

Marx's 'Truly Social' Labour Theory of Value: Part I, Abstract Labour in Marxian Value Theory

Patrick Murray

To make abstractions hold good in actuality means to destroy actuality.¹

Marx's theory of value addresses a multitude of ways in which labour performed within the force-field of capitalist social relations can be abstract. The root of this multiplicity is the profound abstractness of capital's urge endlessly to accumulate surplus-value, as measured in money. The various ways that Marx conceives labour to be abstract due to the power of capital continue to perplex interpreters and so stand in need of identification and disentangling, tasks I undertake in this two-part article. Marx wasn't joking when he wrote of the commodity: 'it is a very strange thing, abounding in metaphysical subtleties and theological niceties'.²

The key to understanding Marx's thought on these topics is to grasp the role that *social form* plays. In thinking about wealth we commonly pose one or two questions: how much wealth is there? or how is wealth distributed? In this snippet of dialogue between two schoolgirls in his novel *Hard Times*, Charles Dickens forcefully brings home the simple reason why the first question does not suffice:

'And he said, Now, this schoolroom is a Nation. And in this nation, there are fifty millions of money. Isn't this a prosperous nation, and a'n't you in a thriving state?' 'What did you say?' asked Louisa. 'Miss Louisa, I said I didn't know. I thought I couldn't know whether it was a prosperous nation or not, and whether I was in a thriving state or not, unless I knew who had got the money, and whether any of it was mine. But that had nothing to do with it. It was not in the figures at all,' said Sissy, wiping her eyes.³

¹ Hegel 1955, p. 425

² Marx 1977a, p. 163.

³ Martha Nussbaum and Amartya Sen quote this passage at the beginning of the introduction to their co-edited book, *The Quality of Life*. They go on to

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What the 'How much?' and 'How distributed?' questions neglect to raise is a fundamental, if elusive, question: *what is the social form and purpose of wealth?* Asking this third question presupposes a conception of human wealth as an intrinsically social phenomenon: wealth always has a specific social form and purpose. And what these are matters.

This presupposition is the quintessence of Marx's much misunderstood historical materialism.⁴ Marx insists on it in principle, as, for example, when he writes in the *Grundrisse*, 'All production is appropriation of nature on the part of an individual within and through a specific form of society'.⁵ And he insists on it in practice when he comes to study specific historical phenomena. Thus, *Capital* is largely a study of the nature, inner connections, and powers of *value-forms* (commodity, money, capital, wages, etc.), that is, the specific social forms constitutive of the capitalist mode of production. This means that *Capital* is not a work *in* economics – 'Marxist economics' is a misnomer – rather, *Capital* is what Marx said it was, a critique of economics. The heart of that critique comes to this: economics pretends to do what cannot be done, to provide a scientific account of the production and distribution of wealth in utter abstraction from historically specific social forms. Of course, in order to explain things, economists turn around and sneak them back in, usually under cover of slurring the difference between specific categories like capital or wage-labour and general ones like productive resources or labour.⁶

The failure to grasp the nature of Marx's theory of value matches the failure to recognise Marx as a critic of economics rather than a radical economist. Instead of seeing Marx's theory as a radical departure from the classical, or Ricardian, labour theory of value, commentators often see it as an improved, more consistent and

say why, in judging the quality of life, we want to know more than just how much wealth there is and how it is distributed.

⁴ For a critique of the standard, 'technological', misunderstanding that conceives of the 'forces of production' as asocial, see *The Violence of Abstraction*, Derek Sayer's book-length rejoinder to G.A. Cohen's *Karl Marx's Theory of History*, and see Martha Campbell's remarks on pp. 144–6 of Campbell 1993b.

⁵ Marx 1973, p. 87.

⁶ The consequences of Marx's conception of social form for the social sciences extend beyond economics. In his eye-opening study *Marx, Marginalism and Modern Sociology*, Simon Clarke shows how the conceptual shortcomings of economics, specifically, neoclassical economics, crossed over to modern sociology in the work of Max Weber, Talcott Parsons, and other leading sociologists.

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radical version that lays bare, through the theory of surplus-value, the exploitative class structure of capitalism. But Marx's theory of value is not so much a theory of wealth and labour as it is a theory of the peculiar *social form* of wealth and labour in capitalism. Indeed, *Marx's theory of value is nothing but his theory of the distinctive social form of wealth and labour in capitalism.* Where the classical labour theory of value is a completely asocial theory of value, Marx's is a thoroughly social one.

Ironically, we find commonly attributed to Marx precisely the asocial conception of value that he overthrew. James Bernard Murphy puts this upside down claim as plainly as possible: 'Value, for Marx, is not determined by our relations to persons but by our relations to natural objects.'⁷ Jürgen Habermas asserts that, for Marx, labour is instrumental action, which Habermas characterises as a 'monological' (asocial) relation of humans to nature.⁸ This likewise saddles Marx with precisely the asocial conception of labour and value that he overturned.

Many passages from Marx might be added to the following two to demonstrate that he actually held a 'truly social' conception of labour and value:

Since the exchange-value of commodities is indeed nothing but a mutual relation between various kinds of labour of individuals regarded as equal and universal labour, i.e., nothing but a material expression of a specific social form of labour, it is a tautology to say that labour is the only source of exchange-value and accordingly of wealth in so far as this consists of exchange-value.⁹

Hence he [Wagner] would have found that the 'value' of a commodity only expresses in a historically developed form, what exists in all other historical forms of society as well, even if *in another form, namely, the social character of labour...*¹⁰

Notice, what is true of all historical societies is not that labour produces value but that labour always has *some* definite social form. Value, for Marx, is the consequence not of asocial 'labour' but of a

⁷ Murphy 1993, p. 223. Richard Winfield's critique of Marx's theory of value as asocial is premised on the same inverted reading. See Winfield 1988. For a critique of Winfield see Smith 1993.

⁸ See Habermas 1971. Seyla Benhabib adopts this interpretation in Benhabib 1986.

⁹ Marx 1966, p. 35.

¹⁰ Marx 1975, pp. 206–7.

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specific social form of labour. This places Marx's theory of value far from the discourse of economics.

