht, das Kreditwesen, . . .

The passage which follows, from ‘In its first stages’ to ‘movement towards centralization’ (p. 780:3) was added by Engels to the fourth German edition, on the basis of the French translation of 1872. It is analytically less well structured than Marx’s original version, which had been retained through the first three German editions. Here is Marx’s original version (afterwards I will bring the revised version):

Not only is this itself a new and mighty weapon in the battle of competition. By unseen threads it also draws the disposable money, scattered in larger or smaller masses over the surface of society, into the hands of the conqueror. Es wird nicht nur selbst zu einer neuen gewaltigen Waffe im Konkurrenzkampfe. Durch unsichtbare Fäden zieht es die über die Oberfläche der Gesellschaft in größeren oder kleineren Massen zersplitterten Geldmittel in die
of individual or associated capitalists. It is the specific machine for the centralization of capitals.

The centralization of capitals, or the process of their attraction, becomes more intense in proportion as the specifically capitalist mode of production develops along with accumulation. In its turn, centralization becomes one of the greatest levers of this development. It shortens and quickens the transformation of separate processes of production into processes socially combined and carried out on a large scale.

The increasing bulk of individual masses of capital becomes the material basis of an uninterrupted revolution in the mode of production itself. The capitalist mode of production into processes socially combined and carried out on a large scale.

Die Konzentration der Kapitale, oder der Prozeß ihrer Attraktion, wird intensiver im Verhältnis, worin sich mit der Akkumulation die spezifisch kapitalistische Produktionsweise entwickelt. Ihrerseits wird die Konzentration einer der großen Hebel jener Entwicklung. Sie verkürzt und beschleunigt die Verwandlung zersplitterter Produktionsprozesse in gesellschaftlich kombinierte und auf großer Stufenleiter ausgeführte.

Der wachsende Umfang der individuellen Kapitallmassen wird zur materiellen Basis einer beständigen Umwälzung der Produktionsweise selbst. Fortwährend erobert die
duction continually conquers branches of industry not yet wholly, or only sporadically or formally, subjugated by it. At the same time there grow up on its soil new branches of industry, which could not exist without it. Finally, in the branches of industry already carried on upon the capitalist basis, the productive powers of labor are made to ripen as in a hothouse.

Now the implications of this for labor demand (it is still the same paragraph):

In all these cases, the number of workers falls in proportion to the mass of the means of production worked up by them. An ever increasing part of the capital is turned into means of production, an ever decreasing part into labor-power. The degree to which the means of production are means of em-


In allen diesen Fällen sinkt die Arbeiterzahl verhältnismäßig zur Masse der von ihr verar-beiteten Produktionsmittel. Ein stets größe-rer Teil des Kapitals wird in Produktions-mittel umgesetzt, ein stets kleinerer in Ar-beitskraft. Mit dem Umfang, der Konzen-tration und der technischen Wirksamkeit der
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ployment for the workers lessens progressively as those means become more extensive, more concentrated, and technically more efficient. A steam plough is an incomparably more efficient means of production than an ordinary plough, but the capital-value laid out in it is an incomparably smaller means for employing men than if it were laid out in ordinary ploughs.

And here again (still the same paragraph) a dialectic which has nothing to do with labor demand:

At first, it is the mere adding of new capital to old which allows the objective conditions of the process of production to be extended and undergo technical transformations. But soon these changes of composition, and technical transformations, get a

Produktionsmittel vermindert sich progressiv der Grad, worin sie Beschäftigungsmittel der Arbeiter sind. Ein Dampfpflug ist ein ungleich wirksameres Produktionsmittel als der gewöhnliche Pflug, aber der in ihm ausgelegte Kapitalwert ist ein ungleich geringeres Beschäftigungsmittel, als wenn er in gewöhnlichen Pflügen realisiert wäre.

Zunächst ist es gerade die Zufügung von neuem Kapital zum alten, welche die gegenständlichen Bedingungen des Produktionsprozesses auszuweiten und technisch umzuwälzen erlaubt. Bald aber ergreift die veränderte Zusammensetzung und techni-
more or less complete grip on all the old capital that has reached the term of its period of reproduction and therefore has to be replaced. This metamorphosis of old capital is independent, to a certain extent, of the absolute growth of social capital, in the same way as is its centralization. But this centralization, which only redistributes the social capital already to hand, and melts a number of old capitals into one, works in its turn as a powerful agent in the metamorphosis of old capital.

Now the revised version. Here about credit:

In its first stages, this system furtively creeps in as the humble assistant of accumulation, drawing into the hands of individual or associated capitalists by invisible threads.
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the money resources, which lie scattered in larger or smaller amounts over the surface of society; but it soon becomes a new and terrible weapon in the battle of competition and is finally transformed into an enormous social mechanism for the centralization of capitals.

778:1/o Commensurately with the development of capitalist production and accumulation there also takes place a development of the two most powerful levers of centralization—competition and credit. At the same time the progress of accumulation increases the material amenable to centralization, i.e. the individual capitals, while the expansion of capitalist production creates on the one hand, the social need, and on the other kleinern Massen zersplitterten Geldmittel in die Hände individueller oder assoziierte Kapitalisten zieht, aber bald eine neue und furchtbare Waffe im Konkurrenzkampf wird und sich schließlich in einen ungeheuren sozialen Mechanismus zur Zentralisation der Kapitale verwandelt.

655:1/o Im Maß wie die kapitalistische Produktion und Akkumulation, im selben Maß entwickeln sich Konkurrenz und Kredit, die beiden mächtigsten Hebel der Zentralisation. Daneben vermehrt der Fortschritt der Akkumulation den zentralisierbaren Stoff, d.h. die Einzelkapitale, während die Ausweitung der kapitalistischen Produktion, hier das gesellschaftliche Bedürfnis, dort die technischen Mittel jener gewaltigen
other hand, the technical means for those immense industrial undertakings which require a previous centralization of capital for their accomplishment. Today therefore, the force of attraction which draws together individual capitals, and the tendency to centralization, are both stronger than ever before.

But if the relative extension and energy of the movement towards centralization is determined, to a certain degree, by the magnitude of capitalist wealth and the superiority of the economic mechanism already attained, the advance of centralization does not depend in any way on a positive growth in the magnitude of social capital. And this is what distinguishes centralization industriellen Unternehmungen schafft, deren Durchführung an eine vorgängige Zentralisierung des Kapitals gebunden ist. Heutzutage ist also die gegenseitige Attraktionskraft der Einzelkapitale und die Tendenz zur Zentralisation stärker als je zuvor.

Wenn aber auch die relative Ausdehnung und Energie der zentralisierenden Bewegung in gewissem Grad bestimmt ist durch die schon erreichte Größe des kapitalistischen Reichtums und die Überlegenheit des ökonomischen Mechanismus, so hängt doch der Fortschritt der Zentralisation keineswegs ab von dem positiven Größenwachstum des gesellschaftlichen Kapitals. Und dies speziell un-
from concentration, the latter being only another name for reproduction on an extended scale. Centralization may result from a mere change in the distribution of already existing capitals, from a simple alteration in the quantitative grouping of the component parts of social capital. Capital can grow into powerful masses in a single hand in one place, because in other places it has been withdrawn from many individual hands. In any given branch of industry centralization would reach its extreme limit if all the individual capitals invested there were fused into a single capital. In a given society this limit would be reached only when the entire social capital was united in the hands of either a single capitalist or a single capital.
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talist company.

[Note by Engels to the fourth German edition:] The latest English and American ‘trusts’ are already striving to attain this goal by attempting to unite at least all the large-scale concerns in one branch of industry into a single great joint-stock company with a practical monopoly.

Marx uses the word “concentration” in two meanings. Either as a surface category describing the empirical fact that capital comes in bigger and bigger chunks, or as an analytical term denoting one particular mechanism how this increase of individual capitals is accomplished, namely, by reinvestment of profits into the same firm, as opposed to centralization proper which combines already existing capitals. In the title of section 2, “concentration” is used in the former meaning. In the sentence in the above paragraph: “concentration is only another name for reproduction on an extended scale,” the latter meaning applies: this concentration mechanism is nothing but extended reproduction on the level of individual capitals.
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779:1/ο Centralization supplements the work of accumulation by enabling industrial capitalists to extend the scale of their operations. Whether this latter result is the consequence of accumulation or centralization, whether centralization is accomplished by the violent method of annexation—where certain capitals become such preponderant centres of attraction for others that they shatter the individual cohesion of the latter and then draw the separate fragments to themselves—or whether the fusion of a number of capitals already formed or in process of formation takes place by the smoother process of organizing joint-stock companies—the economic effect remains the same. Everywhere the increased scale

656:1 Die Zentralisation ergänzt das Werk der Akkumulation, indem sie die industriellen Kapitalisten instand setzt, die Stufenleiter ihrer Operationen auszudehnen. Sei dies letztere Resultat nun Folge der Akkumulation oder der Zentralisation; vollziehe sich die Zentralisation auf dem gewaltsamen Weg der Annexion—wo gewisse Kapitale so überwiegende Gravitationszentren für andre werden, daß sie deren individuelle Kohäsion brechen und dann die vereinzelten Bruchstücke an sich ziehn—oder geschehe die Verschmelzung einer Menge bereits gebildeter, resp. in der Bildung begriffner Kapitale vermittelst des glatteren Verfahrens der Bildung von Aktiengesellschaften—die ökonomische Wirkung bleibt dieselbe. Die gewachsne
of industrial establishments is the starting-point for a more comprehensive organization of the collective labor of many people, for a broader development of their material motive forces, i.e. for the progressive transformation of isolated processes of production, carried on by customary methods, into socially combined and scientifically arranged processes of production.

780:1 But accumulation, the gradual increase of capital by reproduction as it passes from the circular to the spiral form, is clearly a very slow procedure compared with centralization, which needs only to change the quantitative groupings of the constituent parts of social capital. The world would still be without railways if it had had

Ausdehnung der industriellen Etablissements bildet überall den Ausgangspunkt für eine umfassendere Organisation der Gesamtarbeit vieler, für eine breitre Entwicklung ihrer materiellen Triebkräfte, d.h. für die fortschreitende Umwandlung vereinzelter und gewohnheitsmäßig betriebner Produktionsprozesse in gesellschaftlich kombinierte und wissenschaftlich disponierte Produktionsprozesse.

656:2 Es ist aber klar, daß die Akkumulation, die allmähliche Vermehrung des Kapitals durch die aus der Kreisform in die Spirale übergehende Reproduktion ein gar langsames Verfahren ist, im Vergleich mit der Zentralisation, die nur die quantitative Gruppierung der integrierenden Teile des gesellschaftlichen Kapitals zu ändern braucht. Die
to wait until accumulation had got a few individual capitals far enough to be adequate for the construction of a railway. Centralization, however, accomplished this in the twinkling of an eye, by means of joint-stock companies. And while in this way centralization intensifies and accelerates the effects of accumulation, it simultaneously extends and speeds up those revolutions in the technical composition of capital which raise its constant portion at the expense of its variable portion, thus diminishing the relative demand for labor.

Welt wäre noch ohne Eisenbahnen, hätte sie solange warten müssen, bis die Akkumulation einige Einzelkapitale dahin gebracht hätte, dem Bau einer Eisenbahn gewachsen zu sein. Die Zentralisation dagegen hat dies, vermittelt der Aktiengesellschaften, im Handumdrehn fertiggebracht. Und während die Zentralisation so die Wirkungen der Akkumulation steigert und beschleunigt, erweitert und beschleunigt sie gleichzeitig die Umwälzungen in der technischen Zusammensetzung des Kapitals, die dessen konstanten Teil vermehren auf Kosten seines variablen Teils und damit die relative Nachfrage nach Arbeit vermindern.

Reference to a spiral already in 727:1.

780:2 The masses of capital welded to-

656:3/o Die durch die Zentralisation über
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gether overnight by centralization reproduce and multiply as the others do, only more rapidly, and they thereby become new and powerful levers of social accumulation. Therefore, when we speak of the progress of social accumulation, we tacitly include—these days—the effects of centralization.

The definition of accumulation is: adding surplus-value to already existing capital. But nowadays, this social process of accumulation is accompanied by the merging of already existing individual capitals into larger and larger units (centralization). This strengthens the effects of accumulation and therefore one does not usually distinguish the effects of accumulation from those of centralization but considers both to be effects of accumulation.

The next two paragraphs say that technical innovation is usually first implemented by new capitals, and then taken over by the existing capitals when the existing plant and equipment has to be renewed. The obvious implications which this has for the demand for labor give a
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convenient transition to section 3.

780:3 The additional capitals formed in the normal course of accumulation (see chapter 24, section 1) are the favorite vehicles for the exploitation of new inventions and discoveries, and of industrial improvements in general.

The reasons which require new capitals are also alive in existing capitals. Radical technical innovations do not always lead to the formation of new capitals but may lead to drastic renovations of existing capitals, and to the repulsion of previously employed labor.

But eventually also the old capital reaches the point where it has to be renewed in all its aspects, where it sheds its skin and is reborn in a perfected technical shape, in which a smaller quantity of labor will suffice to set in motion a larger quantity of machinery and raw material. The absolute reduction

657:1 Die im Lauf der normalen Akkumulation gebildeten Zusatzkapitale (s. Kap. XXII, 1) dienen vorzugsweise als Vehikel zur Exploitation neuer Erfindungen und Entdeckungen, überhaupt industrieller Vervollkommnungen.

Aber auch das alte Kapital erreicht mit der Zeit den Moment seiner Erneuerung an Haupt und Gliedern, wo es sich häutet und ebenfalls wiedergeboren wird in der vervollkommneten technischen Gestalt, worin eine geringere Masse Arbeit genügte, eine größere Masse Maschinerie und Rohstoffe in Bewegung zu
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in the demand for labor which necessarily follows from this is obviously so much the greater, the higher the degree to which the capitals undergoing this process of renewal are already massed together by virtue of the movement towards centralization.

This is where Engels’s insert ends.

780:4/o On the one hand, therefore, the additional capital formed in the course of further accumulation attracts fewer and fewer workers in proportion to its magnitude. On the other hand, the old capital periodically reproduced with a new composition repels more and more of the workers formerly employed by it.

When workers lose their jobs due to the introduction of new technology, they must think that they are made superfluous because the machines produce all the value now. This is an
important ideological aspect of this process, which Marx does not address here.

3. Progressive Production of a Relative Surplus-Population or Industrial Reserve Army

Section 1 discussed accumulation with constant composition of capital. Section 2 showed that sustained accumulation is accompanied by an increase in the composition of capital. The present section 3 discusses the effect of both kinds of accumulation on the working class, the creation of a relative surplus-population, and the reaction of the surplus-population on the accumulation of capital. In section 4, the forms of existence of the relative surplus-population will be discussed.

We subdivide section 3 into four subsections. The first subsection describes how changes in organic composition outpace the accumulation of capital, which gives rise to a surplus population. The second subsection demonstrates the functionality of the surplus population for capital. The third shows how changes in the link between variable capital and labor supply increase the surplus population even more, and the fourth discusses the movement of
3.a. [The Capitalist Population Law]

In the previous section, we have seen that the organic composition of capital increases with accumulation. Now a new point is added: the organic composition outpaces accumulation, which leads to a relative surplus-population. Marx gives several mechanisms which cause the increase of the organic composition to be faster than the accumulation of capital:

(1) Due to centralisation, i.e., the merging of individual capitals, increases in the scale of production and the technical progress connected with such increases can take place even if the total mass of capital does not increase. (781:2/o.)

(2) Technical innovation in the additional capital forces also the original capital to innovate, which may result in an absolute loss of jobs. (Again 781:2/o)

(3) More and more industries are seized by increasing organic composition. (782:1–784:0)

(4) Intermediate pauses, in which accumulation takes place with constant composition of capital, become shorter. (781:2/o)

Additional arguments will be given in the passage called here section 3.c. All this can
perhaps be summarized as follows: the technological fact that direct labor becomes less and less important as technology advances is used successfully by capital to keep labor at a disadvantage in the accumulation process of capital.

In this situation, in which the effect is faster than the cause, the empirical evidence is misleading: that what is really the effect seems to be the cause. See 781:2/0. This is yet another aspect how the capital relations mystify.

781:1 The accumulation of capital, which originally appeared only as its quantitative extension, takes place, as we have seen, under a continuous qualitative change in the composition of capital. Its constant component increases more and more at the expense of its variable component.\(^{77c}\)

Vollzieht sich (takes place) is one of Marx’s words for how a higher level tendency is carried out on the lower level.

The accumulation of capital, i.e., the amassing of more and more value in fewer and fewer
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hands is a social necessity for capitalism. As the capitalists put into practice the drive inherent in capital to expand value quantitatively, they increase the scale of production, and competitive pressures force them to introduce technical innovations that take advantage of economies of scale. In other words, the general drive of capital is quantitative, but competition forces the individual capitalists to make qualitative changes. In this way, the sphere of competition not only carries out the general laws but adds something. As Lipietz says in [Lip83], competition has its relative autonomy. The dialectical conversion of quantity into quality is in this case based on the autonomous activity of a lower level, that of the individual capitalists.

\[77c\] [Note by Engels to the third German edition:] Marx’s personal copy has the marginal note: ‘Note here for working out later: if the extension is only quantitative, then for a greater and a smaller capital in the same branch of business the profits are proportional to the magnitudes of the capitals advanced. If the quantitative extension induces a qualitative change, then the rate of profit on the larger capital rises at the same time.’

\[77c\} {Note zur 3. Auflage.—In Marx’ Handsbucher steht hier die Randbemerkung: „Hier für Spätres zu bemerken: Ist die Erweiterung nur quantitativ, so verhalten sich bei größerem und kleinerem Kapital in demselben Geschäftszweig die Profite wie die Größen der vorgeschossenen Kapitale. Wirkt die quantitative Erweiterung qualitativ, so steigt zugleich die Rate des Profits für das größre Kapital.“—F.E.}
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Marx is still expanding on the results of section 2. But now he is going to discuss the quantitative relationship between accumulation and technical change.

781:2/o The specifically capitalist mode of production, the development of the productive powers of labor which corresponds to it, and the change in the organic composition of capital which results from it—all these do not merely keep pace with the progress of accumulation, or growth of social wealth. They develop at a much quicker rate, because simple accumulation, or the absolute expansion of the total social capital, is accompanied by the centralization of its individual elements, and the change in the technical composition of the additional capital is accompanied by a similar change in the technical composition of the original capital.

“Begleitet” implies a causal connection: the old capital does not do it on its own but it has to do it because the new capital does it. Fowkes’s “goes hand in hand” is too symmetric.

The organic composition of capital increases therefore:

With the progress of accumulation, therefore, the proportion of constant to variable capital changes. If it was originally say 1:1, it now becomes successively 2:1, 3:1, 4:1, 5:1, 7:1, etc., so that as the capital grows, instead of 1/2 its total value, only 1/3, 1/4, 1/5, 1/6, 1/8 etc. is turned into labor-power, and, on the other hand, 2/3, 3/4, 4/5, 5/6, 7/8, into means of production.

Mathematically this means \((c/v)' > 0\). Implications for labor demand:

Since the demand for labor is determined not by the extent of the total capital but by
its variable constituent alone, that demand falls progressively with the growth of the total capital, instead of rising in proportion to it, as was previously assumed.

Perhaps Marx means by this that $v'/v < c'/c$, i.e., that the rate of growth of $v$ is smaller than that of $c$. This is indeed mathematically equivalent to $(c/v)' > 0$. But Marx possibly means a stronger condition than that. Should we add $((c'/c) - (v'/v))' > 0$, i.e., the difference in growth rates between $c$ and $v$ is not only positive but also increases? Or perhaps Marx did not mean a concept that can be expressed in a fixed mathematical formula?

It falls relatively to the magnitude of the total capital, and at an accelerated rate, as this magnitude increases.

“'It falls relatively to the magnitude of the total capital’” means in formulas $(v/(c+v))' < 0$, which is again equivalent with the above two conditions $v'/v < c'/c$ and $(c/v)' > 0$. The clause “at an accelerated rate, as this magnitude increases” again seems to mean an additional mathematical condition. The last sentence of the paragraph will give what seems
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to be an alternative formulation of the same condition.

With the growth of the total capital, its variable constituent, the labor incorporated in it, does admittedly increase, but in a constantly diminishing proportion.

I.e., in addition to the above \( \left( \frac{v}{(c+v)} \right)' < 0 \), Marx also postulates \( v' > 0 \). Next, Marx gives a new argument for the increase in organic composition:

The intermediate pauses in which accumulation works as simple extension of production on a given technical basis are shortened.

\( \uparrow \) Higher productivity also entails a faster pace of change in productivity, more frequent innovations. \( \downarrow \) The next sentence contains yet another new argument: since also the old capital increases its organic composition, the result may not merely be a slower growth of additional demand for labor, but even a decline in the overall labor demand.

It is not merely that an accelerated accumulation of the total capital, accelerated in a
constantly growing progression, is needed to absorb an additional number of workers, or even, on account of the constant metamorphosis of old capital, to keep employed those already performing their functions.

But this is only a sideline in the next passage; the main idea is the self-reinforcing effect of accumulation:

This increasing accumulation and centralization also becomes in its turn a source of new changes in the composition of capital, or in other words of an accelerated diminution of the capital’s variable component, as compared with its constant one.

⇓ All this looks as if the growth of the working population outpaced that of capital. In other words, it looks as if it was the laborers’ own fault that they do not get high wages; they are too many.

