

Update this next time

05b. Marx, Capital and after

Marx, Capital volume I

[page references are from the International edition / Simon reader]

Key points

- Labor theory of value
- The working day
- Managing capital
- Primitive accumulation

I. The labor theory of value (from chapter 1 section 1; chapter 4)

A. The commodity

1. Q: What is a commodity?
2. Something that **satisfies human wants** and is produced in order to be **bought and sold**. For a thing to become a commodity, it must be **transferable**.
3. Q: What are some other things that are not or cannot be turned into commodities in this society? [air, ocean water]
4. Every commodity has two properties, **quality** and **quantity**. Further, every commodity can be analyzed in two ways, as a use value and as an exchange value. *Commodities have a twofold character. This idea of "2fold character" is key for Marx & applies to many things. Think of L.I. dialect*

B. Use value: The usefulness of the commodity for its consumer. It cannot be quantified, for it varies for different people and in different circumstances.

C. Exchange value

1. That which allows commodities to be compared (and therefore exchanged). The exchange value of a commodity represents **that which is equal** in all commodities. You can't compare use-values in a similar way; what is valuable to me may be useless to you. The only way for value to be expressed in society is through exchange, i.e. exchange value. 46/xx

2. Exchange value, then, is the **expression of value**, though it is not value itself. [Because value is labor power]

3. Q: What is the thing that is common to all commodities?

4. **Labor**. The only way to equate (and therefore exchange) two commodities is to reduce them both to a third commodity, i.e. labor.

D. SNLT Labor-power & SNLT

1. Value is "a congelation of homogenous human labor." It's human labor in the abstract. *(A commodity is i.e. a congelation of human labor, 57.)*

2. Q: How do we measure human labor abstractly? Don't some folks work faster or harder than others? Aren't some folks just-lazy?

3. Marx defines value not as labor simply but as **labor power**. Labor power is measured as **socially necessary labor time**: "The labor time socially necessary is that required to produce an article under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time." (47/223) The **value of a commodity** is determined by the SNLT it takes to produce it.

Value = labor power.

- 46, 705 Tucker

reclassification advances in tech need for new skills / de-skill. work in conditions, etc.

ok can

x. Labor-power is the average amount of labor it takes to create a commodity in a given historical & social context.

read 706 in Tucker

x. Note that "normal conditions" + average degree of skill "are determined thru class struggle."

- a. The SNLT of a product can vary due to changes in the production process. ⁴⁷
- b. **Example:** manufacturing a tortilla or candle by hand vs. mass-produced.
4. The value of an article lies in the labor put into it, **not supply and demand**, according to Marx. *1 set quantity of a commodity is = value quantity of a commodity when their SNLT is equal.*
5. Producing and exchanging commodities is therefore a human or social relationship. **At the heart of commodities is social relations.** There's nothing inherent or "natural" about a commodity's value; value is only determined *relative* to other commodities. Even if the commodity is created by a private individual, the labor is still social in character because the object produced only has value in relation to other objects.
6. This social relation is essentially a **class relation**. Given that classes struggle with each other, **class struggle is built into every commodity**, both its production and its value.
7. We think we are just exchanging objects but really we are involved in social relations. When I buy that CD I am **engaged in a social relationship** with the band, the workers at the record company, the distributor, and the clerk at the store where I bought it. These relations are built into and disguised by the commodity, but they are there. **[Example: Buying Radiohead's "In Rainbows" online directly from the band.]** *I'm in a relationship w/ team w/ a record label, store d. distributor, etc.*
8. **[discuss commodity fetishism here?]**
9. **Q:** Okay, so that's value and how to measure it. But what is capital and how is it acquired? *are (no, see you capital relation, etc)*
10. The answer lies in Marx's concept of surplus value.