Capital is wealth possessed of an imperious social form with an icy purpose. Tendencies to abstraction are endemic to capital. Indeed, Marx characterises the novelty of the capitalist epoch as the surpassing of regimes of personal dependence by the domination of all by abstractions of their own making. Marx conceives of the uncanny power of the capital form in terms of the different ways it subsumes and transforms wealth, its production, and its distribution. Wealth and its production and distribution always have *some* specific social form; with his concepts of the *formal*, *real*, *ideal*, and *hybrid* types of subsumption under capital, Marx distinguishes different ways in which the social forms bound up with capital exercise their power.¹¹ These four categories of subsumption organise Marx's thinking about the various ways in which capital's propensities toward abstraction work themselves out.

Beyond these categories for sorting the ways capital makes labour abstract, I will draw on Marx's notion of a 'shadow form' derivative from the capital form. I will identify two, utility and instrumental rationality. In calling these 'shadows', I mean that they are produced by the actual, capitalist forms of social life, but they can appear to be independent actualities, like Peter Pan's shadow. Thus, utility and instrumental action have only a 'shadowy' existence, and the common conceptions of them are best thought of as 'pseudo-concepts';¹² nonetheless, these 'shadows' and 'pseudo-concepts' have their own reality and effects. Any gardener knows that shade matters. Labour may become abstract by coming under these 'shadows' of capital. Like shadows, 'pseudo-concepts' such as utility and instrumental action can be cast more widely than the actual forms they mimic: thus, they get applied to human activities that are not subsumed under the forms bound up with capital, such as unpaid domestic activities. Such overshadowing can ease the transition to ideal or formal subsumption under value categories.

The present essay, the first of a two-part article, will focus on the meanings of 'abstract labour' to which Marx appeals in explicating his theory of value in the first chapter of *Capital*. This thorny topic concerns the type of labour that produces value. The second part of

¹¹ On these four types of subsumption see Marx 1977b, 1019ff.

¹² Alasdair MacIntyre calls utility a 'pseudo-concept' in his book *After Virtue*. Tony Smith argues on the basis of texts from Max Weber that the concept of instrumental reason is derivative from the concept of value. See the Conclusion to Smith 1990, pp. 197–8. See also the section 'Labour and Instrumental Action', in Postone 1993, pp. 179–83.

the article, to appear in a later issue, will span the remaining forms of subsumption, including the 'shadow forms'. Because of the inherent interest of the topic of unpaid domestic labor, as well as its usefulness as a foil, I will also consider in Part II whether or not it can be considered abstract in any ways pertinent to Marxian value theory.

Only 'practically abstract' labour produces value

In opposition to Samuel Bailey's polemics against Ricardian 'intrinsic value', Marx argued that, though exchange-value is the necessary expression of value, it is not identical with value (as Bailey held). In thinking through what value could be, if it is not exchange-value, Marx concluded that it can only be labour, that is congealed labour, but, more precisely, congealed 'abstract labour' – since concrete labours are incommensurable. Just what does Marx mean here by 'abstract labour' and what do different answers to that question tell us as to whether Marx's theory of value is social or asocial?

It has widely been assumed that 'abstract labour' is simply identical with value-producing labour. This assumption, which I previously shared, sets up what I will discuss below as 'Rubin's dilemma'. I will argue that, while the concept of value-producing labour depends upon that of abstract labour, it is not the same concept. In fact, it is not the same *sort* of concept. Whereas labour of any concrete and historically specific social type can be viewed as labour in the abstract, only a historically specific sort of labour is *abstract in practice*, that is, receives its social validation precisely insofar as it counts as abstract labour. This concept of 'practically abstract' labour as a definite historical type of labour, namely, the labour that produces commodities and is socially validated once those commodities are exchanged for the universal equivalent (money), builds conceptually on the generally applicable notion of abstract labour. For we can tell whether labour is abstract in practice only if we first know what it means to be abstract. To judge whether a particular figure is a triangle, I need to know what a plane is. The fact that the concept of abstract labour is generally applicable does not imply that labour of every social sort produces value. Not all plane figures are triangles. Though labour can produce value only insofar as it is abstract, not every sort of labour produces value insofar as it is conceived of abstractly. Only 'practically abstract' labour produces value.

Correctly understanding Marx's theory of value depends upon making this distinction between the concept of abstract labour and that of 'practically abstract' labour. If one simply equates the concept

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of value-producing labour with the (general) concept of abstract labour, an asocial, naturalistic concept of value is inescapable. That's one horn of 'Rubin's dilemma'. The second is this: if we identify abstract labour with value-producing labour and insist, rightly, that value-producing labour is of a historically specific social sort, then we must say that abstract labour is historically specific. The trouble here is that we get tripped up by the many passages in which Marx speaks of the general applicability of the concept of abstract labour. In other words, if we equate abstract labour with a historically specific sort, what can we make of Marx's talk of a generally applicable concept of abstract ('physiological') labour? But, when we recognise that: (i) Marx introduces the general, analytical category of abstract labour as a necessary step in expounding the concept of 'practically abstract' labour; and (ii) 'practically abstract' labour, not 'abstract labour', is value-producing, we escape 'Rubin's dilemma' and remove misgivings about whether Marx's theory of value is 'truly social'.

The concept of abstract labour is 'analytical' because it identifies an *aspect* of any sort of actual labour rather than identifying a *sort* of actual labour, as the concept of 'practically abstract' labour does. *There is no actual labour that is abstract as opposed to some other actual labour that is concrete.* All actual labour is concrete and can be viewed as abstract. Thus Ernest Mandel misunderstood the nature of these concepts. He argued that service labour cannot be value-producing because all such labour must be concrete, but service labour is not. In fact, however, all actual labour, service labour included, is concrete.¹³ Gerlach, a would-be critic of Marx discussed by Rubin, thought he could refute Marx through experiments showing that 'human labour is always accompanied and conditioned by consciousness' so 'we must refuse to reduce it to the movement of muscles and nerves'.¹⁴ But this only proves Marx's point: the concept of abstract ('physiological') labour abstracts from actual human labour, which is always consciously purposive (concrete). Actual labours, then, cannot be sorted into the concrete and the abstract (not in the sense of these terms presently under discussion). 'Practically abstract' labour, by contrast, *is* a sorting concept, it sorts actual labours into those that are 'practically abstract' and those that are not. Abstract labour and 'practically abstract' labour are not just different concepts, they are different *kinds* of concepts. Abstract labour is like extension; 'practically abstract' labour is like wax.