This accelerated relative diminution of the
variable component, which accompanies the accelerated increase of the total capital and moves more rapidly than this increase, seems to be just the opposite at the other pole, namely, an apparently absolute increase in the working population, an increase which always moves more rapidly than that of the variable capital or the means of employment.

This last sentence contains once more a formulation of the mathematical condition Marx was thinking of a few sentences earlier. At the beginning of footnote 79 to paragraph 782:1–784:0, Marx calls this tendency the “law of the progressive diminution of the relative magnitude of the variable capital.”

But in fact it is capitalist accumulation itself that constantly produces, and produces indeed in direct relation with its own energy and extent, a relatively redundant working
population, i.e. a population which is superfluous to capital’s average requirements for its own valorization, and is therefore a surplus population.

This is the first time the word “relative surplus-population” is used. Marx calls it a *reserve army* only when he talks about its function as a reserve for sudden expansions in the next paragraph!

After a discussion of the aggregate numbers follows now a discussion of the industrial distribution of accumulation.

782:1–784:0 If we consider the total social capital, we can say that the movement of its accumulation sometimes causes periodic changes, and at other times its various aspects distribute themselves simultaneously over the different spheres of production. In some spheres a change in the composition of capital occurs without any increase in its absolute size.

658:1/oo Das gesellschaftliche Gesamtkapital betrachtet, ruft die Bewegung seiner Akkumulation bald periodischen Wechsel hervor, bald verteilen sich ihre Momente gleichzeitig über die verschiedenen Produktions sphären. In einigen Sphären findet Wechsel in der Zusammensetzung des Kapitals statt ohne Wachstum seiner absoluten Größe, in-
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Absolute magnitude, as a consequence of pure centralization; in others the absolute growth of capital is connected with an absolute diminution in its variable component, or in other words, in the labor-power absorbed by it; in others again, capital continues to grow for a time on its existing technical basis, and attracts additional labor-power in proportion to its increase, while at other times it undergoes organic change and reduces its variable component; in all spheres, the increase of the variable part of the capital, and therefore of the number of workers employed by it, is always connected with violent fluctuations and the temporary production of a surplus population, whether this takes the more striking form of the extrusion of workers altogether; or the more unscheinbare, but
ready employed, or the less evident, but not less real, form of a greater difficulty in absorbing the additional working population through its customary outlet channels.\textsuperscript{78}

“Infolge bloßer Zentralization: The fourth German editions has here ‘concentration’ instead of ‘centralization’ (footnote to Random House edition, p. 782, and also in MEW, p. 658). To me, “centralization” seems more correct, this is what I am using.

This last sentence is important: the clogging of the customary fast-flowing outlet channels does not seem to be repulsion if one looks at one industry at a time, but it is repulsion of one looks at the totality.

Footnote 78 gives data which show decline almost everywhere except spinning/weaving and coal mining:

\textsuperscript{78} The census of England and Wales shows, for instance, all persons employed in agriculture (landlords, farmers, gardeners, shepherds, etc. included): 1851: 2,011,447; 1861: 1,924,110; a
reduction of 87,337. Worsted manufacture, 1851: 102,714 persons; 1861: 79,242. Silk weaving, 1851: 111,940; 1861: 101,678. Calico-printing, 1851: 12,098; 1861: 12,556; a small increase, despite the enormous extension of this industry, which implies a great proportional reduction in the number of workers employed. Hat-making, 1851: 15,957; 1861: 13,814. Straw-hat and bonnet-making, 1851: 20,393; 1861: 18,176. Malting, 1851: 10,566; 1861: 10,677. Chandlery, 1851: 4,949; 1861: 4,686; this fall is due, among other things, to the increase in lighting by gas. Comb-making, 1851: 2,038; 1861: 1,478. Sawyers, 1851: 30,552; 1861: 31,647; a small increase, owing to the spread of sawing-machines. Nail-making, 1851: 26,940; 1861: 26,130; a fall, owing to the competition of machinery. Tin- and copper-mining, 1851: 31,360; 1861: 32,041. As against this, however, we have
cotton-spinning and weaving, 1851: 371,777, 1861: 456,646; and coal-mining, 1851: 183,389; 1861: 246,613. ‘The increase of laborers is generally greatest, since 1851, in those branches of industry in which machinery has not up to the present been employed with success’ (Census of England and Wales for 1861, Vol. 3, London, 1863, p. 36).

In a long sentence, Marx emphasizes how a “broader and fuller stream of all the sources of wealth” facilitates the displacement of the workers by machinery:

With the size of the already functioning social capital and the rate of its increase, with the extension of the scale of production and of the mass of workers set in motion, with the development of the productive powers of their labor—with the broader and fuller stream of all the sources of wealth, also the degree intensifies to which the greater at-
traction of workers by capital is accompanied by their greater repulsion; the speed increases with which the organic composition of capital and in its technical form change, and the circle of industries expands which become involved, be it simultaneously, be it alternatively, in this change.

Now Marx formulates the capitalist population law, emphasizing that the workers themselves are the ones who produce the means which make them superfluous:

With the accumulation of capital, which is their own production, the working population produce, to an increasing extent, the means that make them relatively superfluous.

Footnote 79 gives some sources how the economists had perceived this law. The passage in brackets was added by Engels on the authority of changes made by Marx in the French edition:
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The law of progressive diminution of the relative magnitude of variable capital, together with its effect on the situation of the class of wage-laborers is intuited rather than understood by some of the prominent economists of the classical school. In this respect the greatest merit is due to John Barton although he, like all the others, mixes up constant with fixed capital, and variable with circulating capital. He says: ‘The demand for labor depends on the increase of circulating, and not of fixed capital. Were it true that the proportion between these two sorts of capital is the same at all times, and in all circumstances, then, indeed, it follows that the number of laborers employed is in proportion to the wealth of the state. But such a proposition has not the semblance of probability. As arts are cultivated, and civilization is extended, fixed capital bears a larger and larger proportion to circul-
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The amount of fixed capital employed in the production of a piece of British muslin is at least a hundred, probably a thousand times greater than that employed in a similar piece of Indian muslin. And the proportion of circulating capital is a hundred or thousand times less... the whole of the annual savings, added to the fixed capital, would have no effect in increasing the demand for labor' (John Barton, Observations on the Circumstances which Influence the Condition of the Laboring Classes of Society, London, 1817, pp. 16–17). ‘The same cause which may increase the net revenue of the country may at the same time render the population redundant, and deteriorate the condition of the laborer’ (Ricardo, op. cit., p. 469). With the increase of capital, ‘the demand’ (for labor) ‘will be in a diminishing ratio’ (ibid., p. 480, n.). ‘The amount of capital devoted to the maintenance of civilisation sich ausbreitet, wächst das fixe Kapital im Verhältnis zum zirkulierenden immer mehr und mehr an. Die Summe des bei der Produktion eines Stückes britischen Musselins verwendeten fixen Kapitals ist wenigstens hundertmal, wahrscheinlich aber tausendmal größer als jene, die zur Erzeugung eines ähnlichen Stückes indischen Muslins verwendet wird. Und der Anteil des zirkulierenden Kapitals ist hundert- oder tausendmal kleiner... Wenn die Gesamtheit der jährlichen Ersparnisse dem fixen Kapital zugeschlagen würde, so würden sie sich nicht in einer erhöhten Nachfrage nach Arbeit auswirken.“ (John Barton, „Observations on the Circumstances which Influence the Condition of the Labouring Classes of Society“, Lond. 1817, p. 16, 17.) „Die gleiche Ursache, die die Nettorevenue des Landes anwachsen lässt, kann gleichzeitig einen Überfluß an Bevölkerung erzeugen und die Lage des Arbeiters verschlech-
labor may vary, independently of any changes in the whole amount of capital ... Great fluctuations in the amount of employment, and great suffering may become more frequent as capital itself becomes more plentiful' (Richard Jones, An Introductory Lecture on Political Economy, London, 1833, p. 12). ‘Demand’ (for labor) ‘will rise ... not in proportion to the accumulation of the general capital ... Every augmentation, therefore, in the national stock destined for reproduction, comes, in the progress of society, to have less and less influence upon the condition of the laborer’ (Ramsay, op. cit., pp. 90–91).

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tern.“ (Ricardo, l.c. p. 469.) Mit der Zunahme des Kapitals „wird die Nachfrage“ (nach Arbeit) „verhältnismäßig abnehmen“. (l.c. p. 40, Note.) „Der Betrag des Kapitals, der zur Erhaltung von Arbeit bestimmt ist, kann sich ändern, unabhängig von irgendwelchen Veränderungen im Gesamtbetrag des Kapitals ... Große Schwankungen im Ausmaß der Beschäftigung und große Not können häufiger werden in dem Maße, wie das Kapital selbst reichlicher wird.“ (Richard Jones, „An Introductory Lecture on Pol. Econ.“, Lond. 1833, p. 12.) „Nachfrage“ (nach Arbeit) „wird steigen ... nicht im Verhältnis zur Akkumulation des Gesamtkapitals ... Jede Vermehrung des zur Reproduktion bestimmten nationalen Kapitals wird deshalb im Laufe des gesellschaftlichen Fortschritts einen stets geringeren Einfluß auf die Lage des Arbeiters haben.“ (Ramsay, l.c. p. 90, 91.)

Now some concluding general remarks about laws of population:
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This is a law of population peculiar to the capitalist mode of production; and in fact every particular historical mode of production has its own specific historically valid laws of population. An abstract law of population exists only for plants and animals (as long as man does not intervene historically).

3.b. [Surplus Population Functions as Reserve Army]

The surplus population is an effect of capitalism. But it is also one of its levers, even conditions, since it functions as a reserve army:

784:1/o A surplus population of workers is a necessary product of accumulation or of the development of wealth on a capitalist basis. However this surplus population also

661:1 Wenn aber eine Surplusarbeiterpopulation notwendiges Produkt der Akkumulation oder der Entwicklung des Reichtums auf kapitalistischer Grundlage ist, wird diese
becomes, conversely, the lever of capitalist accumulation, and indeed a condition for the very existence of the capitalist mode of production. It constitutes a disposable industrial reserve army, which belongs to capital just as absolutely as if the latter had bred it at its own cost. It creates a mass of human material always ready for exploitation by capital, according to capital’s own changing valorization requirements, independently of the limits of the actual population increase.

Capital needs such a reserve army especially because capital accumulation can suddenly expand:

With accumulation, and the development of the productive powers of labor that accompanies it, capital’s power of sudden expansion also grows; it grows, not merely be-
cause the elasticity of the capital already functioning increases, not merely because the absolute wealth of society expands (of which capital only forms an elastic part), not merely because credit, under every special stimulus, at once places an unusual part of this wealth at the disposal of production in the form of additional capital; it grows also because the technical conditions of the production process themselves—machinery, means of transport, etc.—make it possible that surplus product is rapidly transformed on a large scale into additional means of production.

Marx gives two examples. One is rapid expansion of particular industries:

The mass of social wealth, overflowing with the advance of accumulation and capable功能性資本の増大し、絶対的富裕が拡大するだけでなく、信用も、特別な刺激が存在する場合、たとえば、この富裕の不思議の一部を生産に提供する。これは技術的な生産過程の条件自体であるためにも、機械、交通手段、などにより、余剰生産が迅速に追加生産手段に変形される上大規模に生産手段として供給される。

マルクスは二つの例を示す。一つは特定産業の迅速拡大である:

社会の富裕は、累積の進展と可能である。機能資本の増大し、絶対的富裕が拡大するだけでなく、信用も、特別な刺激が存在する場合、たとえば、この富裕の不思議の一部を生産に提供する。これは技術的な生産過程の条件自体であるためにも、機械、交通手段、などにより、余剰生産が迅速に追加生産手段に変形される上大規模に生産手段として供給される。

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of being transformed into additional capital, thrusts itself frantically into old branches of production whose markets suddenly expand, or into newly formed branches, such as railways, etc., which now become necessary due to the development of the old branches.

This first example is not necessarily related to the business cycle. It may be inter-industry movements, which are not readily visible in the usual statistics. Such rapid adjustments would not be possible without the reserve army:

In all such cases, there must be the possibility of suddenly throwing great masses of men into the decisive areas without affecting the scale of production in other spheres. The surplus population supplies these masses.

Marx’s second example is the business cycle. The path characteristically described by modern industry, which takes the form of a development...
cennial cycle (interrupted by smaller oscillations) of periods of average activity, production at high pressure, crisis, and stagnation, depends on the constant formation, the greater or lesser absorption and the reconstitution of the industrial reserve army or surplus population.

The business cycle not only needs overpopulation, it also generates it:

In their turn, the varying phases of the industrial cycle recruit the surplus population, and become one of the most energetic agencies for its reproduction.

Now a more systematic development of the business cycle. Going back in history, the business cycle was not possible during the infancy of the capitalist mode of production:

This peculiar cyclical path of modern industry, which occurs in no earlier period of human history, was also impossible.
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Possible when capitalist production was in its infancy. The composition of capital at that time underwent only very gradual changes. By and large, therefore, the proportional growth in the demand for labor has corresponded to the accumulation of capital. Even though the advance of accumulation was slow in comparison with the modern epoch, it came up against the natural bounds of the exploitable working population—bounds which could only be swept away by violent means, as we shall discuss later.

Marx writes here “bounds” instead of “limits” because limits are intrinsic, while bounds are imposed from the outside. The limits of the growth of the working population are bounds for capital.

Dialectics of the business cycle: expansions produce contractions.
The expansion by fits and starts of the scale | Die plötzliche und ruckweise Expansion der
of production is the precondition for its equally sudden contraction; the latter again evokes the former, but the former is impossible without disposable human material, without an increase in the number of workers, which must occur independently of the absolute growth of the population.

This can be cast in terms of Bhaskar’s four-step dialectic, which consists of four steps starting with an absence: Surplus-population ⇒ sudden expansions ⇒ sudden contractions ⇒ more surplus population. This is a regressive dialectic. It does not remove the original absence but ends up digging the hole deeper from which it started.

This increase is effected by the simple process that constantly ‘sets free’ a part of the working class; by methods which lessen the number of workers employed in proportion to the increased production. Modern industry’s whole form of motion therefore de-

Sie wird geschaffen durch den einfachen Prozeß, der einen Teil der Arbeiter beständig „freisetzt“, durch Methoden, welche die Anzahl der beschäftigten Arbeiter im Verhältnis zur vermehrten Produktion vermindern. Die ganze Bewegungsform der modernen Indu-

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pends on the continuous transformation of a part of the working population into unem-
ployed or semi-employed ‘hands’.

Next: the business cycle is rooted in industrial production, not in the credit sphere:
The superficiality of political economy shows itself among others in the fact that it views the expansion and contraction of credit as the cause of the periodic alternations in the industrial cycle, whereas it is a mere symptom of them.

Now periodicity, which makes it difficult to see what is the cause and what the effect:

Just as the heavenly bodies always repeat a certain movement, once they have been flung into it, so also does social production, once it has been flung into this movement of alternate expansion and contraction. Effects
become causes in their turn, and the various vicissitudes of the whole process, which always reproduces its own conditions, take on the form of periodicity.

The French edition has here an insert which reflects back to 785:1/o in order to show what processes were necessary before business cycles could start:

[But only after mechanical industry had struck root so deeply that it exerted a preponderant influence on the whole of national production; only after foreign trade began to predominate over internal trade, thanks to mechanical industry; only after the world market had successively annexed extensive areas of the New World, Asia and Australia; and finally, only after a sufficient number of industrial nations had entered the arena—]

[Aber erst von der Zeit an, als die mechanische Industrie so tiefe Wurzeln geschlagen hatte, daß sie auf die ganze nationale Produktion einen überwiegenden Einfluß ausübte; als durch sie der Außenhandel dem Binnenhandel den Rang abzulaufen begann; als sich der Weltmarkt sukzessive ausgedehnter Gebiete in der neuen Welt, in Asien und in Australien bemächtigte; als schließlich die industriellen Nationen, die auf die Arena traten, zahlreich]
only after all this had happened can one date the repeated self-perpetuating cycles, whose successive phases embrace years, and always culminate in a general crisis, which is the end of one cycle and the starting-point of another. Until now the duration of these cycles has been ten or eleven years, but there is no reason to consider this duration as constant. On the contrary, we ought to conclude, on the basis of the laws of capitalist production as we have just expounded them, that the duration is variable, and that the length of the cycles will gradually diminish.

Now Marx discusses how the economists thought about business cycle and surplus-population. When this periodicity has once become consolidated, even political economy sees genug geworden waren—erst von dieser Zeit an datierten jene sich stets wiedererzeugenden Zyklen, deren aufeinanderfolgende Phasen Jahre umfassen und die immer hinauslaufen auf eine allgemeine Krise, die Ende eines Zyklus und Ausgangspunkt eines neuen ist. Bis jetzt ist die periodische Dauer solcher Zyklen zehn oder elf Jahre, aber es gibt keinerlei Grund, diese Zahl als konstant zu betrachten. Im Gegenteil, aus den Gesetzen der kapitalistischen Produktion, wie wir sie eben entwickelt haben, muß man schließen, daß sie variabel ist und daß die Periode der Zyklen sich stufenweise verkürzen wird.

Ist letztere einmal konsolidiert, so begreift selbst die politische Ökonomie die Produktion.
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that the production of a relative surplus population—i.e. a population surplus in relation to capital’s average requirements for valorization—is a necessary condition for modern industry.

First Merivale:

786:1/oo ‘Suppose,’ says H. Merivale, formerly Professor of Political Economy at Oxford, subsequently employed at the Colonial Office,

‘suppose that, on the occasion of some of these crises, the nation were to rouse itself to the effort of getting rid by emigration of some hundreds of thousands of superfluous arms, what would be the consequence? That, at the first returning demand for labor, there would be a deficiency. However rapid reproduction may be, it takes, at all events, the space of

662:1/o „Gesetzt,“ sagt H. Merivale, früher Professor der politischen Ökonomie zu Oxford, später Beamter des englischen Kolonialministeriums,

„gesetzt, bei Gelegenheit einer Krise raffe die Nation sich zu einer Kraftanstrengung auf, um durch Emigration einige 100 000 überflüssige Arme loszuwerden, was würde die Folge sein? Daß bei der ersten Wiederkehr de Arbeitsnachfrage ein Mangel vorhanden wäre. Wie rasch immer die Reproduktion von Menschen sein mag, sie braucht jedenfalls den Zwischenraum
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a generation to replace the loss of adult labor. Now, the profits of our manufacturers depend mainly on the power of making use of the prosperous moment when demand is brisk, and thus compensating themselves for the interval during which it is slack. This power is secured to them only by the command of machinery and of manual labor. They must have hands ready by them, they must be able to increase the activity of their operations when required, and to slacken it again, according to the state of the market, or they cannot possibly maintain that pre-eminence in the race of competition on which the wealth of the country is founded.'


Next Malthus:

einer Generation zum Ersatz erwachsner Arbeiter. Nun hängen die Profite unserer Fabrikan- ten hauptsächlich von der Macht ab, den günstigen Moment lebhafter Nachfrage zu exploitie- ren und sich so für die Periode der Erlahmung schadlos zu halten. Diese Macht ist ihnen nur gesichert durch Kommando über Maschinerie und Handarbeit. Sie müssen disponible Hände vorfinden; sie müssen fähig sein, die Aktivität ihrer Operationen wenn nötig höher zu span- nen oder abzuspannen, je nach dem Stand des Markts, oder sie können platterdings nicht in der Hetzjagd der Konkurrenz das Übergewicht behaupten, auf das der Reichtum dieses Landes gegründet ist.“

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Even Malthus recognizes that a surplus population is necessary for modern industry, although he explains the surplus population, in his narrow fashion, by the excessive growth of the working population, instead of seeing that capital makes part of the working population relatively superfluous. He says:

‘Prudential habits with regard to marriage, carried to a considerable extent among the laboring class of a country mainly depending upon manufactures and commerce, might injure it … From the nature of a population, an increase of laborers cannot be brought into market in consequence of a particular demand till after the lapse of 16 or 18 years, and the conversion of revenue into capital, by saving, may take place much more rapidly; a country
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is always liable to an increase in the quantity of the funds for the maintenance of labor faster than the increase of population.’


Finally the “old maid” Harriet Martineau: After declaring that the constant production of a relative surplus population of workers is a necessity of capitalist accumulation, political economy very aptly adopts the shape of an old maid and puts into the mouth of her ideal capitalist the following words addressed to the ‘redundant’ workers who

rascher Platz greifen; ein Land ist stets dem ausgesetzt, daß sein Arbeitsfonds rascher wächst als die Bevölkerung.


664:1–2 Nachdem die politische Ökonomie so die beständige Produktion einer relativen Übervölkerung von Arbeitern für eine Notwendigkeit der kapitalistischen Akkumulation erklärt hat, legt sie, und zwar adäquat in der Figur einer alten Jungfer, dem „beau idéal“ ihres Kapitalisten folgende Worte an die
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have been thrown onto the streets by their own creation of additional capital:

‘We manufacturers do what we can for you, whilst we are increasing that capital on which you must subsist, and you must do the rest by accommodating your numbers to the means of subsistence.’


Footnote 82 is a reference to [Mar37, p. 101]. Harriet Martineau’s fictional capitalist had the gall to make these statements directly to the ‘redundant’ workers, who had created this redundancy through their own labor. The dialectic that the worker’s dependence on capital is created by the workers’ own product creates here an explosive situation.