F. Surplus value

1. **Example:** **[do your industrialist/retailer/consumer/peasant example here]**
2. The circulation of commodities
- a. **C—M—C:** the transformation of a commodity into money, then back into a commodity (selling in order to buy). **Example:** I sell some used CD's to make some cash so I can buy something to eat at the local Mexican restaurant. **Q:** Can I make any profit in this kind of transaction? *or my record collection to go to Europe*
- b. **M—C—M:** the transformation of money into commodities, then back into money (i.e. buying in order to sell). **Example:** I buy a bunch of Levis for \$40 here in the states, then go over to Europe and sell them for \$100 each. What I've done, basically, is exchange money for money. **[replace with example of selling your punk records on Ebay, when you do it.]** *as of a boy's effort to sell record to live off it*
- c. Both relationships can be resolved into the same two "antithetical phases": **C—M (a sale/seller)** and **M—C (a purchase/buyer)**, but the difference is the order of succession of these two phases. The former ends in a purchase of a commodity, which serves as a u-v. Once it becomes a u-v, it goes out of circulation and ceases to be a commodity. But the latter ends in the sale of a commodity; the commodity is bought for the purpose of selling it. Money is put into circulation in order to withdraw it again later (at a profit). "He [the buyer in M—C—M] lets the money go, but only with the sly intention of getting it back again! The money, therefore, is not spent, it is merely advanced." 147/257

x. Commodity have a 2fold character - $uv + ev$, quality & quantity, utility & value

x. these things come into conflict w/ each other - an antagonistic (as a universal equivalent)

∴ Money serves as an equivalent commodity. It renders commodities to be comparable. *(think a gold rather than paper \$)*

∴ exchanged. 54, 74-75

more about it

or paper plane

which on shaped the struggle

47

their SNLT is equal.

are (no, see you capital relation, etc)

or my record collection to go to Europe

2

x Q: How does this happen? How do I get profit from M-C-M but not C-M-C?

3. **Surplus value:** "The exact form of this process is therefore M—C—M', where $M' = M + \Delta M$ = the original sum advanced, plus an increment. This increment or excess over the original value I call 'surplus value.' The value originally advanced, therefore, not only remains intact while in circulation, but adds to itself a surplus-value or expands itself. It is this movement that converts it into capital." 149/259

332 tucker

a. The \$60 I make off each pair of Levis, then, is surplus value.

4. **The circulation of commodities vs. capital:** When you sell something in order to buy something else, i.e. to satisfy a need, that's the circulation of commodities. No surplus is made from that: I sell something I have too much of or don't want in order to buy something I do need. This kind of exchange **predominates in peasant** (pre-capitalist) societies. The circulation of commodities is **used to obtain use-values**. The circulation of capital, on the other hand, is an end in itself. You sell not to obtain another use-value but to augment your exchange value.

5. **Q:** Where does surplus value come from?

6. **Labor power.** Labor power is the only commodity whose value *expands* when it's consumed. 164/264

7. **Q:** What's another word for the extraction of surplus value, according to Marx?

8. **Theft.**

G. **The political extraction of a surplus vs. economic extraction:**

1. In feudalism, for example, wealth/labor is extracted **politically and directly**; the serf is not deceived as to the appropriation of his labor for the lord. He knows when he is working for himself and when he's working for the lord.

2. In commodity production, however, the extraction of wealth is **economic and indirect**. **Hierarchical social relations** between producer and owner are **masked**. They appear as social relations (i.e. exchanges) between the *products* of labor.

3. **Example:** taxes vs. your boss's profits on your paycheck.

4. **Example:** Wal-Mart makes \$6,400 per "associate" per year in profits. Microsoft makes \$200,000 per employee per year in profits (*The Wal-Mart Effect*). Does any Wal-Mart or Microsoft worker ever see that info on her paycheck?

H. **How previous modes of production are different from capitalism**

1. Commodity production and exchange is not generalized throughout the economy (land, e.g., is not a commodity).

2. Commodities are produced more for consumption than exchange (C-M-C not M-C-M)

3. Labor is not a commodity (wage labor not dominant)

4. Little or no accumulation of surplus value

I. **Definition of a capitalist**

1. **Capital:** Surplus value. Wealth used to obtain more value/wealth. The heart of surplus value is **labor**.