Drawing this distinction between abstract labour and 'practically abstract' labour clarifies Marx's relation to classical political

¹³ See my critique of Mandel in the Appendix to Murray 1997b, pp. 57–61.

¹⁴ As quoted in Rubin 1972, pp. 132–3.

economy. First, and most importantly, this distinction reveals the profound difference between a generally applicable, asocial labour theory of value and a theory of value-producing labour as the historically specific social form of labour in capitalism, a 'value theory of labour' as Diane Elson terms it. There is a world of difference between the two. Second, this distinction properly locates Marx's acknowledged debt to classical theorists such as Smith and Ricardo. Marx credits the classical theorists with coming up with the concept of abstract labour, which his own very different conception of 'practically abstract' labour presupposes. Third, this distinction gives us pause in how we speak of Marx's distinction between the two sorts of labour involved in commodity-producing labour. Marx declared this to be the conceptual point on which the proper understanding of political economy turns; he regarded it as his own discovery and one of the best points in his book. If we understand the point to be simply the distinguishing of abstract from concrete labour, we reduce Marx's theory of value to a more lucid version of Ricardian value theory.¹⁵ That makes it hard to see where Marx

¹⁵ This appears to be the view that Paul Sweezy adopts. He writes, 'Abstract labor, in short, is, as Marx's own usage clearly attests, equivalent to "labor in general"; it is what is common to all productive human activity' (Sweezy 1942, p. 30). He follows up with an observation on Marx's relation to the classical: 'In this, as in many other cases, Marx started from a basic idea of the classical school, gave it precise and explicit expression, developed it, and utilized it in the analysis of social relations in his own original and penetrating fashion' (p. 31). The trouble here is that Sweezy is pinned down by the assumption that there is just one idea in play, and that is the generally applicable concept of abstract labour. Consequently, Sweezy can conceive of Marx's advance over the classical only in terms of cleaning up this one thought and putting it to work in a radical critique of capitalist social relations. Thus, as Marxists have so often done, Sweezy makes a left Ricardian of Marx.

It might not seem so, for Sweezy goes on to quote Lukács to the effect that abstract labour is an abstraction 'which belongs to the essence of capitalism' (p. 31). And Sweezy calls attention to the sort of labour mobility characteristic of capitalism as if he is moving toward an idea of abstract labour as something specific to capitalism. Still, the trouble is that he is assuming there is just one idea here, and he has already made it plain that it is generally applicable. So he is restricted to making this point in summation of his account of abstract labour: 'we may say that the reduction of all labor to abstract labor enables us to see clearly, behind the special forms which labor may assume at any given time, an aggregate social labor force which is capable of transference from one use to another in accordance with social need, and on the magnitude and development of which society's wealth-producing capacity in the last resort depends. The adoption of this point of view, moreover, is conditioned by the very nature of capitalist production

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thought his great innovation lay. Inasmuch as Marx granted that the classicals pioneered the concept of abstract labour, we have to wonder what he thought all the hubbub was about.

But the double-character of commodity-producing labour is not adequately expressed by talk of abstract versus concrete: commodity-producing labour is concrete and 'practically abstract'. The concept of 'practically abstract' labour piggybacks on the concept of abstract labour arrived at by the classical economists, so Marx was right to think of himself as standing on their shoulders. But Marx's idea that value comes not from labour but from a *historically specific social form* of labour, 'practically abstract' labour, is more than foreign to classical political economy; it thrusts the embarrassingly asocial presuppositions of economics into the light of day.¹⁶

In his 1993 essay 'The Difficult Labour of a Social Theory of Value', Geert Reuten argues that the theory of value presented in *Capital* is beset with ambiguity due to Marx's failure to recognise fully how fundamental was his own incipient break with the classical (Ricardian) labour theory of value. Reuten's essay is especially noteworthy for two reasons: first, Reuten is very sympathetic toward Marx's project in *Capital*, and he is a 'value-form' theorist himself (that is, he takes the theory of value to be a theory of the historically specific form of wealth in capitalist societies). Second, Reuten recognises both that Marx does invoke a generally applicable concept of abstract labour and that such a concept cannot serve as the basis for a 'truly social' theory of value. In this, Reuten challenges the assumptions behind what I am calling 'Rubin's dilemma'. Reuten

which promotes a degree of labor mobility never before approached in earlier forms of society' (p. 32). Here, we have expressed a thoroughly Ricardian (and Enlightenment) observation, which speaks of 'wealth' and 'aggregate social labour' but is deaf to questions as to the specific social form of wealth and of labour. To this is stapled the interesting point in the sociology of knowledge – one Marx makes – that the peculiar social practices of capitalism give rise to the generally applicable concept of abstract labour.

Though Sweezy admirably goes on to discuss the fetishism of commodities and even quotes Marx as saying that this fetish character originates in 'the peculiar social character of the labor which produces commodities' (Marx as quoted by Sweezy, p. 35), he has put himself in no position to make sense of this. Because his thinking is penned in by 'Rubin's dilemma', Sweezy cannot but represent Marx's theory of value as fundamentally Ricardian and therefore not 'truly social'. Sweezy cannot put the puzzle together because, without knowing it, he is missing a piece: he lacks the concept of 'practically abstract' labour.

¹⁶ For an account of how radically Marx's theory differs from both classical and neoclassical economics see Campbell 1993b.

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argues that Marx's theory is open to the interpretation that it is an 'abstract labour-embodied' theory of value and that such a theory does not differ fundamentally from Ricardian theory. It still conceives of value as asocial. This is so because, Reuten argues, in contrast to the *determinate* notion of 'value-producing labour' required by a true 'value-form' theory of value, 'abstract labour' is a *general* concept.¹⁷

Reuten's discrimination between a 'concrete labour-embodied' theory and an 'abstract labour-embodied' theory seems to take into account Marx's advance over Ricardo (at least if we believe that Marx's innovation was to distinguish between concrete and abstract labour), while concluding that Marx did not unambiguously surpass Ricardo's asocial theory of value. If convincing, Reuten's interpretation would put the claim that Marx holds a 'truly social' theory of value under a question mark. So it forces readers who, like myself, reject any assertion that Marx at best held confusedly and ambivalently a 'truly social' labour theory of value to think further about abstract labour and value in *Capital*.