The concluding remarks of this passage, Subsection [3.b], tie into its opening remarks at the beginning of 784:1/o:

788:1 Capitalist production can by no
means content itself with the quantity of disposable labor-power which the natural increase of population yields. It requires for its unrestricted activity an industrial reserve army that is independent of these natural bounds.

It should be “natural bounds,” since nature (natural population growth) imposes outside bounds on capital accumulation. Both Moore-Aveling and Fowkes say incorrectly “natural limits.”

3.c. [Link between Variable Capital, Employment, and Labor Performed]

The amount of the variable capital advanced, the number of laborers hired, and the amount of labor performed may not be proportional, and the tie between them becomes weaker as accumulation proceeds. As Marx formulates it on p. 792:2/00, there is a tendency to make the supply of labor independent of the supply of labor-power. Marx brings four different
mechanisms acting on four different sites: economic motives of the capitalists, technology, reproduction of labor-power, and the labor market.

788:2 We have so far assumed that the increase or diminution of the number of workers employed corresponds precisely to the increase or diminution of the variable capital.

The first mechanism is: capitalists are motivated to get more labor out of the same number of workers, instead of hiring more workers, because hiring more workers requires higher outlays of constant capital than having the same number of workers working longer hours. Presumably Marx means here fixed capital, buildings and machinery. The more the production process is mechanized, the more relevant is this consideration.

788:3 But the number of workers under the command of capital may remain the same, or even fall, while the variable capital increases. This is the case if the individual worker provides more labor, and his wages

664:4 Bisher wurde unterstellt, daß der Zu- oder Abnahme des variablen Kapitals genau die Zu- oder Abnahme der beschäftigten Arbeiterzahl entspricht.

664:5 Bei gleichbleibender oder selbst verminderter Zahl der von ihm kommandierten Arbeiter wächst jedoch das variable Kapital, wenn der individuelle Arbeiter mehr Arbeit liefert und daher sein Arbeitslohn wächst.
thus increase, although the price of labor remains the same or even falls, only more slowly than the mass of labor rises. Increase of variable capital, in this case, becomes an index of more labor, but not of more workers employed. It is the absolute interest of every capitalist to extort a given quantity of labor out of a smaller rather than a greater number of workers, if the cost is about the same. If he has to hire more workers, the outlay of constant capital increases in proportion to the mass of labor set in motion; if he gets more labor out of the same number of workers, that increase is much smaller. The more extended the scale of production, the more decisive is this motive. Its force increases with the accumulation of capital.

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The workers who have to work longer are getting higher wages for this (and often they do consider this as a benefit).

There is also another mechanism, which is of a technological rather than economic nature. Or maybe one should say in this mechanism the economics is built into the production process, it is real subsumption rather than formal subsumption: machinery controls the laborer better and organizes the labor process such that it can be sped up. Because of the “invisible” technological nature of this coercion, the workers cannot capture any of the benefits for themselves, they are simply forced to work more without getting higher wages.

788:4 We have seen that the development of the capitalist mode of production, and of the productive powers of labor—which is at once the cause and the effect of accumulation—enables the capitalist, with the same outlay of variable capital, to set in motion more labor by greater exploitation (extensive or intensive) of each individual labor-power.

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A third mechanism allows labor to be obtained from labor-power that is less expensive. Skilled labor can be replaced by unskilled labor, men by women, adults by children:

We have further seen that the capitalist buys with the same capital a greater mass of labor-power, as he progressively replaces skilled workers by less skilled, mature labor-power by immature, male by female, that of adults by that of young persons or children.

Next paragraph gives a summary of all three effects so far.

788:5 On the one hand, therefore, with the progress of accumulation a larger variable capital sets more labor in motion without enlisting more workers; on the other, a variable capital of the same magnitude sets in motion more labor with the same mass of labor-power; and, finally, a greater num-

Man hat ferner gesehen, daß er mit demselben Kapitalwert mehr Arbeitskräfte kauft, indem er progressiv geschicktere Arbeiter durch ungeschicktere, reife durch unreife, männliche durch weibliche, erwachsene Arbeitskraft durch jugendliche oder kindliche verdrängt.

665:1 Einerseits macht also, im Fortgang der Akkumulation, größeres variables Kapital mehr Arbeit flüssig, ohne mehr Arbeiter zu werben, andererseits macht variables Kapital von derselben Größe mehr Arbeit mit derselben Masse Arbeitskraft flüssig und endlich mehr niedere Arbeitskräfte durch Ver-
ber of inferior labor-powers is set in motion by the displacement of more skilled labor-powers.

This means, the relative surplus population is produced faster than the technical innovations alone would suggest, and the outlay of variable capital is not a good indicator.

Not only the relationship between variable capital and labor, but also that between the changes in productive power and the release of labor become more unfavorable for the worker:

789:1/o The production of a relative surplus population, or the setting free of workers, therefore proceeds even more rapidly than the technical transformation of the process of production that accompanies the advance of accumulation and is accelerated by it, and more rapidly than the corresponding diminution of the variable part of capital as compared with the constant.

665:2/o Die Produktion einer relativen Übervölkerung oder die Freisetzung von Arbeitern geht daher noch rascher voran als die ohnehin mit dem Fortschritt der Akkumulation beschleunigte technische Umwälzung des Produktionsprozesses und die entsprechende proportionelle Abnahme des variablen Kapitalteils gegen den konstanten.
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There is an additional effect, which only kicks in after the other effects have already been successful at creating a relative surplus population: the threat of unemployment forces those who are employed to work harder, which puts still more workers on the street:

If the means of production, as they increase in extent and effective power, become to a lesser extent means for employing workers, this relation is itself in turn modified by the fact that in proportion as the productive powers of labor increase, capital increases its supply of labor more quickly than its demand for workers.

By “capital’s supply of labor” Marx means the laborers replaced by machinery.

The over-work of the employed part of the working class swells the ranks of its reserve, while, conversely, the greater pressure that the reserve by its competition exerts on the employed workers forces them to submit to

Wenn die Produktionsmittel, wie sie an Umfang und Wirkungskraft zunehmen, in geringerem Grad Beschäftigungsmittel der Arbeiter werden, wird dies Verhältnis selbst wieder dadurch modifiziert, daß im Maß, wie die Produktivkraft der Arbeit wächst, das Kapital seine Zufuhr von Arbeit rascher steigert als seine Nachfrage nach Arbeitern.

Die Überarbeit des beschäftigten Teils der Arbeiterklasse schwellt die Reihen ihrer Reserve, während umgekehrt der vermehrte Druck, den die letztere durch ihre Konkurrenz auf die erstere ausübt, diese zur Über-
over-work and subjects them to the dictates of capital. The condemnation of one part of the working class to enforced idleness by the over-work of the other part, and vice versa, becomes a means of enriching the individual capitalists, and accelerates at the same time the production of the industrial reserve army on a scale corresponding with the progress of social accumulation.

Footnote 83 documents the existence of overwork in the midst of unemployment.

83 Even in the cotton famine of 1863, we find, in a pamphlet by the cotton-spinning operatives of Blackburn, fierce denunciations of over-work, which of course only affected adult male workers, as a result of the Factory Act. ‘The adult operatives at this mill have been asked to work from 12 to 13 hours per day, while there are hun-


83 Selbst während der Baumwollnot von 1863 findet man in einem Pamphlet der Baumwollspinner von Blackburn heftige Denunziation gegen die Überarbeit, die kraft des Fabrikgesetzes natürlich nur erwachsne männliche Arbeiter traf. „Man verlangte in dieser Fabrik von den erwachsenen Arbeitern eine zwölf- bis dreizehnstündige Arbeit
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dreds who are compelled to be idle who would willingly work partial time, in order to maintain their families and save their brethren from a premature grave through being over-worked . . . We’, it goes on to say, ‘would ask if the practice of working overtime by a number of hands, is likely to create a good feeling between masters and servants. Those who are worked overtime feel the injustice equally with those who are condemned to forced idleness. There is in the district almost sufficient work to give to all partial employment if fairly distributed. We are only asking what is right in requesting the masters generally to pursue a system of short hours, particularly until a better state of things begins to dawn upon us, rather than to work a portion of the hands overtime, while others, for want of work, are compelled to exist upon charity’ (Reports of the Inspectors of Factories . . . 31 Octo-

täglich, obwohl es Hunderte gibt, die zum Müßiggang gezwungen sind, aber gern einen Teil der Arbeitszeit arbeiten möchten, um ihre Familien erhalten zu können und ihre Arbeitsbrüder vor einem vorzeitigen Tode infolge Überarbeit zu bewahren.“ „Wir“, heißt es weiter, „möchten fragen, ob diese Praxis, Überzeit zu arbeiten, irgendwie erträgliche Verhältnisse zwischen Meistern und ’Dienern‘ möglich macht. Die Opfer der Überarbeit fühlen die Unbill ebensosehr als die dadurch zu erzwungenen Müßiggang Verdammten (condemned to forced idleness). In diesem Distrikt reicht das zu ver richtende Werk hin, um alle teilweise zu beschäftigen, würde die Arbeit billig verteilt. Wir verlangen nur ein Recht, indem wir die Meister auffordern, allgemein nur kurze Zeit zu arbeiten, wenigstens solange der jetzige Stand der Dinge währt, statt einen Teil zu überarbeiten, während der andere durch Arbeitsmangel gezwungen wird, von der
ber 1863, p. 8). The author of the Essay on Trade and Commerce grasps the effect of a relative surplus population on the employed workers with his usual unerring bourgeois instinct. ‘Another cause of idleness in this kingdom is the want of a sufficient number of laboring hands... Whenever from an extraordinary demand for manufactures, labor grows scarce, the laborers feel their own consequence, and will make their masters feel it likewise—it is amazing; but so depraved are the dispositions of these people, that in such cases a set of workmen have combined to distress the employer by idling a whole day together’ (Essay, etc., pp. 27–8). Those fellows were actually asking for a wage-increase!
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Now some interesting remarks about unproductive labor:

The importance of this element in the formation of the relative surplus population is shown by the example of England. Her technical means for the ‘saving’ of labor are colossal. Nevertheless, if tomorrow morning labor were universally to be reduced to a rational amount, and proportioned to the different sections of the working class according to age and sex, the available working population would be absolutely insufficient to carry on the nation’s production on its present scale. The great majority of the now ‘unproductive’ workers would have to be turned into ‘productive’ ones.

3.d. [The Movement of Wages]

Whereas the *level* of wages is determined by the value of labor-power, its *changes* are determined by demand and supply. In modern mathematical economics, this separation between the forces determining the *level* of wages and those determining the *changes* in wages is not possible. If we know the changes of wages at every point in time, the solution of a simple differential equation will give us the levels. Marx would probably consider this a misuse of mathematics; in his thinking, the forces which determine the levels are not reducible to the forces which determine the changes. There are also certain attempts in modern econometrics to separate levels from changes (regression on a limited frequency band, cointegration).

Marx first talks about the supply of labor, then the demand, and then the relationship between supply and demand. The *supply* is determined not by the absolute size of the working class, but by the relative surplus-population:

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790:1/o Overall, the general movements of wages are exclusively regulated by expansion and contraction of the industrial reserve army, which in turn correspond to the periodic alternations of the industrial cycle.

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666:1/o Im großen und ganzen sind die allgemeinen Bewegungen des Arbeitslohns ausschließlich reguliert durch die Expansion und Kontraktion der industriellen Reservearmee, welche dem Periodenwechsel des industriell-
The movement of wages is not therefore determined by the variations of the absolute numbers of the working population, but by the varying proportions in which the working class is divided into an active army and a reserve army, by the increase or diminution in the relative amount of the surplus population, by the extent to which it is alternately absorbed and set free.

If the dependence would be one on the absolute, not relative, size of the population, this would reverse the causality that no longer population growth depends on the economy but the economy on population growth. Marx dismisses this, calling it sarcastically a “beautiful” law:

For modern industry, with its decennial cycles and periodic phases, disturbed by irregular oscillations following each other more and more quickly as accumulation
advances—it would be a beautiful law which would make the movement of capital dependent on the movement of the population, instead of regulating demand and supply of labor by the expansion and contraction of capital, i.e. by the level of capital’s valorization requirements at the moment, the labor-market sometimes appearing relatively under-supplied because capital is expanding, and sometimes relatively over-supplied because it is contracting.

Why does Marx dismiss such a law so quickly, although it seems corroborated by empirical experience? Because it is so obvious that the driving force is capital accumulation and not population. Population growth cannot give rise to a ten-year periodic rhythm superimposed with accelerating irregular oscillations. Capital would generally not be the overwhelming force that it is if its accumulation were fettered by an exogenous growth of the
population.

Now comes a closer description of the “iron law of wages,” a theory with which Marx does not agree, although he concedes that it has a true kernel.

Yet, according to the dogma of the economists, the movement of capital depends on the movement of the population. Wages rise as a result of the accumulation of capital. Higher wages stimulate the working population to more rapid multiplication, and this goes on until the labor-market becomes over-supplied, and hence capital becomes insufficient in relation to the supply of labor. Wages fall, and now we have the obverse side of the medal. The working population is, little by little, decimated by the fall in wages, so that capital is again in excess in relation to the workers, or, as others explain...
it, the fall in wages and the corresponding increase in the exploitation of the workers again accelerates accumulation, while, at the same time, the lower wages hold the growth of the working class in check. Then the time comes round again when the supply of labor is less than the demand, wages rise, and so on.

The mechanisms postulated in this law would be far too slow:

This would indeed be a beautiful form of motion for developed capitalist production! Before the rise in wages could produce any positive increase of that part of the population actually able to work, the deadline would long since have passed within which the industrial campaign would have to have been carried through, and the battle fought
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to a conclusive finish.

Now Marx gives an example how absurd it would be to postulate such a law:

791:1 Between 1849 and 1859 a rise of wages which was in practice merely nominal, although it was accompanied by a fall in the price of corn, took place in the English agricultural districts. In Wiltshire, for example, the weekly wage rose from 7s. to 8s.; in Dorsetshire it rose from 7s. or 8s. to 9s., and so on. This was the result of an unusual exodus of the agricultural surplus population caused by wartime demands, and by the vast extension of railways, factories, mines etc. The lower the wage, the higher is the proportion in which even a very insignificant increase is expressed. If the weekly wage, for instance, is 20s. and it rises to

667:1/o Zwischen 1849 und 1859 trat, zugleich mit fallenden Getreidepreisen, eine praktisch betrachtet nur nominelle Lohnhöhung in den englischen Agrikulturdistrikten ein, z.B. in Wiltshire stieg der Wochenlohn von 7 auf 8 sh., in Dorsetshire von 7 oder 8 auf 9 sh. usw. Es war dies Folge des übergewöhnlichen Abflusses der agrarischen Übervölkerung, verursacht durch Kriegsnachfrage, massenhafte Ausdehnung der Eisenbahnbauten, Fabriken, Bergwerke etc. Je niedriger der Arbeitslohn, desto höher drückt sich jedes noch so unbedeutende Steigen desselben in Prozentzahlen aus. Ist der Wochenlohn z.B. 20 sh. und steigt er auf 22, so um
22s., that is a rise of 10 per cent; but if it is only 7s., and it rises to 9s., that is a rise of 28 4/7 per cent, which sounds very fine. Anyway, the farmers howled, and the London Economist, with reference to these starvation wages, prattled quite seriously of ‘a general and substantial advance’. 84 What did the farmers do now? Did they wait until the agricultural laborers had so increased and multiplied as a result of this splendid remuneration that their wages had to fall again, which is the way things are supposed to happen according to the dogmatic economic brain? No, they introduced more machinery, and in a moment the laborers were ‘redundant’ again to a degree satisfactory even to the farmers. There was now ‘more 10%'; ist er dagegen nur 7 sh. und steigt auf 9, so um 28 4/7 %, was sehr erklecklich klingt. Jedenfalls heulten die Pächter und schwatzte sogar der „London Economist“ ganz ernsthaft von „a general and substantial advance“ mit Bezug auf diese Hungerlöhne. Was taten nun die Pächter? Warteten sie, bis die Landarbeiter sich infolge dieser brillanten Zahlung so vermehrt hatten, daß ihr Lohn wieder fallen mußte, wie die Sache sich im dogmatisch ökonomischen Hirn zuträgt? Sie führten mehr Maschinerie ein, und im Umsehn waren die Arbeiter wieder „überzählig“ in einem selbst den Pächtern genügenden Verhältnis. Es war jetzt „mehr Kapital“ in der Agrikultur angelegt als vorher und in einer produktiveren Form. Damit fiel die Nachfrage nach Arbeit
capital’ laid out in agriculture than before, and in a more productive form. With this the demand for labor fell, not only relatively, but absolutely.

84 *Economist*, 21 January 1860.

The “war demand” refers to the Crimean War 1854–56.

How can a theory survive which is so evidently wrong? Because this theory is not entirely a figment of the imagination. It does have a link to practical experience:

791:2/o The above economic fiction confuses the laws that regulate the general movement of wages, or the ratio between the working class—i.e. the total sum of labor-power—and the total social capital, with the laws that distribute the working population over the different spheres of production. If, for example owing to a favorable conjuncture, accumulation in a particu-

668:1 Jene ökonomische Fiktion verwechselt die Gesetze, welche die allgemeine Bewegung des Arbeitslohs oder das Verhältnis zwischen Arbeiterklasse, d.h. Gesamtarbeitskraft und gesellschaftlichem Gesamtkapital regeln mit den Gesetzen, welche die Arbeiterbevölkerung unter die besonderen Produktionssphären verteilen. Wenn z.B. infolge günstiger Konjunktur die Akkumulation...
lar sphere of production becomes especially active, and profits in it, being greater than the average profits, attract additional capital, then of course the demand for labor rises, and wages rise as well. The higher wages draw a larger part of the working population into the more favored sphere until it is glutted with laborpower, and wages at length fall again to their average level or below it, if the pressure is too great. At that point the influx of workers into the branch of industry in question not only ceases, but gives place to an outflow of workers. Here the political economist thinks he can grasp the situation, he thinks he can see an absolute diminution of workers accompanying an increase of wages, and a diminution of wages in a
in einer bestimmten Produktionssphäre besonders lebhaft, die Profite hier größer als die Durchschnittsprofite, Zuschußkapital dahin drängt, so steigt natürlich Arbeitsnachfrage und Arbeitslohn. Der höhere Arbeitslohn zieht einen größeren Teil der Arbeiterbevölkerung in die begünstigte Sphäre, bis sie mit Arbeitskraft gesättigt ist und der Lohn auf die Dauer wieder auf sein früheres Durchschnittsniveau oder unter dasselbe fällt, falls der Zudrang zu groß war. Dann hört nicht nur die Einwanderung von Arbeitern in den fraglichen Geschäftszweig auf, sie macht sogar ihrer Auswanderung Platz. Hier glaubt der politische Ökonom zu sehn, „wo und wie“ mit Zunahme des Lohns eine absolute Zunahme von Arbeitern, und mit der absolu-
accompanying an absolute increase of workers. But he really sees only the local oscillations of the labor-market in a particular sphere of production—he sees only the phenomena which accompany the distribution of the working population into the different spheres of outlay of capital, according to its varying needs.

To conclude the discussion of the supply of labor, Marx re-states his own theory:

792:1 The industrial reserve army, during the periods of stagnation and average prosperity, weighs down the active army of workers; during the periods of overproduction and feverish activity, it puts a curb on their pretensions. The relative surplus population is therefore the background against which the law of the demand and

668:2 Die industrielle Reservearmee drückt während der Perioden der Stagnation und mittleren Prosperität auf die aktive Arbeiterarmee und hält ihre Ansprüche während der Periode der Überproduktion und des Paroxysmus im Zaum. Die relative Übervölkerung ist also der Hintergrund, worauf das Gesetz der Nachfrage und Zufuhr von Arbeit
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supply of labor does its work. It confines the field of action of this law to the limits absolutely convenient to capital’s drive to exploit and dominate the workers.

Next Marx discusses the demand for labor. He must argue here against the apologists who deny that technical progress eliminates jobs.