2. **Capitalist:** Read 151/261-62. 334 tucker

3. **Q:** What's the difference between a capitalist and a miser? What makes a capitalist a "rational miser"?

→
was
to
early wage
exploitation
example

II. The working day (chapter 6; chap. 10 section 1)

A. Labor is the most important commodity

1. **Q:** What is the most important commodity for capitalist production? Why?

2. **Labor is a commodity:** it is something to be bought and sold. **Labor creates value**, and thus surplus value.

B. Free labor

1. Before labor can be used to create value it must be made into a commodity. Under feudalism or slavery, labor is not a commodity.

2. There are **two conditions** that must be met for labor to be offered for sale as a commodity.

3. **Read** 164-65/264-65; 166/266. ("free in the double sense")

4. First, the laborer must have possession of her body in order to offer it for sale. **i.e. the laborer must be free.**

5. Second, the laborer must have **only her labor-power to sell** and not any commodities her power has produced. So the laborer is free in a second sense: **free from owning any wealth.**

C. Because a laborer must possess her labor-power in order to sell it, **equal rights and freedom are inherently linked to commodity production.**

1. Both buyer and seller of labor power meet in the market and deal with each other as **free persons** on the basis of (formally) **equal rights**.

2. The seller sells her power only for a definite period of time; if she sold it "rump and stump" she would be a slave, not a free person. She would have no rights, and become a commodity instead of the owner of a commodity (labor power).

3. Commodity production or capitalism, then, is **the material basis for liberalism**. Capitalism is the base, liberalism is the superstructure. Here is why Locke argues for equality and liberty, Marx contends.

[**Crit of Marx:** The problem with this formulation is that while we can see how selling one's labor power "rump and stump, once and for all" would hurt the seller, it's not clear how it would hurt the buyer, at least in the abstract. Why couldn't, for example, slave labor or prison labor be equally or more profitable than free labor? Would it be fair to say, then, that slavery is not economically impermissible in capitalism but only *politically* impermissible? If so, what makes it impermissible; the demand for equal rights by the worker or the system of commodity production itself? Or both? I.e. the relative absence of slave labor and the predominance of wage labor is also, in part, a product of class struggle.]

D. The worker, according to Marx, is free in a **"double sense."**

1. She's free in that she is not part of the means of production (i.e. she's not a serf or a slave) and free in that she owns no part of the means of production.

668/295

2. **Q:** What is the consequence of this "double-sense" of freedom?

3. **Class conflict**

4. **Q:** What does this conflict between labor and capital revolve around?

5. The struggle over the **length of the working day.**

means the labor for a period of time; otherwise it's the whole person (serfdom, slavery).

E. The working day

1. Q: What's the conflict over?

2. The value of a worker's labor-power is determined by the amount of time she needs to work **in order to subsist** and to be able to work another day. Anything over that is surplus value for the capitalist.

3. Thus, it's in the **capitalist's interest** to make the working day as long as possible. The capitalist wants to suck as much labor power out of the worker per day as it can in order to maximize daily production of surplus value. The longer the working day for him, the better.

4. On the other hand, the worker doesn't want to be worked to death. She has to rest and replenish herself to work another day, because her labor power is all she owns. She can't allow a capitalist to suck it all up. So, it's in the **worker's self-interest** to have as short of a working day as possible. The worker says, "Hey, you bought my labor power for the day, agreed, but I have to be able to replenish my self so I can sell my labor power for the next day. Therefore, you can't work me to death today or else I won't have a commodity to sell tomorrow. You, Mr. Capital, talk about the values of 'savings' and 'frugality.' Well, let me practice them now! If you squeeze 2 days' worth of work out of my 1 day of labor power, you've ripped me off (and shortened my life span)."