I will argue that Reuten is right to observe that Marx employs a notion of abstract labour that is general, and thus lacks the determinacy of value-producing labour, but wrong to think that Marx ever meant to identify this general notion of abstract labour with his concept of value-producing labour. Though the general notion of abstract labour is applicable to all human labour, it is only in a society where, as a rule, wealth takes the commodity form that the notion of abstract labour has practical significance. Only in such a society is labour validated as equally human in the same stroke as society treats the particular concrete character and purpose of the labour with utter indifference.¹⁸ Is it any wonder why Americans have locked in on the phrase 'Whatever!?' Only such a society applies the category of abstract labour to itself in and through its own everyday practices. (This is not to say that members of such a society *think* of themselves as doing this; they do not.) For Marx, value-

¹⁷ On the distinction between general and determinate abstractions see Murray 1988, Chapter 10.

¹⁸ In the course of explaining why Aristotle was unable to solve the riddle posed by the expression of value, Marx observes: 'The secret of the expression of value, namely the equality and equivalence of all kinds of labour because and in so far as they are human labour in general, could not be deciphered until the concept of human equality had already acquired the permanence of a fixed popular opinion. This however is possible only in a society where the commodity-form is the universal form of the product of labour, hence the dominant social relation is the relation between men as possessors of commodities'. (Marx 1977a, p. 152.)

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producing labour is 'practically abstract' labour, which is labour of a peculiar social sort.

Reuten associates the ambivalence he detects in Marx's theory of value with alleged confusions in Marx's mode of presentation: is *Capital* really a work in systematic dialectics or not? Reuten sees it falling well short of his expectations, which are Hegelian. I think Reuten is right to link the interpretation of Marx's theory of value to the question of how Marx has organised his presentation in *Capital*. But I think Reuten is wrong: first, to presume a strictly Hegelian standard, when, in *Capital*, Marx renews his early criticism of the Hegelian expectation of 'presuppositionlessness' in scientific presentation, and, second, to reach such a negative judgement regarding *Capital's* claim to be a work of scientific dialectics.

The questions involved in understanding and assessing Marx's method do not pull away cleanly from the doctrines of *Capital*; how we answer them will guide us in how we read *Capital*. Consequently, I will offer a short guide to Marx's method before returning to Marx's theory of value, 'Rubin's dilemma', and Reuten's challenge.

Phenomenology, essentialism, and systematic dialectical presentation: a package deal

To explain what I mean by phenomenology, that is, the experience-based inquiry into what things are,¹⁹ I begin with two heroes of analytic philosophy, George Berkeley and David Hume. Specifically, I take up Hume's notion of a 'distinction of reason', which he expressly derives from Berkeley's theory of abstraction. Hume's notion of a distinction of reason calls attention to the fact that, in experience, we find situations where we can conceptually *distinguish* aspects of something perceived, but these aspects cannot be *separated* in experience or even in imagination. Hume gives the example of a white marble globe: we can distinguish its whiteness from its spherical shape, but we cannot imagine having the one stand apart from the other. To give another example, Hume's theories of belief and of the (exclusive) division of our perceptions into impressions and ideas rely on the different 'manners' exhibited by our perceptions. These 'manners' are not separable from the perceptions they are the manners of – the vivacity or dullness of a perception does not stand apart from it – consequently, the notion of the *manner* of a perception involves a distinction of reason.

¹⁹ Phenomenological investigation is the 'redoubled' part of what I called Marx's 'redoubled empiricism' in Murray 1997a.

In allowing for distinctions of reason, Hume presupposes an experience-based mode of inquiry capable of making judgements about how things are concrete. By something being concrete I mean that it necessarily involves more than one conceptual determination or distinction of reason, as, for example, a sound involves tone and intensity or a commodity involves use-value and exchange-value. The properties that make something concrete in this sense are inseparable from it and can be identified as its *essential* properties. These *are* the properties that we ask for with the question: 'What is it?'²⁰ The experience-based inquiry that is presupposed by the claim that we can differentiate between a distinction of reason and the idea of a separable object is what I mean by the term 'phenomenology'. So, phenomenology is the experience-based inquiry into the essence (or nature or form) of things. If *essentialism* is the belief that there are essences (or natures or forms), phenomenology is based on that belief; phenomenology is essentialist.²¹

If 'phenomenology' is the name for the experience-based inquiry into the essence or nature of things, 'systematic dialectical presentation' (or 'systematic dialectics') is the name for the most appropriate way to present the findings of phenomenology. So, dialectical presentation is rooted in experience; it is not a matter of spinning webs *a priori*. Briefly, what the term 'dialectical' points to is that a presentation of this sort will show that those aspects of the object that phenomenology has revealed to be essential (that is, actually inseparable from it) are essential and inseparable. Thus, for example, in *Capital*, Marx shows that value and price are inseparable and also that generalised simple commodity circulation is inseparable from the circulation of capital. Such a presentation serves as a much needed corrective to 'non-dialectical' ones, by which I mean presentations that rely on poor phenomenology, operating as if aspects of the object under study that actually are essential to it are not. Thus, *Capital* corrects the poor phenomenology underlying economics, which imagines that value and price are actually separable, that simple commodity circulation does not presuppose the circulation of capital, and, more generally, that human needs, labour, and wealth are separable from their social forms and the representations of those forms.

²⁰ Hegel stresses the primacy of this question, writing, 'But neither we nor the objects would have anything to gain by the mere fact that they possess being. The main point is not that they are, but what they are... Laying aside therefore as unimportant this distinction between subjective and objective, we are chiefly interested in knowing what a thing is: i.e., its content, which is no more objective than it is subjective' (Hegel 1975, pp. 70–1).

²¹ On Marx as an essentialist, see Meikle 1985.