This is the place to return to one of the great exploits of economic apologetics. It will be remembered that if through the introduction of new machinery, or the extension of old, a portion of variable capital is transformed into constant capital, the economic apologist interprets this operation, which ‘fixes’ capital and by that very act ‘sets free’ workers, in exactly the opposite way, pretending that capital is thereby set free for the workers. Only now can one evaluate the
true extent of the effrontery of these apologists. Not only are the workers directly turned out by the machines set free, but so are their future replacements in the rising generation, as well as the additional contingent which, with the usual extension of business on its old basis, would regularly be absorbed. They are now all ‘set free’ and every new bit of capital looking round for a function can take advantage of them. Whether it attracts them or others, the effect on the general demand for labor will be nil, if this capital is just sufficient to take out of the market as many workers as the machines threw into it. If it employs a smaller number, the number of ‘redundant workers’ increases; if it employs a greater, geten vollständig würdigen. Was freigesetzt wird, sind nicht nur die unmittelbar durch die Maschine verdrängten Arbeiter, sondern ebenso ihre Ersatzmannschaft und das, bei gewohnter Ausdehnung des Geschäft auf seiner alten Basis, regelmäßig absorbierte Zuschußkontingent. Sie sind jetzt alle „freigesetzt“, und jedes neue funktionslustige Kapital kann über sie verfügen. Ob es sie oder andre attrahiert, die Wirkung auf die allgemeine Arbeitsnachfrage wird Null sein, solange dies Kapital gerade hinreicht, um den Markt von ebensoviel Arbeitern zu befreien, als die Maschinen auf ihn geworfen. Beschäftigt es eine geringere Zahl, so wächst die Menge der Überzähligen; beschäftigt es eine größere, so wächst die allgemeine Ar-
the general demand for labor increases only to the extent of the excess of the employed over those ‘set free’. The impulse that additional capital seeking an outlet would otherwise have given to the general demand for labor is therefore in every case neutralized until the supply of workers thrown out of employment by the machine has been exhausted. That is to say, the mechanism of capitalist production takes care that the absolute increase of capital is not accompanied by a corresponding rise in the general demand for labor. And the apologist calls this a compensation for the misery, the sufferings, the possible death of the displaced workers during the transitional period when they are banished into the industrial reserve

heitsnachfrage nur um den Überschuß der Beschäftigten über die „Freigesetzten“. Der Aufschwung, den Anlage suchende Zusatzkapitale sonst der allgemeinen Arbeitsnachfrage gegeben hätten, ist also in jedem Fall insoweit neutralisiert, wie die von der Maschine aufs Pflaster geworfnen Arbeiter reichen. D.h. also, der Mechanismus der kapitalistischen Produktion sorgt dafür, daß der absolute Zuwachs von Kapital von keiner entsprechenden Steigerung der allgemeinen Arbeitsnachfrage begleitet ist. Und dies nennt der Apologet eine Kompensation für das Elend, die Leiden und den möglichen Untergang der deplacierten Arbeiter während der Übergangsperiode, welche sie in die industrielle Reservearmee bannt!
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Now Marx discusses the *relationship* between demand and supply of labor. The consideration of the unity of demand and supply is another element of Marx’s thought which is missing in modern mainstream thought. In the present theory it plays an important role: Marx will come to the conclusion that capital acts on both sides.

The demand for labor is not identical with increase of capital, nor is supply of labor identical with increase of the working class. Demand and supply do not interact with each other as independent forces. The dice are loaded. Capital acts on both sides at once. If its accumulation on the one hand increases the demand for labor, it increases on the other the supply of workers by ‘setting them free’, while at the same time the pressure of the unemployed compels those who are employed to furnish more labor,
and therefore makes the supply of labor to a
certain extent independent of the supply of
laborers. The movement of the law of sup-
ply and demand of labor on this basis com-
pletes the despotism of capital.

Law of demand and supply of labor-power is biased in favor of capital: capital acts on both
sides. The labor market does not give the workers a level playing-field, the more they work,
the worse they are off. But as soon as workers try to defend themselves by organization, this
law of demand and supply is proclaimed “sacred”:

Thus as soon as the workers learn the se-
cret of why it happens that the more they
work, the more alien wealth they produce,
and that the more the productive powers
of their labor increase, the more does their
very function as a means for the valoriza-
tion of capital become precarious, as soon
as they discover that the degree of intensity

Arbeit zwingt, also in gewissem Grad die Ar-
beitszufuhr von der Zufuhr von Arbeitern un-
abhängig macht. Die Bewegung des Gesetzes
der Nachfrage und Zufuhr von Arbeit auf die-
ser Basis vollendet die Despotie des Kapitals.

Sobald daher die Arbeiter hinter das Geheim-
nis kommen, wie es angeht, daß im selben
Maß, wie sie mehr arbeiten, mehr fremden
Reichtum produzieren und die Produktiv-
kraft ihrer Arbeit wächst, sogar ihre Funkti-
on als Verwertungsmittel des Kapitals immer
prekärer für sie wird; sobald sie entdecken,
daß der Intensitätsgrad der Konkurrenz unter
3. Industrial Reserve Army

of the competition amongst themselves depends wholly on the pressure of the relative surplus population; as soon as, by setting up trade unions etc., they try to organize planned co-operation between the employed and the unemployed in order to obviate or to weaken the ruinous effects of this natural law of capitalist production on their class, so soon does capital and its sycophant, political economy, cry out at the infringement of the ‘eternal’ and so to speak ‘sacred’ law of supply and demand. Every combination between employed and unemployed disturbs the ‘pure’ action of this law.

This passage contains some direct proposals for organizing (for instance, that employed and unemployed workers should organize together) which follow from this theory. What
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Marx calls here a “natural law” of capitalist production is not something that comes from nature, but that is a necessity inscribed in the nature of capitalism.

The next passage exposes the hypocrisy of the economists: the law of demand and supply is only “sacred” if it is convenient.

But on the other hand, as soon as (in the colonies, for example) adverse circumstances prevent the creation of an industrial reserve army, and with it the absolute dependence of the working class upon the capitalist class, capital, along with its platitudinous Sancho Panza, rebels against the ‘sacred’ law of supply and demand, and tries to make up for its inadequacies by forcible means.

Marx discusses this in chapter Thirty-Three.

The relative surplus population consists of all workers whose labor has been made superfluous by the accumulation of capital. Marx calls these workers “repelled” by the accumulation of capital. “Repelled” not in the sense of “disgusted” but in the sense of “rejected” or “not needed,” literally “pushed away.” They are unable to find jobs, they lose their jobs, or they must accept less desirable work, because of capital accumulation. But even if they are lucky enough still to be holding on to their jobs, they may still belong to the surplus population.

794:1 The relative surplus population ex-
ists in a variety of different nuances. Every worker belongs to it during the time when he is only partially employed or wholly unemployed. Leaving aside the large-scale and periodically recurring forms that the changing phases of the industrial cycle impress on it, so that it sometimes appears acute, in times of crisis, and sometimes chronic, in times when business is slack, we can identify three forms which it always possesses: the flowing, the latent, and the stagnant.

The first paragraph is somewhat clearer in French than in German.

The above paragraph says three things about the surplus population:
1) Relative surplus-population exists in many different nuances.
2) The industrial cycle periodically imprints different characteristics (acute–chronic) on
it. But this is not the subject of the present discussion.

3) Enduring through these cyclical changes, one can distinguish three permanent forms: flowing, latent, and stagnant. Marx does not give the definitions, only examples of these three categories. He probably thought the names, with their metaphor of water bodies, were self-explanatory. The flowing surplus population is readily re-absorbed again. The latent surplus population cannot be seen, like a stream of ground water, unless one creates a drainage channel. Regarding the stagnant surplus population, the German word for it does not mean entirely “stagnant,” but designates an intermittent, impeded, or backed-up flow.

The usual translation “floating” instead of “flowing” makes it impossible to make sense of this metaphor.

The flowing surplus-population is repelled here, attracted there, but overall the attraction is large enough that the passage through unemployment is always only temporary.

794:2 In the centres of modern industry—factories, workshops, ironworks, mines, etc.—the workers are sometimes repelled, sometimes attracted again in greater masses,
so that the number of those employed increases on the whole, although in a constantly decreasing proportion to the scale of production. Here the surplus population exists in the flowing form.

The following example of flowing surplus population is specific to Marx’s time and can no longer be found today:

794:3/o Both in the factories proper, and in the large workshops, where machinery enters as one factor, or even where no more than a division of labor of a modern type has been put into operation, large numbers of male workers are employed up to the age of maturity, but not beyond. Once they reach maturity, only a very small number continue to find employment in the same branches of industry, while the majority are regularly

670:3–671:1 Sowohl in den eigentlichen Fabriken wie in allen großen Werkstätten, wo Maschinerie als Faktor eingehet oder auch nur die moderne Teilung der Arbeit durchgeführt ist, braucht man massenhaft männliche Arbeiter bis zur Zurücklegung des Jugendalters. Dieser Termin einmal erreicht, bleibt nur eine sehr geringe Anzahl in denselben Geschäftszweigen verwendbar, während die Mehrzahl regelmäßig entlassen wird. Sie bildet ein Ele-
forms of existence of surplus population. This majority forms an element of the flowing surplus population, which grows with the extension of those branches of industry.

Marx classifies these workers as flowing surplus population because they are still young and capable workers who will not stay unemployed for long. Even the industry which dismisses them may hire them back in cyclical upswings. Some of them emigrate; this too attests to their initiative and desirability as workers:

Some of these workers emigrate; in fact they are merely following capital, which has itself emigrated. One of the consequences is that the female population grows more rapidly than the male—witness England.

The imbalance between men and women is the symptom of a more general contradiction which Marx addresses next: in some areas, the natural supply of labor exceeds the demand for labor, in others it cannot keep up with it. The flowing surplus population, which accompanies rising demand for labor, is itself a symptom of this contradiction, but Marx brings also more
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concrete examples:

That the natural increase of the number of workers does not satisfy the requirements of the accumulation of capital, and yet, at the same time, exceeds those requirements, is a contradiction inherent in capital’s own movement. Capital demands more youthful workers, fewer adults. This contradiction is no more glaring than the other contradiction, namely that a shortage of ‘hands’ is complained of, while, at the same time, many thousands are out of work, because the division of labor chains them to a particular branch of industry.  

Footnote 85 gives a specific historical example of this other contradiction:

85 Although 80–90,000 people in London were thrown out of work during the last six months, the division of labor chains them to a particular branch of industry.
months of 1866, the Factory Report says for that same half year: ‘It does not appear absolutely true to say that demand will always produce supply just at the moment when it is needed. It has not always done so with labor, for much machinery has been idle last year for want of hands’ (Reports of the Inspectors of Factories, … 31 October 1866, p. 81).

The overwork of the young workers, their low life expectancy and early aging, exacerbates this first contradiction:

795:1 Moreover, the consumption of labor-power by capital is so rapid that the worker has already more or less completely lived himself out when he is only half-way through his life. He falls into the ranks of the surplus population, or is thrust down from a higher to a lower step in the scale. It is precisely among the workers in large-


Der Konsum der Arbeitskraft durch das Kapital ist zudem so rasch, daß der Arbeiter von mittlerem Alter sich meist schon mehr oder minder überlebt hat. Er fällt in die Reihen der Überzähligen oder wird von einer höheren auf eine niedrigere Staffel hinabgedrängt. Gerade bei den Arbeitern der großen Industrie stoßen wir auf die kürzeste Lebensdauer.
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scale industry that we meet with the shortest life-expectancy.

Dr. Lee, Medical Officer of Health for Manchester, stated that the average age at death of the Manchester ... upper middle class was 38 years, while the average age at death of the laboring class was 17; while at Liverpool those figures were represented as 35 against 15. It thus appeared that the well-to-do classes had a lease of life which was more than double the value of that which fell to the lot of the less favored citizens.  

Footnote 85a was added by Engels to the third German edition:

85a Opening address to the Sanitary Conference, Birmingham, 14 January 1875, by J. Chamberlain, at that time Mayor of Birmingham, and now (1883) President of the Board of Trade.

Next Marx describes the social forms which allow this portion of the population to in-
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crease despite their early deaths:

Under these circumstances, the absolute increase of this section of the proletariat calls for a form which swells their numbers, despite the rapid wastage of their individual elements. Hence, rapid replacement of one generation of workers by another (this law does not hold for the other classes of the population). This social requirement is met by early marriages, which are a necessary consequence of the conditions in which workers in large-scale industry live, and by the premium that the exploitation of the workers’ children sets on their production.

Child labor, a product of the drive for maximum profits, has the unintended and for capital beneficial side effect of encouraging large families.
The *latent surplus population* is like a stream of ground water: the water is not visible on the surface but it will collect as soon as one digs a ditch. Marx’s main example is the agricultural workers. (Today, the main examples of the latent surplus population are immigrant workers, and married women staying at home but willing to take a job if they can find one.)

As soon as capitalist production takes possession of agriculture and in proportion to the extent to which it does so, the demand for a rural working population falls absolutely, while the accumulation of the capital employed in agriculture advances, without this repulsion being compensated for by a greater attraction of workers, as is the case in non-agricultural industries.

Since this surplus population is latent (hidden), one has to infer its existence from its effects. One of the effects of the latent surplus population in the rural areas is the flow of workers from the countryside to the cities:

Part of the agricultural population is there-
fore constantly on the point of passing over into an urban or manufacturing proletariat, and on the lookout for opportunities to complete this transformation. (The term ‘manufacture’ is used here to cover all non-agricultural industries.)

This is therefore a constantly flowing source of relative surplus population. But the constant movement towards the towns presupposes, in the countryside itself, a constant latent surplus population, the extent of which only becomes evident at those exceptional times when its outlet channels are wide open.

Therefore fortwährend auf dem Sprung, in städtisches oder Manufakturproletariat überzugehn, und in der Lauer auf dieser Verwandlung günstige Umstände. (Manufaktur hier im Sinn aller nichtagrikolen Industrie.)

Diese Quelle der relativen Übervölkerung fließt also beständig. Aber ihr beständiger Fluß nach den Städten setzt auf dem Lande selbst eine fortwährend latente Übervölkerung voraus, deren Umfang nur sichtbar wird, sobald sich die Abzugskanäle ausnahmsweise weit öffnen.

86 ‘The 781 towns’ enumerated in the census of England and Wales for 1861 ‘contained 10,960,998 inhabitants, while the villages and country parishes contained 9,105,226. In 1851, whereas the Dörfer und Landkirchspiele nur 9105 226 zählen … Im Jahr 1851 figurier-
580 towns were distinguished, and the population in them and in the surrounding country was nearly equal. But while in the subsequent ten years the population in the villages and the country increased half a million, the population in the 580 towns increased by a million and a half (1,554,067). The increase of the population of the country parishes is 6.5 per cent, and of the towns 17.3 per cent. The difference in the rates of increase is due to the migration from country to town. Three-fourths of the total increase of population has taken place in the towns’ (Census, etc., Vol. 3, pp. 11–12).

Another effect is the low agricultural wages:

The wages of the agricultural laborer are therefore reduced to a minimum. He always stands with one foot in the swamp of pauperism.

Der Landarbeiter wird daher auf das Minimum des Salairs herabgedrückt und steht mit einem Fuß stets im Sumpf des Pauperismus.
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*Stagnant surplus population.* They are likely to be older, or have low or outdated skills. They have very irregular employment, sometimes unemployed, or holding down part time jobs, etc.

796:1 The third category of the relative surplus population is the stagnant surplus population. Although part of the active labor army, it has extremely irregular employment. It offers capital an inexhaustible reservoir of disposable labor-power. Its conditions of life sink below the average normal level of the working class, and it is precisely this which makes it a broad target for specialized branches of capitalist exploitation. It is characterized by a maximum of working time and a minimum of wages. We have already become familiar with its chief form under the rubric of ‘domestic indus-

672:1 Die dritte Kategorie der relativen Übervölkerung, die stockende, bildet einen Teil der aktiven Arbeiterarmee, aber mit durchaus unregelmäßiger Beschäftigung. Sie bietet so dem Kapital einen unerschöpflichen Behälter disponibler Arbeitskraft. Ihre Lebenslage sinkt unter das durchschnittliche Normalniveau der arbeitenden Klasse, und grade dies macht sie zur breiten Grundlage eigner Exploitationszweige des Kapitals. Maximum der Arbeitszeit und Minimum des Salairs charakterisieren sie. Wir haben unter der Rubrik der Hausarbeit ihre Hauptgestalt bereits kennengelernt. Sie re-
try’. It is constantly recruited from workers in large-scale industry and agriculture who have become redundant, and especially from those decaying branches of industry where handicraft is giving way to manufacture, and manufacture to machinery. Its extent grows in proportion as, with the growth in the extent and energy of accumulation, the creation of a surplus population also advances. But it forms at the same time a self-reproducing and self-perpetuating element of the working class, taking a proportionally greater part in the general increase of that class than the other elements. In fact, not only the number of births and deaths, but the absolute size of families, stands in inverse proportion to the level of wages, krutiert sich fortwährend aus den Überzähligen der großen Industrie und Agrikultur und namentlich auch aus untergehenden Industriezweigen, wo der Handwerksbetrieb dem Manufakturbetrieb, letzterer dem Maschinenbetrieb erliegt. Ihr Umfang dehnt sich, wie mit Umfang und Energie der Akkumulation die „Überzähligmachung“ fortschreitet. Aber sie bildet zugleich ein sich selbst reproduzierendes und verewigendes Element der Arbeiterklasse, das verhältnismäßig größeren Anteil am Gesamtwachstum derselben nimmt als die übrigen Elemente. In der Tat steht nicht nur die Masse der Geburten und Todesfälle, sondern die absolute Größe der Familien in umgekehrtem Verhältnis zur Höhe des Arbeitslohns, also zur Masse der Lebens-
and therefore to the amount of the means of subsistence at the disposal of different categories of worker. This law of capitalist society would sound absurd among savages, or even among civilized colonists. It calls to mind the boundless reproduction of animals individually weak and constantly hunted down. 87

87 “Poverty seems favorable to generation’ (Adam Smith, [Smi39, vol. 1, ch. 8, p. 195]). Indeed, according to the gallant and witty Abbe Galiani, this is a specially wise arrangement made by God. ‘God has decreed that the men who carry on the most useful crafts should be born in abundant numbers’ [Gal03, p. 78]. ‘Misery up to the extreme point of famine and pestilence, instead of checking, tends to increase population’ (S. Laing, National Distress, 1844, p. mittel, worüber die verschiedenen Arbeiterkategorien verfügen. Dies Gesetz der kapitalistischen Gesellschaft klänge unsinnig unter Wilden oder selbst zivilisierten Kolonisten. Es erinnert an die massenhafte Reproduktion individuell schwacher und vielgehetzter Tierarten. 87

87 „Armut scheint die Fortpflanzung zu begünstigen.“ (A. Smith, [Smi39, Bd. 1, Kap. 8, p. 195].) Dies ist sogar eine besonders weise Einrichtung Gottes nach dem galanten und geistreichen Abbé Galiani: „Gott hat es gefügt, daß die Menschen, die die nützlichsten Berufe ausüben, überreichlich geboren werden.“ [Gal03, p. 78] „Elend, bis zum äußersten Grad von Hungersnot und Pestilenz, vermehrt eher das Wachstum der Bevölkerung, statt es zu hemmen.“ (S. Laing, „National
After these three forms of surplus population, Marx discusses a fourth form, pauperism. Pauperism is not the direct result of the repulsion of labor by capital, but the result of the result of this expulsion, i.e., the result of the existence of a surplus population. The accumulation of capital turns employed into unemployed workers, and unemployment (not accumulation) turns the unemployed into paupers. Marx distinguishes again between three forms of pauperism, plus one really bad one:

- Paupers capable of working, who manage to re-enter the active working army in times of extraordinary demand for labor;

- Orphans and children of paupers, who are the victims of a different indirect effect: capitalist accumulation kills or impoverishes the parents, and this also turns their children into paupers.
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- Paupers incapable of working, crippled, ragged: they are not only repelled by capital but also disabled, often because they are no longer used.

- Criminals, prostitutes, etc. They can again be considered a separate social layer which is the result of the existence of pauperism.

797:2 The deepest fallout from the relative surplus population, finally, dwells in the sphere of pauperism. Apart from vagabonds, criminals, prostitutes, in short the actual lumpenproletariat, this social stratum consists of three categories. First, those able to work. One need only glance superficially at the statistics of English pauperism to find that the quantity of paupers increases with every crisis of trade, and diminishes with every revival.

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This variation in numbers is proof that a part of the paupers turn into employed workers when labor demand is high.

Second, orphans and pauper children. These are candidates for the industrial reserve army, and in times of great prosperity, such as the year 1860 for instance, they are enrolled in the army of active workers both speedily and in large numbers. Third, the demoralized, the ragged, and those unable to work, chiefly people to whom the immobility caused by the division of labor has become fatal; people who have lived beyond the worker’s average life-span; and the victims of industry, whose number increases with the growth of dangerous machinery, of mines, chemical works, etc., the mutilated, the sickly, the widows, etc. Pauperism is Zweitens: Waisen und Pauperkinder. Sie sind Kandidaten der industriellen Reservearmee und werden in Zeiten großen Aufschwungs, wie 1860 z.B., rasch und massenhaft in die aktive Arbeiterarmee einrolliert. Drittens: Verkommene, Verlumpete, Arbeitsunfähige. Es sind namentlich Individuen, die an ihrer durch die Teilung der Arbeit verursachten Unbeweglichkeit untergehn, solche, die über das Normalalter eines Arbeiters hinausleben, endlich die Opfer der Industrie, deren Zahl mit gefährlicher Maschinerie, Bergwerksbau, chemischen Fabriken etc. wächst, Verstümmelte, Verkrankte, Witwen etc. Der Pauperismus bildet das Invalidenhaus der ak-
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the infirmery of the active labor-army and the dead weight of the industrial reserve army. Its production is included in that of the relative surplus population, its necessity is implied by their necessity; along with the surplus population, pauperism forms a condition of capitalist production, and of the capitalist development of wealth. It forms part of the incidental expenses of capitalist production: but capital usually knows how to transfer these from its own shoulders to those of the working class and the petty bourgeoisie.

I translated “Niederschlag der relativen Übervölkerung” with “fallout from” instead of “sediment of,” since the clause “lowest sediment” evokes the image of the lowest layer in a rock, i.e., it makes it appear as if pauperism were part of the surplus population. I wrote “infirmery” instead of “hopital” (both Fowkes and Moore-Aveling use “hospital”)

The next four paragraphs give an important summary of the whole chapter. It begins with a recapitulation of the present section:

798:1 The greater the social wealth, the functioning capital, the extent and energy of its growth, therefore also the absolute size of the proletariat and the productive powers of its labor, the greater is the industrial reserve army. The same causes which develop the expansive power of capital, also develop the disposable labor-power.