5. Read 225 Q₁.

6. Example: Say it takes 6 hours of work a day to sustain a human being.

a. Q: How do we determine that?

b. Sustaining a human is not simply a matter of meeting natural needs, since such needs **vary country by country** and according to the **stage of history** the worker lives in, as well as by that culture's "**habits and degree of comfort.**" Unlike other commodities, there is a "historical and moral element" in determining the value of labor power (168). So part of a worker's subsistence is **living a dignified life**. There is therefore a political element in the determination of labor power's value: it depends, in part, on what constitutes a "dignified life" in a region, which is always a contested concept.

c. **A-B-C**. The length of the working day is variable on both AB and BC sides. With technological innovation the length from A-B could be reduced from 6 to 5 or 4 hours or less. The boss wants to stretch out the time for surplus labor (B-C) for as long as possible. He wants you to work 8, 10, 12 or more hours/day, and if A-B shortens he doesn't necessarily want to shorten A-C.

5. The result is a **political struggle over the length of the working day**: the 10 hours bill advanced by the Chartists, etc. A working day is *politically* determined through struggle, led by the working class itself

F. "Right against right"

1. Read 225 Q₂ (chap. 10) (363-64 in Tucker)

2. Q: What does Marx mean by the **antinomy of "right against right"**?

3. He is **criticizing liberalism**. The capitalist has a "right" to try to extend the working day and the worker has "natural right," determines who

4. Read 205-206

EMPHATIZE
-then didn't do it
it is their
econ

* Read p. 7
Let's say that \$1/day is the going rate for a job. But how long is a "day"? 8, 10, 12, 14, 16 hours.

* *
ALW
pp 1-2

↓

Read 203, 204 (Marx in Black skin - not in Tucker!)

4. **Liberalism** presents itself as a **conflict-free social system**, with buyer and seller coming together freely, as equals, in order to exchange according to a contract. There is no conflict or coercion in such a contract; in fact, conflict is seen as disruptive in the liberal model.

5. Marx, however, shows that **conflict is inherent in the liberal social contract**. Each side enters into the contract, but each has different interests that lead to conflicting interpretations of how that contract's terms should be fulfilled. We've seen before that the **"free market"** is free to the worker only in that she is "free" to sell her labor because she has nothing else to sell. Her "agreement" is compelled by social conditions. Now we see that the **"equal rights"** implied in the market exchange/ contract are in fact **not equal** because they are understood differently by the two parties. This pits equal **"right against right."**

6. Finally, he reveals that in this antinomy, this conflict that liberalism masks, that **the contract is in fact enforced not by mutual agreement but by force**: whoever is dominant wins the right to insist that the contract be carried out on his/her terms. Enforcing and meeting contracts in capitalism is done not through agreement but through force and **struggle**. Hence, getting the workers to work and getting capitalism to function is a political task born of the struggle of the antinomy between two bearers of "equal rights."

7. **Capitalist-worker relations are social relations**, not natural ones like bourgeois economists claim. Compare Marx's account with Locke's glib comment in passing about the turfs of grass his servant cuts.

x. Centred on of lib den

III. Managing capital (chap. 13)

A. Cooperation

1. The output of workers working together is larger than the sum of the same workers working individually. Cooperation in the production process, therefore, creates a "new power, namely, the collective power of the masses." This power is greatly amplified under cap, in which more and more workers have to cooperate in the production process.

2. The benefits of cooperation, however, accrue to the capitalist.

B. The role of social control in managing labor

1. Cooperative labor requires coordination and supervision. Further, as the number of workers working in combination increases, so will their resistance to their exploitation. Capital has to overcome this resistance with **"counterpressure."**

2. **Management** thus serves **two functions**:

a. Ideally, it serves as a plan to **rationally organize** labor. It coordinates labor in order to squeeze the maximum surplus value out of production.

b. Practically, it serves as a means to **subject workers' wills** to the capitalist's. It tamps down resistance. This control, Marx argues, is **"despotic."** 314 (385 in Tucker)

3. Marx is describing what Foucault will later call ensuring relations of **docility-utility**.

C. The **purpose of management**, then, is to counter the very tendencies of cooperation that capitalism begets (i.e. worker solidarity). Management grapples with problems that capital itself creates.