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The term 'systematic' refers to a presentation's being orderly, coherent, and complete. (With that last qualifier in mind, it is evident that there is at least one sense in which *Capital* fails to come up to the standard for systematic dialectics.) The orderliness requirement echoes Descartes's writings on method – as does the *Grundrisse* section on method – by calling for the introduction of concepts *synthetically*, that is, in order of their conceptual concreteness: simpler categories come before more complex ones. The (broadly) Hegelian conception of 'systematic dialectics' adds to the systematicity of Descartes's mode of presentation by having the structure of presupposition runs in both directions.²² Not only do the complex categories presuppose the simple ones, which is the analytical point, the simple categories presuppose the complex ones, which is the phenomenological point. This two-way directionality of dialectical systematicity expresses the phenomenologically ascertained inseparability of multiple aspects of the object under examination.

This feature introduces a circularity into a systematic dialectical presentation that seems disturbing. And, it is at this point that Marx parts company with the Hegelian notion of systematic dialectics. Marx does not leave the circle of Hegelian systematic dialectics unbroken; he objects to the 'presuppositionlessness' of Hegelian systematic dialectics and insists that science has premises, which he and Engels sketched in *The German Ideology*. These premises, which are given by nature and are not themselves subject to being incorporated as 'results' of some more cosmic systematic dialectic, reappear in *Capital* and testify to Marx's explicit and frequently reaffirmed divergence from strictly Hegelian systematic dialectics (at least as he, questionably, understood Hegel).

In *Capital*, Marx offers both a general phenomenology of the human predicament and a specific phenomenology of the plight of humanity under capitalism. In this he does precisely what he roasts Jeremy Bentham for not doing:

To know what is useful for a dog, one must investigate the nature of dogs. This nature is not itself deducible from the principle of utility. Applying this to man, he that would judge all human acts, movements, relations, etc. according to

²² On this structure of mutual presupposition in *Capital*, see Bubner 1988 and Arthur 1997.

In his treatment of Descartes's theory of the order of scientific presentation, James Collins argues that Descartes himself recognised a certain mutual reinforcement of the concepts and claims introduced in an orderly fashion. See Collins 1972, pp. 68–71.

the principle of utility would first have to deal with human nature in general, and then with human nature as historically modified in each epoch. Bentham does not trouble himself with this.²³

The brunt of Marx's spare general phenomenology comes in his tellingly brief remarks on use-value in Chapter One (where he says little out of respect for the diversity and historicity of human needs) and his lengthier general observations in Chapter Seven on the labour process. Supplementing those two accounts with observations that crop up elsewhere in *Capital*, we get the following general phenomenology of the human predicament: *human beings are needy, self-conscious, symbolising, social, sexually reproducing animals who are in (and of) non-human nature, which they purposively transform according to their perceived wants*. This general phenomenology comprises the truth of historical materialism. (i) It establishes a point of reference for judging all accounts of human life and activities: when they depart from the full phenomenological complexity represented here they err (as economics does on a grand scale). (ii) In exposing the self-conscious, symbolising, sexualised sociality of human beings, it shows why no general, ahistorical account of human phenomena will be adequate to them. Rather, the study of human life and activities will always require investigating specific social forms of human life (and its reproduction) and the ways participants in different societies represent their common life to themselves.

To see why we can take the preceding observations as a gloss on the section of the *Grundrisse* introduction devoted to the method of inquiry and the method of presentation,²⁴ we need a bridge from Hume's eighteenth-century terminology to the nineteenth-century terminology of Hegel and Marx. The term 'moment' provides this bridge. Geert Reuten accurately defines the Hegelian (and Marxian) notion of a 'moment' as follows: 'A moment is an element considered in itself that can be conceptually isolated and analysed as such but that can have no isolated existence'.²⁵ So a Hegelian 'moment' is a Humean 'distinction of reason'. The difference between Hume and Hegel (and Marx) is that, though he engages in it, Hume allows no place in his official philosophy for phenomenology, whereas Hegel and Marx explicitly embrace it. Thus, I take it that, when Marx states '[t]he concrete is concrete because it is the concentration of many determinations, hence unity of the diverse',²⁶ he is making a

²³ Marx 1977a, pp. 758–9.

²⁴ Marx 1973, pp. 100 ff.

²⁵ Reuten 1993, p. 92.

²⁶ Marx 1973, p. 101.

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phenomenological claim according to which these many 'determinations' are recognised as 'moments' or 'distinctions of reason', not as a bundle of separable elements. Commenting on this passage, Geert Reuten observes: 'Contingent phenomena cannot be explained as codetermining the internal unity of many determinants',²⁷ appropriately making the link between the determination of 'moments' and essentialism. For, to grasp the unity of these diverse determinations is to grasp the essence or nature of this concrete object of study. Marx's 'method of inquiry' includes phenomenology.

But phenomenology presupposes analysis; properly conceived, analysis is a moment of phenomenology. Better yet, analysis and phenomenology are coeval. Thus, in that same text, Marx recognises that making appropriate distinctions of reason, which is the 'analytical' work indispensable for knowing, belongs to the 'method of inquiry'. Objects of knowledge may be presumed to be implicitly concrete, but it is the task of investigators to make that implicit complexity explicit through careful analysis, that is, by making good distinctions of reason. So Marx acknowledges his debt to thinkers in the tradition of political economy for having done so much of this analytical work. The problem with that tradition, however, was of the kind that so troubled Berkeley, namely, the tendency to hypostatise distinctions of reason, to think as though moments stand on their own. One way that Marx expresses this general complaint about the tradition of political economy is to chastise it for failing to attend to exchange-value, money, and capital as historically specific social forms. Instead, economics falsely proceeds as if wealth and its production were something actual in abstraction from specific social forms. By contrast, the object of *Capital* is a society of a certain type (a type still in the making as Marx wrote and still as we read), one whose social form of production (in an inclusive sense) is capital, and the book's task as a work of systematic dialectics is, in an orderly, coherent manner, to articulate that social form in its perplexingly abstract concreteness.

The present account of Marxian systematic dialectics holds that 'Marx's dialectic' is not solely a historical dialectic.²⁸ *Capital* is a work of systematic dialectics, but Marx does not believe that there is any *a priori* 'dialectical logic' for him to follow – an idea for which he pounced on Lassalle. Neither is *Capital* a work in strictly Hegelian systematic dialectics. On the contrary, I have argued that Marxian

²⁷ Reuten 1993, p. 92.