673:2/o Je größer der gesellschaftliche Reichtum, das funktionierende Kapital, Umfang und Energie seines Wachstums, also auch die absolute Größe des Proletariats und die Produktivkraft seiner Arbeit, desto größer die industrielle Reservearmee. Die disponible Arbeitskraft wird durch dieselben Ursachen entwickelt wie die Expansivkraft des Kapitals.

↑ By “disposable” labor-power Marx means that part of the labor-power that is relatively in surplus. In the fourth paragraph, 798:4/o, Marx speaks of an equilibrium between relative surplus-population and the extent and energy of accumulation.

The relative magnitude of the industrial re-

Die verhältnismäßige Größe der industriellen
serve army thus increases with the potential energy of wealth. But the greater this reserve army in proportion to the active labor-army, the greater is the mass of a consolidated surplus population, whose misery is in inverse ratio to the amount of torture it has to undergo in the form of labor.

The more extensive, finally, the pauperized sections of the working class and the industrial reserve army, the greater is official pauperism.

What Marx said since the beginning of this paragraph is a formulation of the General Law of Capitalist Accumulation:

This is the absolute general law of capitalist accumulation. Like all other laws, it is modified in its working by many circumstances, the analysis of which does not concern us.
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This last sentence notes that all laws are tendential. This is especially true regarding social laws, since social phenomena will come into existence only through the individual activity which may have quite different intentions.

Population is controlled by capital, therefore there is no use to try to control it on the side of the laborers:

798:2 We can now understand the foolishness of the economic wisdom which preaches to the workers that they should adapt their numbers to the valorization requirements of capital. The mechanism of capitalist production and accumulation itself constantly effects this adjustment. The first word of this adaptation is the creation of a relative surplus population, or industrial reserve army. Its last word is the misery

of constantly expanding strata of the active army of labor, and the dead weight of pauperism.

Next Marx situates this general law of capitalist accumulation as the capitalistic expression of some general laws of technology. Instead of being a way out of the drudgery of labor, the higher productive powers are, under capitalism, turned against the laborer. This is alienation:

798:3 On the basis of capitalism, a system in which the worker does not employ the means of production, but the means of production employ the worker, the law by which a constantly increasing quantity of means of production may be set in motion by a progressively diminishing expenditure of human power, thanks to the advance in the productivity of social labor, undergoes a complete inversion, and is expressed thus:
the higher the productive powers of labor, the greater is the pressure of the workers on the means of employment, the more precarious therefore becomes the condition for their existence, namely the sale of their own labor-power for the increase of alien wealth, or in other words the self-valorization of capital. The fact that the means of production and the productive powers of labor increase more rapidly than the productive population expresses itself, therefore, under capitalism, in the inverse form that the working population always increases more rapidly than the valorization requirements of capital.

This last sentence gives an ultimate background reasoning why capital can successfully use technology to overcome the natural barrier of the population growth: growth of the
productive powers of labor is more rapid than that of the population.

The passage culminates in a vivid description of the antagonistic character of the accumulation of capital. First an interesting summary of part IV:

798:4/o We saw in Part IV, when analyzing the production of relative surplus-value, that within the capitalist system all methods for raising the social productive powers of labor are put into effect at the expense of the individual worker; that all means for the development of production undergo a dialectical inversion so that they become means of domination and exploitation of the producers; they distort the worker into a fragment of a man, they degrade him to the level of an appendage of a machine, they destroy the actual content of his labor by turning it into a torment; they alienate from him the intellectual content of his labor by turning it into a torment. Wir sahen im vierten Abschnitt bei Analyse der Produktion des relativen Mehrwerts: innerhalb des kapitalistischen Systems vollziehn sich alle Methoden zur Steigerung der gesellschaftlichen Produktivkraft der Arbeit auf Kosten des individuellen Arbeiters; alle Mittel zur Entwicklung der Produktion schlagen um in Beherrschungs- und Exploitationsmittel des Produzenten, verstümmeln den Arbeiter in einen Teilmensch, entwürdigten ihn zum Anhängsel der Maschine, vernichten mit der Qual seiner Arbeit ihren Inhalt, entfremden ihm die geistigen Potenzen des Arbeitsprozesses im sel-
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lectual potentialities of the labor process in the same proportion as science is incorporated in it as an independent power; they deform the conditions under which he works, subject him during the labor process to a despotism the more hateful for its meanness; they transform his life-time into working-time, and drag his wife and child beneath the wheels of the juggernaut of capital.

Now from production to accumulation:

But all methods for the production of surplus-value are at the same time methods of accumulation, and every extension of accumulation becomes, conversely, a means for the development of those methods. It follows therefore that in proportion as capital accumulates, the situation of the worker, be his
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payment high or low, must grow worse. Finally, the law which always holds the relative surplus population or industrial reserve army in equilibrium with the extent and energy of accumulation rivets the worker to capital more firmly than the wedges of Hephaestus held Prometheus to the rock. It makes an accumulation of misery a necessary condition, corresponding to the accumulation of wealth. Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, the torment of labor, slavery, ignorance, brutalization and moral degradation at the opposite pole, i.e. on the side of the class that produces its own product as capital.

Tendency of the development of the relative surplus-population. Law of the absolute
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impoverishment (immiseration) of the working class. Its truth today must be seen on a world wide scale.

The section concludes with a collection of quotes how the economists saw this “antagonistic character of the capitalist accumulation process” (and in footnote 88 Marx’s own earlier formulation).

799:1/o This antagonistic character of capitalist accumulation is enunciated in various forms by political economists, although they lump it together with other phenomena which are admittedly to some extent analogous, but nevertheless essentially distinct, since they appear only in pre-capitalist modes of production.

88 ‘From day to day it thus becomes clearer that the relations of production in which the bourgeoisie moves do not have a simple, uniform character but rather a double-edged one; that in

675:1 Dieser antagonistische Charakter der kapitalistischen Akkumulation ist in verschiedenen Formen von politischen Ökonomen ausgesprochen, obgleich sie zum Teil zwar analoge, aber dennoch wesentlich verschiedene Erscheinungen vorkapitalistischer Produktionsweisen damit zusammenwerfen.

88 „Von Tag zu Tag wird es somit klarer, daß die Produktionsverhältnisse, in denen sich die Bourgeoisie bewegt, nicht einen einheitlichen, einfachen Charakter haben, sondern einen zwie-
the same relations in which wealth is produced poverty is produced also; that in the same relations in which there is a development of the forces of production, there is also the development of a repressive force; that these relations produce bourgeois wealth, i.e. the wealth of the bourgeois class, only by continually annihilating the wealth of the individual members of this class and by producing an ever-growing proletariat’ (Karl Marx, Misère de la Philosophie, p. 116) [English edition, p. 107].

800:1a The Venetian monk Ortes, one of the great economic writers of the eighteenth century, regards the antagonism of capitalist production as a universal natural law of social wealth.

‘In the economy of a nation, advantages and evils always balance each other’; ‘the abundance of wealth with some people is always equal to the lack of wealth with others’; ‘The great riches of a small number are always accompanied by the absolute deprivation of the essential necessities of life for many others. The wealth of a nation corresponds with its population, and its misery corresponds with its wealth. Diligence in some compels idleness in others. The poor and idle are a necessary consequence of the rich and active’, and so on.  

Ortes sees the contradictions of capitalism, but he attributes them to the working of eternal laws of balance.

89 G. Ortes, *Della economia nazionale libri*
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sei, 1777, in Custodi, Parte moderna, Vol. 21, pp. 6, 9, 22, 25, etc. Ortes says, op. cit., p. 32: ‘Instead of projecting useless systems for achieving the happiness of peoples, I shall limit myself to investigating the reasons for their unhappiness.’

800:1b About ten years after Ortes, the High Church Protestant parson, Townsend, glorified misery as a necessary condition of wealth in a thoroughly brutal way.

‘Legal constraint (to labor)’ is attended with too much trouble, violence, and noise, … whereas hunger is not only a peaceable, silent, unremitted pressure, but as the most natural motive to industry and labor, it calls forth the most powerful exertions.’

Everything therefore depends on making hunger permanent among the working class, seh 1774“, bei Custodi, Parte Moderna, t. XXI, p. 6, 9, 22, 25 etc. Ortes sagt l.c. p. 32: „Statt unnütze Systeme für das Glück der Völker aufzustellen, will ich mich darauf beschränken, die Gründe ihres Unglücks zu untersuchen.“

676:1–4 In ganz grober Weise verherrlichte ungefähr 10 Jahre nach Ortes der hochkirchliche protestantische Pfaffe Townsend die Armut als notwendige Bedingung des Reichtums.

„Gesetzlicher Zwang zur Arbeit ist verbunden mit zuviel Mühe, Gewaltsamkeit und Geräusch, während der Hunger nicht nur ein friedlicher, schweigsamer, unaufhörlicher Druck, sondern als natürlichstes Motiv zur Industrie und Arbeit die machtvollste Anstrengung hervorruft.“

Alles kommt also darauf an, den Hunger unter der Arbeiterklasse permanent zu ma-
and this is provided for, according to Townsend, by the principle of population, which is especially applicable to the poor.

‘It seems to be a law of Nature that the poor should be to a certain degree improvident’ (i.e. so improvident as to be born without silver spoons in their mouths) ‘that there may always be some to fulfil the most servile, the most sordid, and the most ignoble offices in the community. The stock of human happiness is thereby much increased, whilst the more delicate are not only relieved from drudgery … but are left at liberty without interruption to pursue those callings which are suited to their various dispositions … it’ (the Poor Law) ‘tends to destroy the harmony and beauty, the symmetry and order of that system which God and Nature have established in the world.’

„Es scheint ein Naturgesetz, daß die Armen zu einem gewissen Grad leichtsinnig (improvident) sind“ (nämlich so leichtsinnig, auf die Welt zu kommen ohne goldne Löffel im Mund), „so daß stets welche da sind (that there always may be some) zur Erfüllung der servilsten, schmutzigsten und gemeinsten Funktionen des Gemeinwesens. Der Fonds von menschlichem Glück (the fund of human happiness) wird dadurch sehr vermehrt, die Delikateren (the more delicate) sind von der Plackerei befreit und können höherem Beruf usw. ungestört nachgehn… Das Armengesetz hat die Tendenz, die Harmonie und Schönheit, die Symmetrie und Ordnung dieses Systems, welches Gott
4. Forms of Existence of Surplus Population

Malthus often copies whole pages, himself borrowed the greater part of his doctrine from Sir James Steuart, though distorting Steuart’s views in the process. For example, Steuart says ‘Here, in slavery, was a forcible methods of making mankind diligent’ (in the interests of the non-workers) … ‘Men were then forced to work’ (i.e. to work for others without return) ‘because they were slaves of others; men are now forced to work’ (i.e. to work for non-workers without return) ‘because they are the slaves of their ne-

90 A Dissertation on the Poor Laws. By a Well-Wisher of Mankind (the Rev. J. Townsend), 1786, republished London, 1817, pp. 15, 39, 41. This ‘delicate’ parson, from whose work just quoted, as well as from his Journey through Spain, Malthus often copies whole pages, himself borrowed the greater part of his doctrine from Sir James Steuart, though distorting Steuart’s views in the process. For example, Steuart says ‘Here, in slavery, was a forcible methods of making mankind diligent’ (in the interests of the non-workers) … ‘Men were then forced to work’ (i.e. to work for others without return) ‘because they were slaves of others; men are now forced to work’ (i.e. to work for non-workers without return) ‘because they are the slaves of their ne-

90 „A Dissertation on the Poor Laws. By a Wellwisher of Mankind (The Rev. Mr. J. Townsend), 1876“, republished Lond 1817, p. 15, 39, 41. Dieser „delikate“ Pfaffe, dessen eben angeführte Schrift, nebst seiner Reise durch Spanien, Malthus oft seitenlang abschreibt, entlehnte den größten Teil seiner Doktrin aus Sir J. Steuart, den er jedoch verdreht. Z.B. wenn Steuart sagt: „Hier, in der Sklaverei, existierte eine gewaltsame Methode, die Menschheit arbeitsam“ (für die Nicht-arbeiter) „zu machen… Die Menschen wurden damals zur Arbeit“ (d.h. zur Gratisarbeit für andere) „gezwungen, weil sie Sklaven von andren waren; die Menschen sind jetzt zur Arbeit (d.h. zur Gratisarbeit für Nichtarbeiter) „gezwungen, weil sie die Sklaven ihrer eignen Bedürfnisse sind“, so schließt
cessities.’ But, unlike our fat benefice-holder, he does not conclude from this that the wage-laborer must always go fasting. He wishes, on the contrary, to multiply their needs, and to make the increasing number of their needs a stimulus to their labor on behalf of the ‘more delicate’.

The idea with increasing the needs is Stewart’s, not Townsend’s. Marx cites it approvingly, and it is reality today!

800:1c/o If the Venetian monk found in the fatal destiny that makes misery eternal a justification for the existence of Christian charity, celibacy, monasteries and pious foundations, the beneficed Protestant finds in it a pretext for condemning the laws by which the poor possessed a right to a miserable amount of public relief.

‘The progress of social wealth,’ says Storch, er deswegen nicht, wie der fette Pfründner, daß—
die Lohnarbeiter stets am Hungertuch nagen sollen. Er will umgekehrt ihre Bedürfnisse vermehren und die wachsende Zahl ihrer Bedürfnisse zugleich zum Sporn ihrer Arbeit für „die Delikateten“ machen.

676:5 Fand der venetianische Mönch in dem Schicksalsschluß, der das Elend verewigt, die Existenzberechtigung der christlichen Wohltätigkeit, des Zölibats, der Klöster und frommen Stiftungen, so findet im Gegen teil der protestantische Pfründner darin den Vorwand, die Gesetze zu verdammen, kraft deren der Arme ein Recht auf kärgliche öffentliche Unterstützung besaß.

„Der Fortschritt des gesellschaftlichen Reich-
4. Forms of Existence of Surplus Population

“begets this useful class of society . . . which performs the most wearisome, the vilest, the most disgusting functions, which, in a word, takes on its shoulders all that is disagreeable and servile in life, and procures thus for other classes leisure, serenity of mind and’ (now listen to this) ‘conventional dignity of character.’”

Storch then asks himself what the actual advantage is of this capitalist civilization, with its misery and its degradation of the masses, as compared with barbarism. He can find only one answer: security!

1 Storch, op. cit., Vol. 3, p. 223.

Now from Storch to Sismondi:

801:2/o ‘Thanks to the advance of industry and science,’ says Sismondi, ‘every worker

tums“, sagt Storch, „erzeugt jene nützliche Klasse der Gesellschaft . . . welche die langweiligsten, gemeinsten und ekelhaftesten Beschäftigungen ausübt, in einem Wort alles, was das Leben Unangenehmes und Knechtendes hat, auf ihre Schultern nimmt und ebendadurch den andren Klassen die Zeit, die Heiterkeit des Geistes und die konventionelle“ (c’est bon!) „Charakterwürde verschafft etc.“

Storch fragt sich, welches denn eigentlich der Vorzug dieser kapitalistischen Zivilisation mit ihrem Elend und ihrer Degradation der Massen vor der Barbarei? Er findet nur eine Antwort—die Sicherheit!

1 Storch, l.c., t. III, p. 223.

677:3 „Durch den Fortschritt der Industrie und Wissenschaft“, sagt Sismondi, „kann jeder Ar-
can produce every day much more than he needs to consume. But at the same time, while his labor produces wealth, that wealth would, were he called on to consume it himself, make him less fit for labor.’ According to him, ‘men’ (i.e. non-workers) ‘would probably prefer to do without all artistic perfection, and all the enjoyments that industry procures for us, if it were necessary that all should buy them by constant toil like that of the worker . . . Exertion today is separated from its recompense; it is not the same man that first works, and then reposes; but it is because the one works that the other rests . . . The indefinite multiplication of the productive powers of labor can have no other result than the increase of luxury and enjoyment on the part of the idle rich.’

beiter jeden Tag viel mehr produzieren, als er zu seinem Konsum braucht. Aber zu gleicher Zeit, während seine Arbeit den Reichtum produziert, würde der Reichtum, wäre er berufen, ihn selbst zu konsumieren, ihn wenig geeignet zur Arbeit machen.“ Nach ihm „würden die Menschen“ (d.h. die Nichtarbeiter) „wahrscheinlich auf alle Vervollkommnungen der Künste verzichten wie auf alle Genüsse, die die Industrie uns verschafft, müßten sie diese durch anhaltende Arbeit, wie die des Arbeiters, erkaufen . . . Die Anstrengungen sind heute geschieden von ihrer Belohnung; es ist nicht derselbe Mensch, der erstarbeitet und sich dann ausruht: im Gegen teil, eben weil der eine arbeitet, muß der andere sich ausruhn . . . Die endlose Vervielfältigung der Produktivkräfte der Arbeit kann also kein andres Resultat haben als die Zunahme des Luxus und der Genüsse der müßigen Reichen.“92
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802:1 And finally, that fish-blooded bourgeois doctrinaire Destutt de Tracy makes the point in the most brutal fashion:

In poor nations the people are comfortable, in rich nations they are generally poor.93

93 Destutt de Tracy, op. cit., p. 231: ‘Les nations pauvres, c’est là où le peuple est à son aise; et les nations riches, c’est là où il est ordinairement pauvre.’

Marx stresses in all these quotes that only the nonworkers are considered humans.

92 Sismondi, l.c., t. I, p. 79, 80, 85.

677:4–5 Destutt de Tracy endlich, der fischblütige Bourgeoisdoktrinär, spricht es brutal aus:

„Die armen Nationen sind die, wo das Volk gut dran ist, und die reichen Nationen sind die, wo es gewöhnlich arm ist.“93

93 Destutt de Tracy, l.c. p. 231. „Les nations pauvres, c’est là où le peuple est à son aise; et les nations riches, c’est là où il est ordinairement pauvre.“
Part VIII.

The So-Called Original Accumulation
The usual translation of “ursprüngliche Akkumulation” is “primitive accumulation.”

The presentation of the laws of capitalism in the first volume culminates in the laws of the “accumulation of capital” (part VII). Capital is both a thing, and a social relation; therefore the accumulation of capital is not only the piling up of things, but the reproduction and expansion of a social relation on a larger and larger scale. Not only does the quantity of capital in the hands of the capitalists increase, but also the exploitable population is increased and supplied in a relative surplus (the reserve army of the unemployed). The “so-called original accumulation,” which is the subject of the eighth and last part of volume 1, describes the historic, non-capitalistic prerequisites that lead to capitalism, the “pre-history of capitalism.” And just as accumulation is not only the accumulation of money, but the reproduction on an extended scale of all the conditions necessary for capitalism, so also the original accumulation addresses not only the question where the first capitalists received their money from to set up their first enterprises, but investigates the origin of all the conditions of capitalism, e.g., how the means of production and free labor become available on the market. The creation of the proletariat is the most fundamental among these conditions.
The chapter begins with a one-sentence summary of the content of chapters One through Twenty-Five:

873:1 We have seen how money is changed into capital; how through capital surplus-value is made, and from surplus-value more capital.

741:1 Man hat gesehen, wie Geld in Kapital verwandelt, durch Kapital Mehrwert und aus Mehrwert mehr Kapital gemacht wird.

⇑ Part II showed how money is changed into capital, parts III-VI how capital generates surplus-value, and part VII showed how surplus-value is converted back into capital. ⇓ If
one compares this evolutionary presentation of the topics in the book with the causality at work in an ongoing capitalist system, one would expect that the more developed processes and mechanisms, i.e., those that came later in the book, “pre-suppose” the simpler processes and mechanisms, i.e., depend for their own functioning on the functioning of the latter. In part, this expectation is borne out, but in part it is not:

But the accumulation of capital pre-supposes surplus-value; surplus-value pre-supposes capitalistic production; capitalistic production pre-supposes the pre-existence of considerable masses of capital and of labor-power in the hands of producers of commodities.

Indes setzt die Akkumulation des Kapitals den Mehrwert, der Mehrwert die kapitalistische Produktion, diese aber das Vorhandensein größerer Massen von Kapital und Arbeitskraft in den Händen von Warenproduzenten voraus.

↑ There is no surprise that the accumulation of capital can only done with surplus-value, and that in commodity production surplus-value can only be produced by capital. Here the later concepts pre-suppose the earlier concepts. Marx could have continued in this direction and said that capitalist production pre-supposes money and commodity production, in this way arriving at the beginning of the book. This would have been true but this would not
The Secret of Original Accumulation

have been a listing of all the presuppositions. Although it is true that commodity production necessarily leads to money, it is not true that money necessarily leads to capital. Capitalist production also presupposes the separation of the producers from the means of production and the concentration of the means of production in the hands of the capitalists which we know to be the effects of accumulation. \(\downarrow\) I.e., instead of going further to the front of the book the causal chain bends back and goes to the end of the book again. Causality goes in a circle.

The whole movement, therefore, seems to turn in a defective circle, out of which we can only get by supposing an “original” accumulation (Adam Smith’s “previous accumulation”) preceding capitalistic accumulation; an accumulation not the result of the capitalistic mode of production, but its starting point.

Diese ganze Bewegung scheint sich also in einem fehlerhaften Kreislauf herumzudrehn, aus dem wir nur hinauskommen, indem wir eine der kapitalistischen Akkumulation vorausgehende „ursprüngliche“ Akkumulation („previous accumulation“ bei Adam Smith) unterstellen, eine Akkumulation, welche nicht das Resultat der kapitalistischen Produktionsweise ist, sondern ihr Ausgangspunkt.
As was the case several times in this book, Marx uncovers a problematic which a naive reader would not even have noticed (Bhaskar’s sigma transform). And in the same sentence, Marx immediately furnishes a solution to this problematic (Bhaskar’s tau transform).