D. Cooperation in capitalist vs. ancient societies. 361-317 (387-88 in Tucker)

E. Q: *Where do managers stand in the class struggle?*

IV. **Primitive accumulation** (chap. 26, 32)

→ are for notes on chap. 31, too →

A. Q: What is accumulation?

1. "the **gradual increase of capital** by reproduction as it passes from the circular to the spiral form." 588

2. Q: What was the original ^{"primitive"} accumulation upon which capitalist accumulation began, and how was it acquired? ~~pp 667, 431 Tucker~~

3. Locke and other liberals (Ricardo, Smith, etc.) tell us it was acquired through the hard work, thrift, and **intelligent efforts** of some, who left the lazy and shiftless behind. The former became property owners, the latter became workers. This is the capitalists' version of **original sin**. 667/294-5 *431 Tucker*

4. But actually, it was acquired through **conquest, enslavement, theft, and murder**. It has little to do with the "industriousness" of the capitalist, as Locke argues in his theory of accumulating property in the SoN. 668/295 *it's about acquiring capital through force*

5. Remember, workers are "free" in a double sense: they're not tied to the means of production (land, etc.) as slaves or serfs, but they're also "free" of any wealth, i.e. they don't own the means of production. The process of primitive accumulation (i.e. **colonialism**) is the process of **stripping the means of production** from a people. *660. It esp. means separating people from the land. 669*

chap 32 →

B. **From feudalism to capitalism**

divulging in 660/432 Tucker

1. How the abolition of private property would be different from feudalism's "universal mediocrity."

a. There are two kinds of private property, pp owned by the cap and pp owned by the laborer. The latter is basically feudal or peasant agriculture. Marx criticizes it because it prohibits collective, cooperative, labor and the "free development of the social productive powers" of humanity. It hence breeds a "universal mediocrity."

x. the purpose of this force is to separate people from the means of production. stripping their land & turning it into capital, & turning them into slave peas, a wage laborer.

C. **From capitalism to socialism**

1. Chapter 32 is essentially a recap of the *Manifesto*

2. The general law of capitalist accumulation: the greater the wealth produced by a capitalist nation, the greater the industrial reserve army, the greater that country's poverty. Accumulation, therefore, has an antagonistic character. 603-4. "It [capitalism] establishes an accumulation of misery, corresponding with accumulation of capital." 604

a. Q: How valid is that law today, with consumerism and the welfare state?

chap 32 ↔

chap 33

x. Cap resists separating the means of production from the workers. This usually takes the form of seizing land from peasants (in Europe), in the Americas & other colonies, the cap had separate the prop from the native. This is the source of the struggle between colonizer & colonized. (716) As long as natives have access to the land, capitalist accumulation is impossible.

Cleaver

use to sum up previous days lecture
(on chps 1, 4, 6)

Chapter 2: The Commodity-Form

- Marx begins his study of capital by analyzing the commodity because it is the most basic, elementary form of wealth in capitalist society. All wealth takes the form of the commodity in capitalist society. The commodity-form is thus the fundamental form of capital.
- **Capital:** a “social relation of struggle between the classes of bourgeois society: capitalist and working classes” (71). **Capital is not a *thing*** (tools, profits, investment funds, etc.) **but a *relationship***. The “things” of capital are moments in this relationship but are not the relationship itself. Capital is “a social system based on the imposition of work through the commodity-form” (72).
- **Class struggle** is thus over the way the capitalist imposes commodity production on the working class by forcing the latter to sell part of their lives as a commodity (labor-power) to those who own the means of production in order to survive. 71
- **Definition of working class:** “a class of people who can survive only by selling their capacity to work to the class that controls the means of production” (72).
 - By “working class” Cleaver explicitly includes those whose labor makes capitalist production possible, such as housewives, kids, students, peasants, as well as the industrial wc. Fn 1, p. 175
 - The term “working class” is thus more of a political term than an economic one. It’s **not equivalent to wage labor**; it includes unwaged and other forms of labor (e.g. slavery, sharecropping, criminal activities, begging, underground enterprises) that works directly or indirectly toward the **accumulation of capital**. 74
- This is a situation of **compulsion and exploitation**, which the working class resists.
- Thus **struggle is built into every commodity**. “Capital is the struggle between capital and the working class” (72).
- “The commodity-form is thus a set of **power relations**” (73).
- M—C... P... C’—M’ [Reproduce the drawing from p. 73; show the basic formulation of capital]
- **Class-in-itself:** All those who must sell their labor-power to capitalists to survive.
- **Class-for-itself:** When this group “asserts its autonomy as a class through its unity in struggle against its role as labor-power” (74).
- **Primitive accumulation** refers to the initial accumulation of capital (through colonialism, etc.) that enabled the creation of the capitalist system and the original creation of working and capitalist classes. It’s about turning peasants, “natives,” etc. into proletarians through the imposition of work and commodity exchange. (Think of enclosure of the commons, taxes imposed on native populations, etc.) By separating people from the means of production (i.e. the land), that forces them to sell their labor-power to capital by working for a wage or supporting one who does. This is how the working class was created. So much for the myths of Locke and others! 75-76