²⁸ For a contrasting view see Mattick Jr 1993. On the difference between historical and systematic dialectics, see Smith 1990.

systematic dialectics is simply the most appropriate mode of presentation for the results of phenomenology, that is, an experience-based investigation of some specific object of knowledge (capitalist society in the case of *Capital*), and that, in identifying the naturally given presuppositions of capitalist society, Marx rejects the presuppositionlessness of Hegelian systematic dialectics.

We can summarise the chief features of Marxian systematic dialectics, then, as follows. (i) A systematic dialectical presentation will have identifiable premises or presuppositions given by nature.²⁹ (ii) It will represent the moments of the object under study in their inseparability as uncovered by the analytical and phenomenological inquiry into that object. In so doing, it discloses the essence (or nature or form) of what is under study. (iii) In introducing those moments, the presentation will proceed from the conceptually simpler to the conceptually more complex. (iv) Though the conceptual development proceeds from the conceptually simpler to the conceptually more complex, the former are presented, at least implicitly, as presupposing the latter.

In Marx, phenomenology, essentialism, and systematic dialectics come as a package deal.

In order to illustrate the significance of this way of understanding Marx's method and to establish a key Marxian doctrine that will set us on the right course as we interpret Marx's theory of abstract labour and value, I will consider how a generalised circulation of commodities, a market society, is related to the circulation of capital.

Marx's whole presentation of the commodity and generalised simple commodity circulation presupposes capital and its characteristic form of circulation. It is perhaps the foremost accomplishment of Marx's theory of generalised commodity circulation to have demonstrated – with superb dialectical reasoning – that a sphere of such exchanges cannot stand alone; generalised commodity circulation is unintelligible when abstracted from the circulation of capital.³⁰ In

²⁹ This requirement of Marxian systematic dialectics appears to be incompatible with the more strictly Hegelian requirements as identified and embraced by Geert Reuten: 'All axioms are eschewed. Rather, anything that is required to be assumed, or anything that is posited immediately (such as the starting point), must be grounded. But it should not be grounded merely abstractly (i.e., giving arguments in advance), because this always leads to regress. That which is posited must be ultimately grounded in the argument itself, in concretizing it' (Reuten 1993, p. 92). I do not think that the sort of presuppositions Marx has in mind can be justified internally the way called for here.

³⁰ 'Circulation considered in itself is the mediation of presupposed extremes. But it does not posit these extremes. As a whole of mediation, as total

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other words, properly conceived, the notion of generalised commodity circulation marks a distinction of reason from the circulation of capital; it does not designate a form of life that could exist on its own. There is no sphere of generalised commodity production independent of capital.³¹ Consequently, when Marx begins with the commodity and commodity-producing labour in Chapter One, the actual objects of inquiry are commodity *capital* and *surplus-value*-producing labour. It is just that, to respect the synthetic order of a systematic dialectical presentation, conceptually simpler categories must be introduced first.

Marx's elegant argument demonstrating why the circulation of capital is presupposed by the generalisation of the commodity-form of wealth goes as follows. If we assume that wealth generally takes the commodity-form, then wealth will be produced and sold as commodities. But the wealth required to produce commodities (means and materials of production along with labour-power) will, on our assumption, likewise be in the commodity-form – it will have to be purchased before being put to use. This means that, in the course of the production of all goods and services, there will be a stretch that begins with money (spent to purchase the elements of production, since they are in the commodity-form) and ends with money (returned upon the sale of the newly produced commodity). On these assumptions, for commodities to be produced, some party who has money – and, since this party is acting as a commodity exchanger, we assume a self-interested agent – must spend it to initiate a process that will terminate in the return of money. What would motivate a self-seeking possessor of money to initiate such a circuit? The prospect of getting more money at the end of the cycle. When wealth is generally in the commodity form, only capitalists will, as a rule, undertake to produce it.³² It is the circulation of capital, then, that makes intelligible the generalised circulation of commodities.

process itself, it must therefore be mediated. Its immediate being is therefore pure guise. It is the phenomenon of a process going on behind its back' (Karl Marx, *Urtext*, as cited in Murray 1988, pp. 172–3).

³¹ Chris Arthur makes a persuasive argument for this in Arthur 1997. For a contrasting view, see Winfield 1988.

³² Martha Campbell sees Marx as demonstrating this point with his answer to the question: 'What social purpose is served by generalising the commodity form of wealth?' 'It can only be the accumulation of surplus-value.' See Campbell 1993a.

**Johnny Paycheck meets USX:
'practically abstract' labour³³**

Marx credits himself with having made a great discovery by distinguishing between *concrete labour* and *abstract labour* and then observing that it is abstract labour alone that creates value. What makes this a historic discovery and what does Marx mean here by 'abstract labour'?

Following the logic of Marx's thinking in the first chapter of *Capital* and drawing on remarks about abstract labour that he makes in the introduction to the *Grundrisse*, I propose that we read Marx as distinguishing between a generally applicable, analytical concept of abstract labour as 'physiological' labour and a concept of historically specific, 'practically abstract' labour. Marx's theory of value, then, claims: '*practically abstract*' labour, and only '*practically abstract*' labour, is value-creating labour. By making a distinction of reason, we may consider labour of any social type in the abstract. But, by 'practically abstract' labour, a term of my own device for which there is ample warrant in Marx's thoughts and words, I mean labour that a society treats as abstract – in the sense identified by the analytical concept of abstract labour – *in practice*.³⁴ 'Practically abstract' labour is socially validated in a way that shows society's *actual* indifference toward labour's specific character, that is, toward labour's specific ways of transforming nature and toward the specific use-value characteristics

³³ USX is the corporation formerly known as US Steel.

³⁴ In a passage from the *Grundrisse* to which we will return, Marx observes that, in capitalism, 'this abstraction of labour as such is not merely the mental product of a concrete totality of labours' (Marx 1973, p. 104) and 'for the first time, the point of departure of modern economics, namely the abstraction of the category "labour", "labour as such", labour pure and simple, becomes true in practice. The simplest abstraction, then, ... achieves practical truth as an abstraction only as a category of the most modern society' (p. 105).