Perhaps Marx’s procedure will be easier to understand if we look at a different situation in which this same procedure can be applied. A good example for circular causality is an internal combustion engine. If you try to explain how it works you will probably say that the pistons are compressed by the revolving motor, and then the spark plug fires and the explosion turns the motor forward. In other words, you must assume that the motor is already running in order to explain how it runs. This is not an erroneous explanation but we all know that internal combustion engines cannot start on their own. They need a starter which is based on a different principle, usually an electric motor, to turn over the engine before the mechanisms involving the air-and-gasoline mixture and the spark plugs can take over.

The accumulation of capital has a similar character. The mechanisms explored in chapters 1–25 can only explain capitalism on the basis that there is already a polarization of wealth and poverty, that on the one side there are the workers who have nothing to sell than their labor-power, and on the other there are the capitalists who have enough money to employ
these laborers. Marx explained how these mechanisms re-create the polarization, but without this polarization, these mechanisms will never get off the ground.

Capital accumulation must therefore have been started by a mechanism of a different nature. Marx argues that a non-capitalistic original accumulation must be tucked away somewhere in the history of capitalism in the same way as an engineer investigating the internal combustion engine of a car would argue that a starter must be tucked away somewhere under the hood of this car. The title of the chapter is “so-called” original accumulation, because this is an accumulation of capital which does not follow the laws developed in chapter Twenty-Five.

A very similar argument was made already in 775:1/o.

Mainstream economics does not deny that an original accumulation must have taken place. However instead of seeing it as a historical phase preceding capitalism, it uses its own version of original accumulation as an explanation of capitalism itself. Marx compares this to the fable of the original sin:

873:2/o This primitive accumulation plays in Political Economy about the same part as original sin in theology. Adam bit the apple, 741:2/o Diese ursprüngliche Akkumulation spielt in der politischen Ökonomie ungefähr dieselbe Rolle wie der Sündenfall in
and thereupon sin fell on the human race. The origin of sin is explained by telling the original sin as an anecdote of the past.

Why can an anecdote of the past not be an explanation, neither of sin, nor of capitalism? Because Marx is a depth realist. He holds that the causal powers that shape the things we see are enduring forces active below the surface. Anecdotes, even if true, are transitory surface events. They cannot have enduring causal effects.

⇓ Here is the anecdote from the past which supposedly explains capitalism:
In times long gone-by there were two sorts of people; one, the diligent, intelligent, and, above all, frugal elite; the other, lazy rascals, spending their substance, and more, in riotous living.

⇓ We are witnessing here an “Achilles heel” critique in which Marx demolishes this anecdote even in its most favorable interpretations. If an anecdote is given as an explanation of capitalism, the most benevolent interpretation would be that this anecdote somehow de-
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scribes the underlying forces which shape capitalism. The original sin itself can be given a
deeper meaning, since it points out the connection between human self-determination and
freedom and the necessity to work. This anecdote furnished to explain capitalism, however,
has no such deeper meaning because it implies that the originally industrious will be
wealthy and the slothful poor. In capitalism the exact reverse is true: those who since long
have ceased to work are wealthy and the industrious remain poor.

But whereas the legend of theological orig-
inal sin tells us how man came to be con-
demned to eat his bread in the sweat of
his brow, the history of economic original
sin reveals why there are people who need
not be bothered by such a necessity. Never
mind!

Marx made this interjection before even finishing the anecdote allegedly explaining
capitalism. Here is the end of this anecdote:

Thus it came to pass that the former sort ac-
cumulated wealth, and the latter sort had at

Die Legende vom theologischen Sündenfall
erzählt uns allerdings, wie der Mensch dazu
verdammt worden sei, sein Brot im Schweiß
seines Angesichts zu essen; die Historie vom
ökonomischen Sündenfall aber enthüllt uns,
wieso es Leute gibt, die das keineswegs nötig
haben. Einerlei.

So kam es, daß die ersten Reichtum akkumu-
lierten und die letztren schließlich nichts zu
last nothing to sell except their own skins. verkaufen hatten als ihre eigne Haut.

Even apart from the discrepancy of this anecdote with the mechanics of today’s capitalism, Marx argues next that an event from the past cannot be the reason for the increasingly unequal outcomes witnessed today:

And from this original sin dates the poverty of the great majority that, despite all its labor, has up to now nothing to sell but itself, and the wealth of the few that increases constantly although they have long ceased to work.

Indeed, the original accumulation as Marx understood it (which looks quite different than the above anecdote) only started a process which since then has reproduced and augmented itself by capitalism’s own mechanics. Now Marx switches metaphors from original sin to children’s fable. The above anecdote implies that the profits of the capitalists exist because they are morally justified. Such an irrealist “explanation” is mere apology:

Such insipid childishness is every day preached to us in the defence of property. M. Thiers,

Solche fade Kinderei kaut Herr Thiers z.B. noch mit staatsfeierlichem Ernst, zur Vertei-
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e.g., had the assurance to repeat it with all the solemnity of a statesman to the French people, once so spirituel. But as soon as the question of property crops up, it becomes a sacred duty to proclaim the intellectual food of the infant as the one thing fit for all ages and for all stages of development.

The moralistic childrens-tale character of the above anecdote also precludes another benevolent interpretation of it: it cannot be representative of the history of capitalism because this history is notorious for its violence, while the above anecdote has no trace of violence.

In actual history it is notorious that conquest, enslavement, robbery, murder, briefly force, play the great part. In the tender annals of Political Economy, the idyllic reigns from time immemorial. Right and “labor” were from all time the sole means of en-

In der wirklichen Geschichte spielen bekanntlich Eroberung, Unterjochung, Raubmord, kurz Gewalt die große Rolle. In der sanften politischen Ökonomie herrschte von jeher die Idylle. Recht und „Arbeit“ waren von jeher die einzigen Bereicherungsmittel,
In order to develop his own explanation of original accumulation, Marx takes us to the point in the book where the order in which the mechanisms active in today’s capitalism are presented deviates from the causality in the capitalist system itself. The transition from money to capital, discussed in chapters Four through Six, not only requires a certain degree of development of commodity circulation (which came earlier in the book) but in addition the separation of the direct producers from the means of production (which will later in the book be seen to be one of the results of capital accumulation):

874:1/o In themselves money and commodities are no more capital than are the means of production and of subsistence. They want transforming into capital. But this transformation itself can only take place under certain circumstances that centre in...
this, viz., that two very different kinds of commodity-possessors must come face to face and into contact, on the one hand, the owners of money, means of production, means of subsistence, who are eager to increase the sum of values they possess, by buying other people’s labor-power; on the other hand, free laborers, the sellers of their own labor-power, and therefore the sellers of labor. Free laborers, in the double sense that neither they themselves form part and parcel of the means of production, as in the case of slaves, bondsmen, etc., nor do the means of production belong to them, as in the case of peasant-proprietors; they are, therefore, free from, unencumbered by, any means of production of their own. With spitzen: Zweierlei sehr verschiedene Sorten von Warenbesitzern müssen sich gegenüber und in Kontakt treten, einerseits Eigner von Geld, Produktions- und Lebensmitteln, denen es gilt, die von ihnen geeignete Wertsumme zu verwerten durch Ankauf fremder Arbeitskraft; andererseits freie Arbeiter, Verkäufer der eignen Arbeitskraft und daher Verkäufer von Arbeit. Freie Arbeiter in dem Doppelsinn, daß weder sie selbst unmittelbar zu den Produktionsmitteln gehören, wie Sklaven, Leibeigene usw., noch auch die Produktionsmittel ihnen gehören, wie beim selbstwirtschaftenden Bauer usw., sie davon vielmehr frei, los und ledig sind. Mit dieser Polarisation des Warenmarkts sind die Grundbedingungen der kapitalistischen Produktion gegeben. Das
this polarization of the market for commodities, the fundamental conditions of capitalist production are given. The capitalist system pre-supposes the complete separation of the laborers from all property in the means by which they can realize their labor.

First sentence has the meaning: money and commodity are not by themselves capital, and means of production and of subsistence are not by themselves capital either.

↑ Without this separation, capitalism cannot get started; ↓ but once capitalism has started, it reproduces this separation.

As soon as capitalist production is once on its own legs, it not only maintains this separation, but reproduces it on a continually extending scale.

↓ The “original accumulation” must therefore be the process which originally generates this separation.
The process, therefore, that clears the way for the capitalist system, can be none other than the process which takes away from the laborer the possession of his means of production; a process that transforms, on the one hand, the social means of subsistence and of production into capital, on the other, the immediate producers into wage-laborers. The so-called original accumulation, therefore, is nothing else than the historical process of divorcing the producer from the means of production. It appears as “original,” because it constitutes the pre-historic stage of capital and of the mode of production corresponding with it.

Now Marx plunges, without further ado, into the description of this historical process:

The economic structure of capital-

Der Prozeß, der das Kapitalverhältnis schafft, kann also nichts andres sein als der Scheidungsprozeß des Arbeiters vom Eigentum an seinen Arbeitsbedingungen, ein Prozeß, der einerseits die gesellschaftlichen Lebens- und Produktionsmittel in Kapital verwandelt, andererseits die unmittelbaren Produzenten in Lohnarbeiter. Die sog. ursprüngliche Akkumulation ist also nichts als der historische Scheidungsprozeß von Produzent und Produktionsmittel. Er erscheint als „ursprünglich“, weil er die Vorgeschichte des Kapitals und der ihm entsprechenden Produktionsweise bildet.

The economic structure of capital-

Die ökonomische Struktur der kapital-

2562
ist society has grown out of the economic structure of feudal society. The dissolution of the latter set free the elements of the former.

↑ In the feudal system, the elements (labor and objective conditions of labor) are still connected. The dissolution of the feudal system is the separation of these elements. The next two paragraphs describe the formation of working class and capitalist class from their feudal roots. ↓ First the working class.

875:2 The immediate producer, the laborer, could only dispose of his own person after he had ceased to be attached to the soil and ceased to be the slave, serf, or bondsman of another. To become a free seller of labor-power, who carries his commodity wherever he finds a market, he must further have escaped from the regime of the guilds, their rules for apprentices and jour-
neymen, and the impediments of their labor regulations. Hence, the historical movement which changes the producers into wage-workers, appears, on the one hand, as their emancipation from serfdom and from the fetters of the guilds, and this side alone exists for our bourgeois historians. But, on the other hand, these new freedmen became sellers of themselves only after they had been robbed of all their own means of production, and of all the guarantees of existence afforded by the old feudal arrangements. And the history of this, their expropriation, is written in the annals of mankind in letters of blood and fire.

↑ In chapter Six, 272:3/o and elsewhere, Marx had concluded that, for capitalism to function, the laborer must be free in a double sense. Now we see how this was established in
history. Only one side of this double liberation is acknowledged by bourgeois historians. 

But the capitalist class had to develop too:

875:3 The industrial capitalists, these new potentates, had on their part not only to displace the guild masters of handicrafts, but also the feudal lords, the possessors of the sources of wealth. In this respect, their conquest of social power appears as the fruit of a victorious struggle both against feudal lordship and its revolting prerogatives, and against the guilds and the fetters they laid on the free development of production and the free exploitation of man by man. The chevaliers d’industrie, however, only succeeded in supplanting the chevaliers of the sword by making use of events of which they themselves were wholly innocent. They have
The Secret of Original Accumulation

risen by means as vile as those by which the Roman freedman once on a time made himself the master of his *patronus*.

denen sie ganz unschuldig waren. Sie haben sich emporgeschwungen durch Mittel, ebenso gemein wie die, wodurch der römische Freigelassene sich einst zum Herrn seines patronus gemacht hat.

↑ The above two paragraphs contain, more or less explicitly, interesting world-historical interpretations for these events. The proletariat evolved by the inexorable dialectic of freedom to and freedom from, while the capitalists became what they are by events not of their own making. Not the capitalists but the landowners expropriated the wage laborers, and their main source of capital came from the discovery of the New World. ↓ And although capitalist exploitation, in the grand scheme of things, is the next step after feudal exploitation, it arose not from feudalism itself but from the dissolution of feudalism:

Historical perspective of the process as a whole:

875:4/o The starting-point of the development that gave rise to the wage-laborer as well as to the capitalist, was the servitude of the laborer. The advance consisted

743:4 Der Ausgangspunkt der Entwicklung, die sowohl den Lohnarbeiter wie den Kapitalisten erzeugt, war die Knechtschaft des Arbeiters. Der Fortgang bestand in ei-
in a change of form of this servitude, in the transformation of feudal exploitation into capitalist exploitation. To understand its march, we need not go back very far. Although we come across the first beginnings of capitalist production as early as the 14th or 15th century, sporadically, in certain towns of the Mediterranean, the capitalist era dates from the 16th century. Wherever it appears, the abolition of serfdom has been long effected, and the highest development of the middle ages, the existence of sovereign towns, has been long on the wane.

The last paragraph gives the transition to the next chapters. Marx picks out of the flux of history those developments which were relevant for one big qualitative change, the introduction of capitalism:
26. The Secret of Original Accumulation

876:1 In the history of primitive accumulation, all revolutions are epoch-making that act as levers for the capital class in course of formation; but, above all, those moments when great masses of men are suddenly and forcibly torn from their means of subsistence, and hurled as free and “unattached” proletarians on the labor market. The expropriation of the agricultural producer, of the peasant, from the soil, is the basis of the whole process. The history of this expropriation, in different countries, assumes different aspects, and runs through its various phases in different orders of succession, and at different periods. In England alone, which we take as our example, has it the classic form.\(^{189}\)

besitzt sie klassische Form.  

Marx will mainly discuss England, but the footnote gives a brief survey of the development in Italy:

189 In Italy, where capitalistic production developed earliest, the dissolution of serfdom also took place earlier than elsewhere. The serf was emancipated in that country before he had acquired any prescriptive right to the soil. His emancipation at once transformed him into a free proletarian, who, moreover, found his master ready and waiting for him in the towns, for the most part handed down as legacies from the Roman time. When the revolution of the world-market, about the end of the 15th century, annihilated Northern Italy’s commercial supremacy, a movement in the reverse direction set in. The laborers of the towns were driven en masse into the country, and gave an impulse, never before
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seen, to the petite culture, carried on in the form of gardening.

Gartenbaus getrieben, kleinen Kultur einen nie gesehenen Aufschwung.
32. Historical Tendency of Capitalist Accumulation

At the beginning of chapter Twenty-Six, in 873:1, Marx jumped out of the discussion of capitalist accumulation itself in order to discuss its prerequisite, the historical process of original accumulation. In chapter Thirty-Two, Marx looks at the grand historical tendencies shared by capitalism and the processes leading up to capitalism, and derives from a glimpse of what to expect after capitalism. In the first half of this short chapter Marx looks at the historical changes associated with original accumulation, then at those associated with capitalist accumulation, and finally he shows that the whole process is the negation of a negation. As is often his style, Marx plunges right in, assuming the reader is aware of the question on
1. [From Petty Production to Capitalism]

927:1 What is at the bottom of the primitive accumulation of capital, *i.e.*, of the historical genesis of capital? In so far as it is not immediate transformation of slaves and serfs into wage-laborers, *i.e.*, a mere change of form, it means nothing other than the expropriation of the immediate producers, *i.e.*, the dissolution of private property based on the labor of its owner. This dissolution is a dialectical process reminiscent of the inversion of the law of appropriation discussed in 729:2/o. Private property, as the antithesis of social, collective property, exists only where the

789:1 Worauf kommt die ursprüngliche Akkumulation des Kapitals, d.h. seine historische Genesis, hinaus? Soweit sie nicht unmittelbare Verwandlung von Sklaven und Leibeignen in Lohnarbeiter, also bloßer Formwechsel ist, bedeutet sie nur die Expropriation der unmittelbaren Produzenten, d.h. die Auflösung des auf eigner Arbeit beruhenden Privateigentums.

789:2 Privateigentum, als Gegensatz zum gesellschaftlichen, kollektiven Eigentum, be-
means of labor and the external conditions of labor belong to private individuals. But according to whether these private individuals are laborers or non-laborers, private property has a different character. The numberless shades, that it at first sight presents, correspond to the intermediate stages lying between these two extremes.

One of these two extremes, the private property of the means of production by the worker (petty production), plays a pivotal role in the development of productivity:

927:2 The private property of the laborer in his means of production is the foundation of petty industry, whether agricultural, manufacturing, or both; petty industry, again, is an essential condition for the development of social production and of the free individuality of the worker.

789:3 Das Privateigentum des Arbeiters an seinen Produktionsmitteln ist die Grundlage des Kleinbetriebs, der Kleinbetrieb eine notwendige Bedingung für die Entwicklung der gesellschaftlichen Produktion und der freien Individualität des Arbeiters selbst. Allerdings...
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individuality of the laborer himself. Of course, this petty mode of production exists also under slavery, serfdom, and other states of dependence. But it flourishes, it lets loose its whole energy, it attains its adequate classical form, only where the laborer is the private owner of his own means of labor set in action by himself: the peasant of the land which he cultivates, the artisan of the tool which he handles as a virtuoso.

↑ In petty production, productivity will only reach its full potential if the worker owns the means of production. ↓ But this kind of private property is also limited:

927:3/o This mode of production presupposes parcelling of the soil and scattering of the other means of production. As it excludes the concentration of these means of production, so also it excludes co-

789:4/o Diese Produktionsweise unterstellt Zersplitterung des Bodens und der übrigen Produktionsmittel. Wie die Konzentration der letztren, so schließt sie auch die Kooperation, Teilung der Arbeit innerhalb dersel-
1. [From Petty Production to Capitalism]

operation, division of labor within each separate process of production, the social domination and regulation of nature, and the free development of the social productive powers.

↑ This is a contradiction: On the one hand petty production furthers productive forces, and on the other it limits them. And the higher the attained productive forces already are, the more debilitating these limits become. ↓ Maintaining these limits would therefore mean to forego further developments in productivity:

It is compatible only with a system of production, and a society, moving within narrow and more or less primitive bounds. To perpetuate it would be, as Pecqueur rightly says, “to decree universal mediocrity”.

↓ Rise in productivity not only make the dissolution of petty production necessary, but also creates the means by which it can be dissolved:

At a certain stage of development, it brings
forth the material agencies for its own dis-solution. From that moment new forces and new passions spring up in the bosom of so-ciety; but the old social organization fetters them and keeps them down. It must be an-nihilated; it is annihilated.

↑ Once the material means for the annihilation of petty production are in existence, social forces spring into existence which annihilate it. ↓ This annihilation is the original accumu-lation.

Its annihilation, the transformation of the individualized and scattered means of pro-duction into socially concentrated ones, of the tiny property of the many into the huge property of the few, the expropriation of the great mass of the people from the soil, from the means of subsistence, and from the means of labor, this terrifying and painful materiellen Mittel ihrer eignen Vernichtung zur Welt. Von diesem Augenblick regen sich Kräfte und Leidenschaften im Gesellschafts-schoße, welche sich von ihr gefesselt fühlen. Sie muß vernichtet werden, sie wird vernich-tet.

Ihre Vernichtung, die Verwandlung der individuellen und zersplitterten Produktionsmit-tel in gesellschaftlich konzentrierte, daher des zwerghaften Eigentums vieler in das massen-hafte Eigentum weniger, daher die Expropria-tion der großen Volksmasse von Grund und Boden und Lebensmitteln und Arbeitsinstru-menten, diese furchtbare und schwierige Ex-
1. [From Petty Production to Capitalism]

expropriation of the mass of the people forms the prelude to the history of capital.

↑ The mass of the people must be torn away from that what is most important to them: their means of production. ↓ This is a violent process, fueled by infamous passions, and the result is private property based on exploitation:

It comprises a series of violent methods, of which we have passed in review only those that have been epoch-making as methods of the primitive accumulation of capital. The expropriation of the immediate producers was accomplished with merciless Vandalism, and under the stimulus of passions the most infamous, the most sordid, the pettiest, the most meanly odious. Selfearned private property, that is based, so to say, on the fusing together of the isolated, independent laboring-individual with the conditions
of his labor, is supplanted by capitalistic private property, which rests on exploitation of the nominally free labor of others, *i.e.*, on wage-labor.\(^\text{251}\)

\(^{251}\) “Nous sommes dans une condition tout-à-fait nouvelle de la société ... nous tendons à séparer toute espèce de propriété d’avec toute espèce de travail.” (Sismondi: “Nouveaux Principes d’Écon. Polit.” t. II, p. 434.)

vateigentum wird verdrängt durch das kapitalistische Privateigentum, welches auf Exploitation fremder, aber formell freier Arbeit beruht.\(^\text{251}\)

\(^{251}\) „Wir befinden uns in einer Lage, die für die Gesellschaft gänzlich neu ist ... wir streben dahin, jede Art Eigentum von jeder Art Arbeit zu trennen.“ (Sismondi, „Nouveaux Principes de l’Écon. Polit.“, t. II, p. 434.)

### 2. [Capitalism and the Processes Undermining Capitalism]

\(\downarrow\) The introduction of capitalism does not end this tendency towards an increasing socialization of labor but gives it a new form: the expropriation of the small capitalists, a continuing centralisation and socialisation of labor which becomes incompatible with the capitalist
shell. Not only small capitalists must be expropriated but all capitalists, i.e., capitalist private property must be abolished as well.