V. Marx on Imperialism in India

(1853 newspaper articles) (page #s are from Tucker)

A. British rule in India is a form of **primitive accumulation**. British imperialism separates Indians from their MoP by destroying the old MoP, separating peasants from the land, wrecking the village system, extracting raw materials (cotton, etc.), and selling India its finished goods (textiles, etc.).

B. **Four main points** of these articles

1. Asiatic mode of production
2. India lacks history
3. Twofold nature of British imperialism in India
4. Colonialism's gravediggers

C. **Asiatic mode of production**

1. He's pretty vague on this, but he seems to mean a peasant-based, agricultural society with a centralized government whose primary function (in addition to the usual state functions of taxation and war) is to provide **public works**, especially canals and other waterworks for irrigation. 655

D. **India lacks history**

1. Marx argues that India has no history in that while it has had plenty of wars and invasions and conquerors, its **fundamental MoP hasn't changed** in millennia. 657, 659

2. The numerous changes of who's in power at the top have not affected economic and social life at the bottom of Indian society—until the British invaded. 657,

3. The **village system** (and the villages themselves) has not changed, either. The village was "the solid foundation of Oriental despotism" (658). It "restrained the human mind within the smallest possible compass, making it the unresisting tool of superstition" (658). It sustained the caste system. Village life was **stagnant, uncreative, despotic** (similar to European village life, I suppose).

4. This is considered the most offensive, **chauvinistic** part of his analysis.

5. It also seems **contradictory**, especially when he writes of how superior Indian civilization was compared to all its conquerors (except the Brits). Isn't a "great and elevated" society by definition one with a history? 659

6. His analysis seems wrong but not especially orientalist, especially when you consider his **praise of Indian character** and his confidence in their struggle for liberation, 662-3

E. **Twofold nature of British imperialism in India**

1. British rule is destroying ancient Asiatic society and Westernizing India. In so doing, it is fulfilling a "**double mission**" in India. 659

2. On the one hand, Britain has "**inflicted misery**" on India (654). It has destroyed its ancient way of life and millions of lives in its quest for profits. It has oppressed them mercilessly and "nakedly," without dressing it up.

3. **Read 663**

4. But on the other hand, everything it is doing (creating a network of railroads, roads, introducing industrial production, the telegraph, steam power, the free press, centralizing the government, etc.) is **creating the material premises for a successful revolution** against colonialism. These changes break up the isolation of the village communities, enabling Indians to communicate and cooperate.

5. **Read 662**

F. Indian colonialism's gravediggers

1. What the British colonizers build above all, are their own gravediggers. British colonialism will be overthrown by either an anti-colonial revolution in India or a proletarian revolution in England (662).

2. We can see Marx's **dialectical approach** at work here.

3. Really, these articles are an **application of chapter 1 of the Manifesto**. Even the last paragraph is remarkably similar to the final "gravediggers" paragraph of chap. 1. (The articles were written five years after the Manifesto.)