In commenting on these passages in his *Dialectics of Labour*, Chris Arthur picks up on this idea of labour whose products are socially validated in the market as labour that is abstract in practice. Though his interpretation comes closer to Rubin's than to the present one, several of his formulations add credibility to the concept and terminology of 'practically abstract' labour. For example, he writes: 'In commodity exchange these individual labours are not mere fractions at the start; they become fractions of the total labour of society only insofar as their universal character achieves practical truth in the value relations of the products entering into commodity exchange' (Arthur 1986, p. 99). See also pp. 100 and 103.

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of its end product.³⁵ This, then, is a historically determinate social sort of labour, which shows that Marx's theory of value is not 'asocial' but a theory of social form. Hence Marx's theory of value must be understood as a contribution not to economics, which purports to bracket historically determinate social forms, but to the critique of economics.

What sort of social practice would validate labour in a way that fits this description of 'practically abstract' labour? What sort of society would actually be thoroughly indifferent to the specificity of use-values and therewith to the specificity of the labour needed to produce desired use-values? The 'Whatever!' world of generalised commodity circulation is such a society, the only one.

Think about generalised commodity circulation, the social arrangement that makes labour 'practically abstract'. To treat all wealth as commodities is to make the judgement that no particular use-values – and, since commodities are, as a rule, products of labour, no particular types of concrete labour – have any privileged social standing: society is stoically indifferent toward the specific use-value aspects of human needs and labour. The market, where 'all that is holy is profaned', gives meaning to the term "practically abstract" labour' by subjecting the products of labour to its grinding indifference. Now, the further question arises, what would make a society so indifferent to the specificities of human needs and to the sorts of labour required to satisfy those needs?³⁶ And how would participants in such a society represent the point of it to themselves? Consider two answers, the liberal answer and Marx's.

The classical liberal answer (which is also the answer of economics) is that society's indifference proves that there is no *collective good* being pursued in the marketplace; rather, the participants in the market act freely to satisfy their individually determined, self-seeking needs. Moreover, this indifference on society's part is admirable because, only by society's self-restraint in positing no collective good, is individual liberty attainable.³⁷

Marx answers: *there are no social systems of production lacking a collective goal: social action always has its purposes.*³⁸ The 'free market' is

³⁵ As previously noted, all actual labour is concrete in the sense marked by Marx's contrast between concrete and abstract labour in Chapter One of *Capital*.

³⁶ Here, I follow Martha Campbell's line of thought in Campbell 1993a.

³⁷ According to Friedrich Hayek, this is perhaps the greatest discovery mankind has ever made.

³⁸ Compare Martha Campbell's observation that, for Marx, 'property relations are relations for the collective use of both the elements and results

no exception to this rule: at most it appears to be. But what odd collective good is it that requires complete indifference on the part of society to the specific nature of human needs and to the labour required to satisfy them? The collective goal of accumulating surplus-value, which necessarily takes the form of endless moneymaking, fits the bill perfectly – uniquely, I believe. Indeed, we have seen how Marx argues that capital accumulation is precisely the collective goal that makes sense of generalised commodity exchange (the ‘free market’).

Market practices belong to the social arrangements that render labour abstract; they function as a sort of ‘labour-processing’ plant. The ‘free market’ is not an independent phenomenon; it is a moment of capital’s circulation. Consequently, any thought that the market *alone* makes labour ‘practically abstract’ misconceives the status of generalised commodity circulation in relation to the production process as a whole.³⁹ What it comes to is this: workers whose labour is ‘practically abstract,’ i.e., workers who produce value, work for a wage for capitalists, who produce in order to make a profit. Johnny Paycheck, meet USX; it’s a marriage made in heaven.

Clearly, ‘practically abstract’ labour is a historically determinate social form of labour. Non-capitalist modes of production are not based upon the market’s actual indifference toward the specific characteristics of needs, labour, and wealth.⁴⁰ That is not because in those forms of production labour is concrete, as opposed to being abstract – as we have seen, this distinction between concrete and abstract labour does not sort actual types of labour – but because they have collective goals that do not require labour to be treated as abstract. So, if Marx means that only ‘practically abstract’ labour produces value, then he means that only a specific social form of labour produces value. In that case, his theory of value is ‘truly social.’

This is what he does mean, I conclude, but the matter is complicated and potentially confusing. For Marx has in play three different concepts, in fact, three different *sorts* of concepts, and they

of production. This collective use assumes different forms, each with its own goal’ (Campbell 1993b, p. 146).

³⁹ Alfred Sohn-Rethel commits this error in his *Intellectual and Manual Labour*. For a critique of Sohn-Rethel along these lines see Postone 1993, pp. 177–9.

Isaac Rubin anticipates and criticises the error of thinking that value is produced by exchange alone. See Rubin 1972, pp. 147–58.

⁴⁰ István Hont and Michael Ignatieff’s essay in their co-edited book *Wealth and Virtue* tells the bloody tale of how European societies moved from taking privately produced grain and distributing it publicly to treating grain with all the indifference due a true commodity. See Hont and Ignatieff 1983.

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are liable to be run together in the mind of the reader. The three are: (i) the concept of abstract labour, (ii) the concept of 'practically abstract' labour, and (iii) the general concept of labour. The first and last are different, but both are generally applicable, while the second identifies a historically specific social sort of labour. Value is the product not of labour, not even of abstract labour (though labour produces value *only insofar as* it counts as abstract), but of 'practically abstract' labour, and *only* of 'practically abstract' labour.

The concept of abstract labour differs from the concept of 'practically abstract' labour precisely in being generally applicable. Marx maintains that, though this general notion of abstract labour comes into full view only when society becomes actually indifferent to the specificities of labour and labourers (which explains why Aristotle could not solve the riddle of the value-form), it is nonetheless applicable across all forms of social labour.⁴¹ Its general applicability, however, does not imply that all social forms of labour involve *actual social practices* that validate particular labours *as* abstract labour. Only in societies with such practices do we find 'practically abstract' labour. It turns out that only in capitalism are particular labours validated by a practice that treats them as labour in the abstract. So 'practically abstract' labour is specific to capitalism.