928:1 As soon as this process of transformation has sufficiently decomposed the old society from top to bottom, as soon as the laborers are turned into proletarians, their means of labor into capital, as soon as the capitalist mode of production stands on its own feet, then the further socialization of labor and further transformation of the land and other means of production into socially exploited and, therefore, common means of production, as well as the further expropriation of private proprietors, takes a new form.

Before describing this new form Marx says what further socialization of labor entails:

That which is now to be expropriated is no
longer the laborer working for himself, but the capitalist exploiting many laborers.

Now the new form itself:

929:1 This expropriation is accomplished by the action of the immanent laws of capitalistic production itself, by the centralization of capital. One capitalist always kills many. Hand in hand with this centralization, or this expropriation of many capitalists by few, develop, on an ever-extending scale, the co-operative form of the labor-process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labor into instruments of labor only usable in common, the economizing of all means of production by their use as means of pro-

790:2/o Diese Expropriation vollzieht sich durch das Spiel der immanenten Gesetze der kapitalistischen Produktion selbst, durch die Zentralisation der Kapitale. Je ein Kapitalist schlägt viele tot. Hand in Hand mit dieser Zentralisation oder der Expropriation vieler Kapitalisten durch wenige entwickelt sich die kooperative Form des Arbeitsprozesses auf stets wachsender Stufenleiter, die bewußte technische Anwendung der Wissenschaft, die planmäßige Ausbeutung der Erde, die Verwandlung der Arbeitsmittel in nur gemeinsam verwendbare Arbeitsmittel, die Ökonomisierung aller Produktionsmittel durch ihren
duction of combined, socialized labor, the entanglement of all peoples in the net of the world-market, and with this, the international character of the capitalistic regime.

Now the implication of this historical process for the people involved, the capitalists and wage laborers:

Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and trained, united, organized by the very mechanism of the process of capitalist production itself.

Gebrauch als Produktionsmittel kombinierter, gesellschaftlicher Arbeit, die Verschlingung aller Völker in das Netz des Weltmarkts und damit der internationale Charakter des kapitalistischen Regimes.

Mit der beständig abnehmenden Zahl der Kapitalmagnaten, welche alle Vorteile dieses Umwandlungsprozesses usurpieren und monopolisieren, wächst die Masse des Elends, des Drucks, der Knechtschaft, der Entartung, der Ausbeutung, aber auch die Empörung der stets anschwellenden und durch den Mechanismus des kapitalistischen Produktionsprozesses selbst geschulten, vereinten und organisierten Arbeiterklasse.
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Not only a huge suffering and disciplined population, but also a contradiction with the same productive powers which it called to life: The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument. Thus integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

3. [The Process as a Whole: Negation of Negation]

At the end, Marx fits the great lines of the discussion so far into the framework of a dialectical negation of negation. Capitalism is the negation of the private property based on
own labor. But capitalism produces its own negation, the result of which will be the joint ownership of the means of production.

929:2 The capitalist mode of appropriation, the result of the capitalist mode of production, produces capitalist private property. This is the first negation of individual private property, as founded on the labor of the proprietor. But capitalist production begets, with the necessity of a natural process, its own negation.

791:1 Die aus der kapitalistischen Produktionsweise hervorgehende kapitalistische Aneignungsweise, daher das kapitalistische Privateigentum, ist die erste Negation des individuellen, auf eigene Arbeit gegründeten Privateigentums. Aber die kapitalistische Produktion erzeugt mit der Notwendigkeit eines Naturprozesses ihre eigne Negation.

The accumulation and centralization of capital, the increases in productivity, and the class struggles, are social processes, carried on by individual agents. But they are as necessary, i.e., as independent of individual intentions, as a natural process would have been. Compare here 92:1.

Marx does not say here that the collapse of capitalism is inexorable. His comparison with a natural process only indicates that the processes which tend to undermine capitalism are inexorable. A fire is a natural process; it necessarily consumes everything combustible in its
32. Historical Tendency of Capitalist Accumulation

reach. This does not mean that any given building will necessarily collapse due to the fire.

In the Moore-Aveling translation, the last sentence above reads: “But capitalist production begets, with the inexorability of a law of Nature, its own negation.” “Inexorable” means: independent of what people may wish; this is an ok translation. But by substituting “law of nature” for “natural process” the translation suggests that the collapse of capitalism itself is inexorable, rather than the processes working towards its collapse.

It is the negation of negation. This does not re-establish private property for the producer, but gives the producer individual property based on the achievements of the capitalist era, *i.e.*, on co-operation and the possession in common of the land and of the means of production.

⇑ This is, implicitly, a call for revolution. But Marx envisions this second transition to be much less painful than the first.

929:3/930 The transformation of scat-

791:2 Die Verwandlung des auf eigner
3. [The Process as a Whole: Negation of Negation]

tered private property, arising from individual labor, into capitalist private property is, naturally, a process, incomparably more protracted, violent, and difficult, than the transformation of capitalistic private property, already practically resting on socialized production, into socialized property. In the former case, we had the expropriation of the mass of the people by a few usurpers; in the latter, we have the expropriation of a few usurpers by the mass of the people.  

The chapter ends with a footnote quoting the Communist Manifesto.

The advance of industry, whose involuntary promoter is the bourgeoisie, replaces the isolation of the laborers, due to competition, by their revolutionary combination, due to association. The development of Modern Industry, therefore, cuts from under its feet the very foundation on which, even today, the bourgeois society remains standing.

Arbeit der Individuen beruhenden, zersplitterten Privateigentums in kapitalistisches ist natürlich ein Prozeß, ungleich mehr langwierig, hart und schwierig als die Verwandlung des tatsächlich bereits auf gesellschaftlichem Produktionsbetrieb beruhenden kapi
talistischen Eigentums in gesellschaftliches. Dort handelte es sich um die Expropriation der Volksmasse durch wenige Usurpatoren, hier handelt es sich um die Expropriation weniger Usurpatoren durch die Volksmasse.  

"Der Fortschritt der Industrie, dessen willenloser und widerstandloser Träger die Bourgeoisie ist, setzt an die Stelle der Isolierung der Arbeiter durch die Konkurrenz ihre revolutionäre Vereinigung durch die Assoziation. Mit der Entwicklung der großen Industrie wird also unter den
which the bourgeoisie produces and appropriates products. What the bourgeoisie, therefore, produces, above all, are its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable . . . Of all the classes that stand face-to-face with the bourgeoisie today, the proletariat alone is a really revolutionary class. The other classes perish and disappear in the face of Modern Industry, the proletariat is its special and essential product . . . The lower middle-classes, the small manufacturers, the shopkeepers, the artisan, the peasant, all these fight against the bourgeoisie, to save from extinction their existence as fractions of the middle-class . . . they are reactionary, for they try to roll back the wheel of history. Karl Marx and Friedrich Engels, “Manifest der Kommunistischen Partei”, London, 1848, pp. 9, 11.

Füßen der Bourgeoisie die Grundlage selbst wegzogen, worauf sie produziert und die Produkte sich aneignet. Sie produziert also vor allem ihre eigenen Totengräber. Ihr Untergang und der Sieg des Proletariats sind gleich unvermeidlich . . . Von allen Klassen, welche heutzutage der Bourgeoisie gegenüberstehn, ist nur das Proletariat eine wirklich revolutionäre Klasse. Die übrigen Klassen verkommen und gehn unter mit der großen Industrie, das Proletariat ist ihr eigenstes Produkt. Die Mittelstände, der kleine Industrielle, der kleine Kaufmann, der Handwerker, der Bauer, sie alle bekämpfen die Bourgeoisie, um ihre Existenz als Mittelstände vor dem Untergang zu sichern . . . sie sind reaktionär, denn sie suchen das Rad der Geschichte zurückzudrehn.“ (Karl Marx und F. Engels, „Manifest der Kommunistischen Partei“, London 1848, p. 11, 9).
33. The Modern Theory of Colonization

We treat here of real Colonies, virgin soils, colonized by free immigrants. The United States are, speaking economically, still only a Colony of Europe. Besides, to this category belong such old plantations as those in which the abolition of slavery has completely altered the earlier conditions.

The situation in the colonies can be considered almost as an experimental situation which allows to check some of the hypotheses about primitive accumulation.
Marx begins with the two forms of private property introduced in 927:1.

931:1 Political economy confuses on principle two very different kinds of private property, of which one rests on the producers’ own labor, the other on the employment of the labor of others. It forgets that the latter not only is the direct antithesis of the former, but absolutely grows on its tomb only.

In fully developed capitalism, the apologists pretend that property is of the first kind, while it is in fact of the second kind.

931:2 In Western Europe, the home of Political Economy, the process of primitive accumulation is more of less accomplished. Here the capitalist regime has either directly conquered the whole domain of national production, or, where economic con-
ditions are less developed, it, at least, indirectly controls those strata of society which, though belonging to the antiquated mode of production, continue to exist side by side with it in gradual decay. To this ready-made world of capital, the political economist applies the notions of law and of property inherited from a pre-capitalistic world with all the more anxious zeal and all the greater unction, the more loudly the facts cry out in the face of his ideology.

In the colonies however, where the prevalence of the first kind of private property is still an obstacle to the capitalists, capitalist ideology takes an open stand in favor of the second kind of private property.

It is otherwise in the colonies. There the capitalist regime everywhere comes into collision with the resistance of
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the producer, who, as owner of his own conditions of labor, employs that labor to enrich himself, instead of the capitalist. The contradiction of these two diametrically opposed economic systems, manifest itself here practically in a struggle between them. Where the capitalist has at his back the power of the mother-country, he tries to clear out of his way by force the modes of production and appropriation based on the independent labor of the producer. The same interest, which compels the sycophant of capital, the political economist, in the mother-country, to proclaim the theoretical identity of the capitalist mode of production with its contrary, that same interest compels him in the colonies to make a clean breast of sitzer seiner eignen Arbeitsbedingungen sich selbst durch seine Arbeit bereichert statt den Kapitalisten. Der Widerspruch dieser zwei diametral entgegengesetzten ökonomischen Systeme betätigt sich hier praktisch in ihrem Kampf. Wo der Kapitalist die Macht des Mutterlandes im Rücken hat, sucht er die auf eigner Arbeit beruhende Produktions- und Aneignungsweise gewaltsam aus dem Weg zu räumen. Dasselbe Interesse, welches den Sykophanten des Kapitals, den politischen Ökonomen, im Mutterland bestimmt, die kapitalistische Produktionsweise theoretisch für ihr eignes Gegenteil zu erklären, dasselbe Interesse treibt ihn hier „to make a clean breast of it“ und den Gegensatz beider Produktionsweisen laut zu proklamieren. Zu diesem
it, and to proclaim aloud the antagonism of the two modes of production. To this end, he proves how the development of the social productive power of labor, co-operation, division of labor, use of machinery on a large scale, etc., are impossible without the expropriation of the laborers, and the corresponding transformation of their means of production into capital. In the interest of the so-called national wealth, he seeks for artificial means to ensure the poverty of the people. Here his apologetic armor crumbles off, bit by bit, like rotten touchwood.

This is why it is possible that mainstream theories of colonization say some truths about capitalism. (It should be noted here that Marx says nothing about the indigenous population in these colonies.)

932:1 It is the great merit of E. G. Wake-
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Wakefield to have discovered, not anything new about the Colonies,\textsuperscript{254} but to have discovered in the Colonies the truth as to the conditions of capitalist production in the mother country.

\textsuperscript{\textbullet} By contrast, Wakefield did not say anything new about the colonies themselves.\textsuperscript{254} Wakefield’s few glimpses on the subject of Modern Colonization are fully anticipated by Mirabeau père, the physiocrat, and even much earlier by English economists.

\textsuperscript{\textbullet} Marx compares Wakefield’s theory with protectionism:

As the system of protection at its origin\textsuperscript{255} attempted to manufacture capitalists artificially in the mother-country, so Wakefield’s colonization theory, which England tried for a time to enforce by Acts of Parliament, attempted to effect the manufacture of wage-

\textsuperscript{\textbullet} Wie das Protektionssystem in seinen Ursprüngen\textsuperscript{255} die Fabrikation von Kapitalisten im Mutterland, so erstrebt Wakefields Kolonisationstheorie, welche England eine Zeitlang gesetzlich ins Werk zu setzen suchte, die Fabrikation von Lohnarbeitern in den Kolo-
workers in the Colonies. This he calls “systematic colonization”.

255 Later, it became a temporary necessity in the international competitive struggle. But, whatever its motive, the consequences remain the same.

First discovery of Wakefield about capitalism: capital is not an object but a relation of production. (The word “discovery” is meant here ironically: it is perhaps a discovery which he was not even aware of, although it is implied in his policy prescriptions.)

932:2/o First of all, Wakefield discovered that in the colonies, the property of means of consumption, machines, and other means of production, does not as yet stamp a person as a capitalist if the complement is wanting—the wage-worker, the other person who is compelled to sell himself of his own free-will. He discovered that capital nien. Das nennt er „systematic colonization“ (systematische Kolonisation).

255 Es wird später eine temporäre Notwendigkeit im internationalen Konkurrenzkampf. Welches aber immer sein Motiv, die Folgen bleiben dieselben.

793:2/o Zunächst entdeckte Wakefield in den Kolonien, daß das Eigentum an Geld, Lebensmitteln, Maschinen und andren Produktionsmitteln einen Menschen noch nicht zum Kapitalisten stempelt, wenn die Ergänzung fehlt, der Lohnarbeiter, der andre Mensch, der sich selbst freiwillig zu verkaufen gezwungen ist. Er entdeckte, daß das Kapital nicht eine
is not a thing, but a social relation between persons, established by the instrumentality of things.\(^{256}\)

\(^{256}\) “A negro is a negro. In certain circumstances he becomes a slave. A mule is a machine for spinning cotton. Only under certain circumstances does it become capital. Outside these circumstances, it is no more capital than gold is intrinsically money, or sugar is the price of sugar… Capital is a social relation of production. It is a historical relation of production.” (Karl Marx, “Lohnarbeit und Kapital,” *N. Rh. Z.*, No. 266, April 7, 1849.)

\(\downarrow\) Here is how this discovery is formulated in Wakefield’s works:

Mr. Peel, he moans, took with him from England to Swan River, West Australia, Sache ist, sondern ein durch Sachen vermitteltes gesellschaftliches Verhältnis zwischen Personen.\(^{256}\)


Herr Peel, jammert er uns vor, nahm Lebensmittel und Produktionsmittel zum Belauf von
means of subsistence and of production to the amount of £50,000. Mr. Peel had the foresight to bring with him, besides, 3,000 persons of the working-class, men, women, and children. Once arrived at his destination, “Mr. Peel was left without a servant to make his bed or fetch him water from the river.”

Unhappy Mr. Peel who provided for everything except the export of English modes of production to Swan River!


Before Marx can tell us Wakefield’s additional “discoveries,” some clarification about Wakefield’s terminology are necessary, i.e., about the categorical mistakes crystallized in his language:

For the understanding of the categorical mistakes crystallized in his language:

Zum Verständnis der folgenden
following discoveries of Wakefield, two preliminary remarks: We know that the means of production and subsistence, while they remain the property of the immediate producer, are not capital. They become capital only under circumstances in which they serve at the same time as means of exploitation and subjection of the laborer. But this capitalist soul of theirs is so intimately wedded, in the head of the political economist, to their material substance, that he christens them capital under all circumstances, even when they are its exact opposite. Thus is it with Wakefield. Further: the splitting up of the means of production into the individual property of many independent laborers, working on their own account, he calls equal Entdeckungen Wakefields zwei Vorbemerkungen. Man weiß: Produktions- und Lebensmittel, als Eigentum des unmittelbaren Produzenten, sind kein Kapital. Sie werden Kapital nur unter Bedingungen, worin sie zugleich als Exploitations- und Beherrschungsmittel des Arbeiters dienen. Diese ihre kapitalistische Seele ist aber im Kopfe des politischen Ökonomen so innig mit ihrer stofflichen Substanz vermählt, daß er sie unter allen Umständen Kapital tauft, auch wo sie das grade Gegenteil sind. So bei Wakefield. Ferner: die Zersplitterung der Produktionsmittel als individuelles Eigentum vieler voneinander unabhängigen, selbstwirtschaftenden Arbeiter nennt er gleiche Teilung des Kapitals. Es geht dem politischen Ökonomen
division of capital. It is with the political economist as with the feudal jurist. The latter stuck on to pure monetary relations the labels supplied by feudal law.

Now the different steps of Wakefield’s arguments: If workers own their means of production, capitalism is impossible.

“If,” says Wakefield, “all members of the society are supposed to possess equal portions of capital . . . no man would have a motive for accumulating more capital than he could use with his own hands. This is to some extent the case in new American settlements, where a passion for owning land prevents the existence of a class of laborers for hire.”

Marx rephrases this as: there is no proletariat.

„Wäre“, sagt Wakefield, „das Kapital unter alle Mitglieder der Gesellschaft in gleiche Portionen verteilt, so hätte kein Mensch ein Interesse, mehr Kapital zu akkumulieren, als er mit seinen eignen Händen anwenden kann. Dies ist in gewissem Grad der Fall in neuen amerikanischen Kolonien, wo die Leidenschaft für Grundeigentum die Existenz einer Klasse von Lohnarbeitern verhindert.“

258 l.c., p. 17.

258 l.c., v. I, p. 17.
So long, therefore, as the laborer can accumulate for himself—and this he can do so long as he remains possessor of his means of production—capitalist accumulation and the capitalistic mode of production are impossible. The class of wage-laborers, essential to these, is wanting.

Now Wakefield looks to Europe in order to see how the proletariat was created there, and he comes up with the following preposterous theory: the owners of capital and the owners of labor separated themselves by a voluntary contract.

How, then, in old Europe, was the expropriation of the laborer from his conditions of labor, i.e., the co-existence of capital and wage-labor, brought about? By a social contract of a quite original kind.

"Mankind have adopted a ... simple contrivance for promoting the accumulation of..."
capital,” which, of course, since the time of Adam, floated in their imagination as the sole and final end of their existence: “they have divided themselves into owners of capital and owners of labor . . . The division was the result of concert and combination.” 259

259 l.c., vol. i, p.18.

To show the absurdity of this theory, Marx reasons: if such a social contract happened in Europe then one should expect that it would also happen in the colonies.

In one word: the mass of mankind expropriated itself in honor of the “accumulation of capital.” Now, one would think that this instinct of self-denying fanaticism would give itself full fling especially in the colonies, where alone exist the men and conditions that could turn a social contract from a dream to a reality. But why, then, Kapitals“, die ihr natürlich seit Adams Zeiten als letzter und einziger Zweck ihres Daseins vorschwebte; „sie teilte sich in Eigner von Kapital und Eigner von Arbeit . . . diese Teilung war das Resultat freiwilliger Verständigung und Kombination.“ 259

259 l.c. p. 18.

795:2–3 Mit einem Wort: die Masse der Menschheit exproprierte sich selbst zu Ehren der „Akkumulation des Kapitals“. Nun sollte man glauben, der Instinkt dieses selbstentsagenden Fanatismus müsse sich namentlich in Kolonien den Zügel frei schießen lassen, wo allein Menschen und Umstände existieren, welche einen contrat social aus dem
should “systematic colonization” be called in to replace its opposite, spontaneous, unregulated colonization? Traumreich in das der Wirklichkeit übersetzen könnten. Aber wozu dann überhaupt die „systematische Kolonisation“ im Gegensatz zur naturwüchsigen Kolonisation?

Such a contract cannot have happened, since there are hardly any wage laborers in the colonies:

But—but—

“In the Northern States of the American Union; it may be doubted whether so many as a tenth of the people would fall under the description of hired laborers … In England … the laboring class compose the bulk of the people.”

Aber, aber:

„in den nördlichen Staaten der amerikanischen Union ist es zweifelhaft, ob ein Zehntel der Bevölkerung der Kategorie der Lohnarbeiter angehört … In England … besteht die große Volksmasse aus Lohnarbeitern.“

Therefore, even Wakefield admits that slavery is the only spontaneous basis of wage labor in the colonies. Due to this inconsistency within Wakefield’s theory, this theory cannot be right. (Marx is using immanent critique throughout this chapter.)
Nay, the impulse to self-expropriation on the part of laboring humanity for the glory of capital, exists so little that slavery, according to Wakefield himself, is the sole natural basis of Colonial wealth. His systematic colonization is a mere *pis aller*, since he unfortunately has to do with free men, not with slaves.

“The first Spanish settlers in Saint Domingo did not obtain laborers from Spain. But, without laborers, their capital must have perished, or at least, must soon have been diminished to that small amount which each individual could employ with his own hands. This has actually occurred in the last Colony founded by England—the Swan River Settlement—where a great mass of capital, of seeds, implements, and cattle, has perished for want of laborers.
to use it, and where no settler has preserved much more capital than he can employ with his own hands."

261 l.c., vol.ii, p.5.

Interesting remark about the contradictory character of the colonies: the same thing that made colonies so important also made it difficult for capitalism to establish itself there, namely, the fact that the land is public property that can be annexed by settlers.

934:1/o We have seen that the expropriation of the mass of the people from the soil forms the basis of the capitalist mode of production. The essence of a free colony, on the contrary, consists in this—that the bulk of the soil is still public property, and every settler on it therefore can turn part of it into his private property and individual means of production, without hindering the later settlers in the same operation.

262

“Land, to be an element of colonization, must not only be waste, but it must be public property, liable to be converted into private property.” (l.c., Vol. II, p. 125.)

From this follows that colonies are not conducive to capitalism:

This is the secret both of the prosperity of the colonies and of their inveterate vice—their resistance to the establishment of capital.

“Where land is very cheap and all men are free, where every one who so pleases can easily obtain a piece of land for himself, not only is labor very dear, as respects the laborer’s share of the produce, but the difficulty is to obtain combined labor at any price.”

“Wo Land sehr wohlfeil ist und alle Menschen frei sind, wo jeder nach Wunsch ein Stück Land für sich selbst erhalten kann, ist Arbeit nicht nur sehr teuer, was den Anteil des Arbeiters an seinem Produkt angeht, sondern die Schwierigkeit ist, kombinierte Arbeit zu irgendeinem Preis zu erhalten.”
Interestingly, Marx connects the separation of agriculture from industry with the separation of the laborer from the conditions of labor:

As in the colonies the separation of the laborer from the conditions of labor and their root, the soil, does not exist, or only sporadically, or on too limited a scale, so neither does the separation of agriculture from industry exist, not the destruction of the household industry of the peasantry. Whence then is to come the internal market for capital?

“No part of the population of America is exclusively agricultural, excepting slaves and their employers who combine capital and labor in particular works. Free Americans, who

„Kein Teil der Bevölkerung Amerikas ist ausschließlich agrikol, mit Ausnahme der Sklaven und ihrer Anwender, die Kapital und Arbeit für große Werke kombinieren. Freie Amerikaner,
cultivate the soil, follow many other occupations. Some portion of the furniture and tools which they use is commonly made by themselves. They frequently build their own houses, and carry to market, at whatever distance, the produce of their own industry. They are spinners and weavers; they make soap and candles, as well as, in many cases, shoes and clothes for their own use. In America the cultivation of land is often the secondary pursuit of a blacksmith, a miller or a shopkeeper.”

With such queer people as these, where is the “field of abstinence” for the capitalists?

By “field of abstinence” Marx apparently means their propensity to enter the above social contract, in which workers voluntarily forego their interest for the good of the whole.

That is why one does not find enough workers, the production of a relative surplus-population which capitalism needs (see part VII) does not work.


Wo bleibt unter solchen Käuzen das „Entsagungsfeld“ für den Kapitalisten?

By “field of abstinence” Marx apparently means their propensity to enter the above social contract, in which workers voluntarily forego their interest for the good of the whole.

That is why one does not find enough workers, the production of a relative surplus-population which capitalism needs (see part VII) does not work.
33. The Modern Theory of Colonization

935:1/o The great beauty of capitalist production consists in this—that it not only constantly reproduces the wage-worker as wage-worker, but produces always, in production to the accumulation of capital, a relative surplus-population of wage-workers. Thus the law of supply and demand of labor is kept in the right rut, the oscillation of wages is penned within limits satisfactory to capitalist exploitation, and lastly, the social dependence of the laborer on the capitalist, that indispensable requisite, is secured; an unmistakable relation of dependence, which the smug political economist, at home, in the mother-country, can transmogrify into one of free contract between buyer and seller, between equally independent owners.

796:5/o Die große Schönheit der kapitalistischen Produktion besteht darin, daß sie nicht nur beständig den Lohnarbeiter als Lohnarbeiter reproduziert, sondern im Verhältnis zur Akkumulation des Kapitals stets eine relative Übervölkerung von Lohnarbeitern produziert. So wird das Gesetz von Arbeitsnachfrage und Zufuhr in richtigem Gleis gehalten, die Lohnschwankung innerhalb der kapitalistischen Exploitation zusage Schranken gebannt und endlich die so unentbehrliche soziale Abhängigkeit des Arbeiters vom Kapitalisten verbürgt, ein absolutes Abhängigkeitsverhältnis, das der politische Ökonom zu Haus, im Mutterland, breimäulig umlügen kann in ein freies Kontraktverhältnis von Käufer und Verkäufer,
of commodities, the owner of the commodity capital and the owner of the commodity labor. But in the colonies, this pretty fancy is torn asunder. The absolute population here increases much more quickly than in the mother-country, because many laborers enter this world as ready-made adults, and yet the labor-market is always understocked. The law of supply and demand of labor falls to pieces. On the one hand, the old world constantly throws in capital, thirsting after exploitation and “abstinence”; on the other, the regular reproduction of the wage-laborer as wage-laborer comes into collision with impediments the most impertinent and in part invincible. What becomes of the production of wage-laborers into independent
producers, who work for themselves instead of for capital, and enrich themselves instead of the capitalist gentry, reacts in its turn very perversely on the conditions of the labor-market. Not only does the degree of exploitation of the wage-laborer remain indecently low. The wage-laborer loses into the bargain, along with the relation of dependence, also the sentiment of dependence on the abstentious capitalist. Hence all the inconveniences that our E. G. Wakefield pictures so doughtily, so eloquently, so pathetically.

The supply of wage-labor, he complains, is neither constant, nor regular, nor sufficient. “The supply of labor is always not only small but uncertain.”

“Though the produce divided between the capitalist and the laborer be large, the laborer takes so great a share that he soon becomes a capitalist... Few, even those whose lives are unusually long, can accumulate great masses of wealth.”

The laborers most distinctly decline to allow the capitalist to abstain from the payment of the greater part of their labor. It avails him nothing, is he is so cunning as to import from Europe, with his own capital, his own...
wage-workers.

They soon “cease . . . to be laborers for hire; they . . . become independent landowners, if not competitors with their former masters in the labor-market.”

Think of the horror! The excellent capitalist has imported bodily from Europe, with his own good money, his own competitors! The end of the world has come! No wonder Wakefield laments the absence of all dependence and of all sentiment of dependence on the part of the wage-workers in the colonies. On account of the high wages, says his disciple, Merivale, there is in the colonies “the urgent desire for cheaper and more subservient laborers—for a class to...
whom the capitalist might dictate terms, instead of being dictated to by them . . . In ancient civilized countries the laborer, though free, is by a law of Nature dependent on capitalists; in colonies this dependence must be created by artificial means.”

268 Merivale, l. c., Vol. II, pp. 235–314 passim. Even the mild, Free-trade, vulgar economist, Molinari, says: “Dans les colonies où l’esclavage a été aboli sans que le travail forcé se trouvait remplace par une quantité équivalente de travail libre, on a vu s’opérer la contre-partie du fait qui se réalise tous les jours sous nos yeux. On a vu les simples travailleurs exploiter à leur tour les entrepreneurs d’industrie, exiger d’eux des salaires hors de toute proportion avec la part légitime qui leur revenait dans le produit. Les

beit, nach einer Klasse, welcher der Kapitalist die Bedingungen diktieren kann, statt sie von ihr diktiert zu erhalten . . . In altzivilisierten Ländern ist der Arbeiter, obgleich frei, naturgesetzlich abhängig vom Kapitalisten, in Kolonien muß diese Abhängigkeit durch künstliche Mittel geschaffen werden. 268

268 Merivale, I. c., v. II, p. 235–314 passim. Selbst der sanfte, freihändlerische Vulgärökonom Molinari sagt. „In den Kolonien, in denen die Sklaverei abgeschafft worden ist, ohne daß man die Zwangsarbeit durch eine entsprechende Menge freier Arbeit ersetzt hätte, sah man das Gegen teil von dem sich abspielen, was sich täglich vor unseren Augen zuträgt. Man sah die einfachen Ar beiter ihrerseits die industriellen Unternehmer aus beuten, indem sie Löhne von ihnen forderten, die in gar keinem Verhältnis stehen zu dem rechtmäßi-
planteurs, ne pouvant obtenir de leurs sures un prix suffisant pour couvrir la hausse de salaire, ont été obligés de fournir l’excédant, d’abord sur leurs profits, ensuite sur leurs capitaux mêmes. Une foule de planteurs ont été ruinés de la sorte, d’autres ont fermé leurs ateliers our échapper à une ruine imminente . . . Sans doute, il vaut mieux voir périr des accumulations de capitaux que das générations d’hommes [how generous Mr. Molinari!]: mais ne vaudrait-il pas mieux que ni les uns ni les autres périsse? (Molinari, l.c., pp. 51, 52.) Mr. Molinari, Mr. Molinari! What then becomes of the ten commandments, of Moses and the prophets, of the law of supply and demand, if in Europe the “entrepreneur” can cut down the laborer’s legitimate part, and in the West Indies, the laborer can cut down the entrepreneur’s? And what, if you please, is this “legitimate part”, which on your own showing the gen Anteil, der ihnen am Produkt zukäme. Da die Pflanzer außerstande waren, für ihren Zucker einen ausreichenden Preis zu erhalten, um die Steigerung der Löhne decken zu können, waren sie genötigt, den Mehrbetrag zunächst aus ihren Profiten, darauf aus ihren Kapitalien selbst zu decken. Eine Menge Pflanzer wurde so ruiniert, während andere ihre Betriebe schlossen, um dem bevorstehenden Ruin zu entgehen . . . Es ist zweifellos besser, Anhäufungen von Kapitalien zugrunde gehen zu sehen, als Generationen von Menschen“ (wie generös von dem Herrn Molinari!); „aber wäre es nicht besser, wenn weder die einen noch die anderen zugrunde gingen?“ (Molinari, l.c. p. 51, 52.) Herr Molinari, Herr Molinari! Was wird denn aus den zehn Geboten, aus Moses und den Propheten, aus dem Gesetz der Nachfrage und Zufuhr, wenn in Europa der „entrepreneur“ dem Arbeiter und in Westindien der Arbeiter dem entrepre-
capitalist in Europe daily neglects to pay? Over yonder, in the colonies where the laborers are so "simple" as to "exploit" the capitalist, Mr. Molinari feels a strong itching to set the law of supply and demand, that works elsewhere automatically, on the right road by means of the police.

The phrase "Moses and the prophets" had also been used in 742:1/o. Therefore, no combined labor and no long term projects possible. On the other hand, a higher standard of living for the people.

937:1/o What is now, according to Wakefield, the consequence of this unfortunate state of things in the colonies? A "barbarising tendency of dispersion" of producers and national wealth. The parcelling-out of the means of production among innu-

neur seine part légitime verkürzen kann! Und was ist gefälligst diese ,,part légitime“, die nach Ihrem Geständnis der Kapitalist in Europa täglich nicht zahlt? Den Herrn Molinari juckt es gewaltig, dort drüben, in den Kolonien, wo die Arbeiter so ,,simplpel“ sind, den Kapitalisten zu ,,exploitieren“, das sonst automatisch wirkende Gesetz der Nachfrage und Zufuhr polizeilich in den richtigen Gang zu setzen.

merable owners, working on their own account, annihilates, along with the centralization of capital, all the foundation of combined labor. Every long-winded undertaking, extending over several years and demanding outlay of fixed capital, is prevented from being carried out. In Europe, capital invests without hesitating a moment, for the working-class constitutes its living appurtenance, always in excess, always at disposal. But in the colonies! Wakefield tells and extremely doleful anecdote. He was talking with some capitalists of Canada and the state of New York, where the immigrant wave often becomes stagnant and deposits a sediment of “supernumerary” laborers.


„Unser Kapital“, seufzt eine der Personen des
melodrama, “was ready for many operations which require a considerable period of time for their completion; but we could not begin such operations with labor which, we knew, would soon leave us. If we had been sure of retraining the labor of such emigrants, we should have been glad to have engaged it at once, and for a high price: and we should have engaged it, even though we had been sure it would leave us, provided we had been sure of a fresh supply whenever we might need it.”

269 Wakefield, l.c., Vol.II, p.52.

270 l.c., pp.191, 192.

938:1 After Wakefield has constructed the English capitalist agriculture and its “combined” labor with the scattered cultivation of American peasants, he unwittingly gives Melodramas, „unser Kapital lag bereit für viele Operationen, die eine beträchtliche Zeitperiode zu ihrer Vollendung brauchen; aber konnten wir solche Operationen beginnen mit Arbeitern, welche, wir wüßten es, uns bald den Rücken wenden würden? Wären wir sicher gewesen, die Arbeit solcher Einwanderer festhalten zu können, wir hätten sie mit Freude sofort engagiert und zu hohem Preis. Ja, trotz der Sicherheit ihres Verlustes würden wir sie dennoch engagiert haben, wären wir einer frischen Zufuhr je nach unsrem Bedürfnis sicher gewesen.“

269 Wakefield, l.c., v. II, p. 52.

270 l.c. p. 191, 192.

799:2–3 Nachdem Wakefield die englische kapitalistische Agrikultur und ihre „kombinierte“ Arbeit prunkvoll kontrastiert hat mit der zerstreuten amerikanischen Bauernwirt-
us a glimpse at the reverse of the medal. He depicts the mass of the American people as well-to-do, independent, enterprising, and comparatively cultured, whilst

"the English agricultural laborer is miserable wretch, a pauper ... In what country, except North America and some new colonies, do the wages of free labor employed in agriculture much exceed a bare subsistence for the laborer? ... Undoubtedly, farm-horses in England, being a valuable property, are better fed than English peasants."271


But, never mind, national wealth is, once again, by its very nature, identical with misery of the people.
Wakefield’s recipe to remedy this “inveterate vice” which was already mentioned in 934:1/o?

938:2/o How, then, to heal the anti-capitalistic inveterate vice of the colonies? If men were willing, at a blow, to turn all the soil from public into private property, they would destroy certainly the root of the evil, but also—the colonies. The trick is how to kill two birds with one stone. Let the Government put upon the virgin soil an artificial price, independent of the law of supply and demand, a price that compels the immigrant to work a long time for wages before he can earn enough money to buy land, and turn himself into an independent peasant. The fund resulting from the sale of land at a price relatively prohibitory for the wage-workers, this fund of money extorted from the wages

of labor by violation of the sacred law of supply and demand, the Government is to employ, on the other hand, in proportion as it grows; to import have-nothings from Europe into the colonies, and thus keep the wage-labor market full for the capitalists. Under these circumstances, tout sera pour le mieux dans le meilleur des mondes possibles. This is the great secret of “systematic colonization.”

zu einem für den Lohnarbeiter relativ prohibitorischen Preis fließt, also diesen aus dem Arbeitslohn durch Verletzung des heiligen Gesetzes von Nachfrage und Zufuhr erpreßten Geldfonds, verwende die Regierung andererseits, um im selben Maß, wie er wächst, Habenichtse aus Europa in die Kolonien zu importieren und so dem Herrn Kapitalisten seinen Lohnarbeitsmarkt vollzuhalten. Unter diesen Umständen tout sera pour le mieux dans le meilleur des mondes possibles. Dies ist das große Geheimnis der „systematischen Kolonisation“.

272 “C’est, ajoutez-vous, grâce à l’appropriation du sol et des capitaux que l’homme, qui n’a que ses bras, trouve de l’occupation et se fait un revenu . . . c’est au contraire, grâce à l’appropriation

272 „Es sei, fügt ihr hinzu, der Aneignung des Bodens und der Kapitalien zu verdanken, daß der Mensch, der nur seine Arme besitzt, Beschäftigung findet und sich ein Einkommen schafft . . . es
individuelle du sol qu’il se trouve des hommes n’ayant que leurs bras... Quand vous mettez un homme dans le vide, vous vous emparez de l’atmosphère. Ainsi faites-vous, quand vous vous emparez du sol... C’est le mettre dans le vide de richesses, pour ne la laisser vivre qu’à votre volonté.”

By this plan, Wakefield cries in triumph, “the supply of labor must be constant and regular, because, first, as no laborer would be able to procure land until he had worked for money, all immigrant laborers, working for a time for wages and in combination, would produce capital for the employment of more laborers; secondly, because every laborer who left off working for wages and became a landowner would, by purchasing land, provide a fund for

kommt im Gegenteil gerade von der individuellen Aneignung des Bodens, daß es Menschen gibt, die nur ihre Arme besitzen... Wenn ihr einen Menschen in den luftleeren Raum versetzt, raubt ihr ihm die Luft. So handelt ihr auch, wenn ihr euch des Bodens bemächtigt... Das heißt, ihn in die alles Reichtums bare Leere versetzen, damit er nicht anders als nach eurem Willen leben kann.“ (Collins, l.c., t. III, p. 267–271 passim.)

800:1 „Nach diesem Plan“, ruft Wakefield triumphierend aus, „muß die Zufuhr von Arbeit konstant und regelmäßig sein; denn erstens, da kein Arbeiter fähig ist, sich Land zu verschaffen, bevor er für Geld gearbeitet hat, würden alle einwandernden Arbeiter dadurch, daß sie für Lohn kombiniert arbeiten, ihrem Anwender Kapital zur Anwendung von mehr Arbeit produzieren; zweitens jeder, der die Lohnarbeit an den Nagel hinge und Grundeigner würde,
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    bringing fresh labor to the colony.”


The price of the soil imposed by the State must, of course, be a “sufficient price”—*i.e.*, so high “as to prevent the laborers from becoming independent landowners until others had followed to take their place.”

274 This “sufficient price for the land” is nothing but a euphemistic circumlocution for the ransom which the laborer pays to the capitalist for leave to retire from the wage-labor market to the land. First, he must create for the capitalist “capital”, with which the latter may be able to exploit more laborers; then he must place, at his own expense, a *locum

würde grade durch den Ankauf des Landes einen Fonds zur Herüberbringung frischer Arbeit nach den Kolonien sichern.“

273 Wakefield, l.c., v. II, p. 192.

800:2/o Der von Staats wegen oktroyierte Bodenpreis muß natürlich „genügend“ (sufficient price) sein, d.h. so hoch, „daß er die Arbeiter verhindert, unabhängige Bauern zu werden, bis andre da sind, um ihren Platz auf dem Lohnarbeitsmarkt einzunehmen“. Dieser „genügend Bodenpreis“ ist nichts als eine euphemistische Umschreibung des Lösegelds, welches der Arbeiter dem Kapitalisten zahlt für die Erlaubnis, sich vom Lohnarbeitsmarkt aufs Land zurückzuziehn. Erst muß er dem Herrn Kapitalisten „Kapital“ schaffen, damit er mehr Arbeiter ausbeuten können,
tenens on the labor-market, whom the Government forwards across the sea for the benefit of his old master, the capitalist.

Wakefield’s recipe failed, but the spontaneous development of capitalism had, over time, the same effect as Wakefield’s policies.

939:1/o It is very characteristic that the English Government for years practised this method of “primitive accumulation” prescribed by Mr. Wakefield expressly for the use of the colonies. The fiasco was, of course, as complete as that of Sir Robert Peel’s Bank Act. The stream of emigration was only diverted from the English colonies to the Untied States. Meanwhile, the advance of capitalistic production in

und dann auf dem Arbeitsmarkt einen „Ersatzmann“ stellen, den die Regierung auf seine Kosten seinem ehemaligen Herrn Kapitalisten über die See spediert.

Europe, accompanied by increasing Government pressure, has rendered Wakefield’s recipe superfluous. On the one hand, the enormous and ceaseless stream of men, year after year driven upon America, leaves behind a stationary sediment in the east of the United States, the wave of immigration from Europe throwing men on the labor-market there more rapidly than the wave of emigration westwards can wash them away. On the other hand, the American Civil War brought in its train a colossal national debt, and, with it, pressure of taxes, the rise of the vilest financial aristocracy, the squandering of a huge part of the public land on speculative companies for the exploitation of railways, mines, etc., in brief, the most
rapid centralization of capital. The great republic has, therefore, ceased to be the promised land for emigrant laborers. Capitalistic production advances there with giant strides, even though the lowering of wages and the dependence of the wage-worker are yet far from being brought down to the normal European level. The shameless lavishing of uncultivated colonial land on aristocrats and capitalists by the Government, so loudly denounced even by Wakefield, has produced, especially in Australia, in conjunction with the stream of men that the gold-diggings attract, and with the competition that the importation of English-commodities causes even to the smallest artisan, an ample “relative surplus labor-
ing population”, so that almost every mail brings the Job’s news of a “glut of the Australia labor-market,” and the prostitution in some places flourishes as wantonly as in the London Heymarket.

As soon as Australia became her own law-giver, she passed, of course, laws favorable to the settlers, but the squandering of the land, already accomplished by the English Government, stands in the way. “The first and main object at which new Land Act of 1862 aims is to give increased facilities for the settlement of the people.” (“The Land Law of Victoria”, by the Hon. C. G. Duffy, Minister of Public Lands, Lond., 1862.)

275 Sobald Australien sein eigner Gesetzgeber wurde, erließ es natürlich den Ansiedlern günstige Gesetze, aber die englische, einmal vollzogene Bodenverschleuderung steht im Wege. „Das erste und wichtigste Ziel, welches das neue Landgesetz von 1862 erstrebt, besteht darin, größere Erleichterungen für die Ansiedlung des Volkes zu schaffen.“ („The Land Law of Victoria, by the Hon. G. Duffy, Minister of Public Lands“, Lond. 1862, [p. 3].)
940:1 However, we are not concerned here with the conditions of the colonies. The only thing that interests us is the secret discovered in the new world by the Political Economy of the old world, and proclaimed on the housetops: that the capitalist mode of production and accumulation, and therefore capitalist private property, have for their fundamental condition the annihilation of self-earned private property; in other words, the expropriation of the laborer.

802:1 Jedoch beschäftigt uns hier nicht der Zustand der Kolonien. Was uns allein interessiert, ist das in der neuen Welt von der politischen Ökonomie der alten Welt entdeckte und laut proklamierte Geheimnis: kapitalistische Produktions- und Akkumulationsweise, also auch kapitalistisches Privateigentum, bedingen die Vernichtung des auf eigner Arbeit beruhenden Privateigentums, d.h. die Expropriation des Arbeiters.
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