Now, how does the concept of abstract labour differ from the general concept of labour that Marx sets forth in the seventh chapter of *Capital*, 'The Labour Process and the Valorisation Process'? Marx spells out the general concept of labour as follows:

The labour process, as we have just presented it in its simple and abstract elements, is purposeful activity aimed at the production of use-values. It is an appropriation of what exists in nature for the requirements of man. It is the universal condition for the metabolic interaction between man and nature, the everlasting nature-imposed condition of human existence, and it is therefore independent of every form of that existence, or rather it is common to all forms of society in which human beings live.⁴²

⁴¹ On Aristotle, see Marx 1977a, pp. 151–2. See also below.

⁴² Marx 1977a, p. 290. Marx's restatement of his point at the end, 'or rather...' is meant to ward off the sort of misunderstanding widespread today due to the unfortunate legend of Marx's asocial, 'monological' theory of labour and production. At the close of the first paragraph of the section on the labour process, Marx observes: 'The fact that the production of use-values, or goods, is carried on under the control of a capitalist and on his behalf does not alter the general character of that production. We shall therefore, in the first place [Marx's term is *zunächst*, which is meant to alert

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Though general, this concept is not nearly so abstract as the concept of abstract labour, which is identified in Chapter One. The concept of abstract labour in Chapter One abstracts *altogether* from society, from specific purposes of production, and from nature to get down to 'pure labour'. By contrast to the thinness of that notion, the concept of labour in Chapter Seven is thick, though general. It explicitly incorporates, though in a general way, society and nature; as stated earlier, it presents Marx's general phenomenology of human labour, whereas Chapter One's concept of abstract labour abstracts

his reader to the fact that in discussing the labour process in abstraction from all specific social forms he is making a distinction of reason. PM], have to consider the labour process independently of any specific social form' (p. 283). Then comes a sentence that begins: 'Labour is, first of all [*zunächst*, PM], a process between man and nature...' which is echoed immediately following the summary already cited: 'We did not, therefore, have to present the worker in his relationship with other workers; it was enough to present man and his labour on one side, nature and its materials on the other' (p. 290). The misinterpretation of such passages has bolstered the legend of Marx the 'monological', asocial theorist of labour.

What Marx is saying throughout is that some general observations regarding the distinctively human labour process can be made independently of, that is, in abstraction from, all specific social forms of the labour process. (Compare Marx 1973, p. 85, on 'production in general'.) But, in making these observations, Marx is drawing a distinction of reason, attending to certain features that pertain, as he says, 'to all forms of society'. I call this a distinction of reason because, while Marx believes that some general observations regarding actual labour processes can be made in abstraction from their specific social form, he definitely does not believe either that there are any actual labour processes that lack a specific social form or that one can properly understand an actual labour process independently of its specific social form. As he puts it in the introduction to the *Grundrisse*, though we can make general observations regarding production, 'there is no production in general ... it is always a certain social body, a social subject' (Marx 1973, p. 86). The legend of Marx's asocial conception of labour would have us believe he thought otherwise.

But the proof is in the pudding. Once Marx has presented, by drawing certain distinctions of reason, what he has to say in a general way about human labour, he proceeds, in the second part of Chapter Seven, to examine the specific social form of the labour process in capitalism. For Marx's account of the valorisation process is his account of the specific social form of the labour process. The idea of offering an account of any actual labour process in abstraction from its specific social form and then trying to pawn that off as a properly scientific account – as economics does – never enters Marx's mind.

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entirely from the (actually inseparable) social and natural conditions of labour to get to 'pure labour' (labour 'in itself').⁴³

The general concept of labour is a different *sort* of concept than either the concept of abstract labour or the concept of 'practically abstract' labour. The general concept of labour identifies and gathers, in a general way, the essential features of any actual act of human labour. This concept pulls together the results of a general phenomenological inquiry into human labour. As such, this concept obviously does not pick out any particular sort of labour. The general concept of labour might be compared to the general concept of, say, physical object or body.

The concept of abstract labour, by contrast, attends not to the manifold of essential features of human labour but narrows its focus to one *aspect*, the expenditure of human energies. In abstracting *altogether* from the sociality, conscious purposiveness, and natural conditions characteristic of all human labour, the concept of abstract labour makes a distinction of reason: the pure expenditure of human energies is nothing actual. Consequently, the concept of abstract labour is not a concept that separates actual labours into sorts. It is not as though some labours are abstract (in this sense) while others are not. In this sense, there simply is no abstract labour. If the general concept of labour is like the concept of physical object or body, the concept of abstract labour is like the concept of extension. We who inhabit capitalist societies live in perverse imitation of the residents of St. Augustine's two cities: no matter what our passport, we all live in the social Flatland ruled by capital's valorisation process.

The concept of 'practically abstract' labour does refer to actual labour of a specific type; it sorts actual labours into those that are 'practically abstract' and those that are not. It can be compared to the concept of wax: wax is one sort of physical object.

In distinguishing between the concepts of labour in Chapters One and Seven in the course of a commentary⁴⁴ on some sticky passages on abstract labour in the Introduction to the *Grundrisse* (pp. 102–5), I asserted that 'the' concept of abstract labour in Chapter One is a determinate abstraction, unlike the general concept of labour of Chapter Seven. Now I think I was wrong and that my

⁴³ This means that Sweezy was wrong in saying: 'Abstract labor, in short, is, as Marx's own usage clearly attests, equivalent to "labor in general"; it is what is common to all productive human activity' (Sweezy 1942, p. 30). The general concept of labour encompasses all that is common to productive activity; the concept of abstract labour is narrower than that.

⁴⁴ In Murray 1988, pp. 127–8.

mistake lay in a failure to distinguish between the concept of abstract labour, which I now claim is general, and the concept of 'practically abstract' labour, which is historically determinate. Where, previously, I did not see a distinction to be made between these two, and I simply identified the concept of abstract labour with that of value-producing labour (which surely is historically specific), now I distinguish the general concept of abstract labour from the determinate concept of 'practically abstract' labour and identify only the latter with value-producing labour. The present interpretation, which sorts three concepts: (i) the (general) concept of *abstract* labour, (ii) the (determinate concept) of 'practically abstract' labour, and (iii) the general concept of labour, sticks to the main idea, that value-producing labour is of a historically specific type, while making better sense of certain passages in the *Grundrisse* and *Capital*. To confirm this, let us look at a passage or two from each work.

The concluding paragraph of Section 2 of Chapter One of *Capital*, the section entitled 'The Dual Character of the Labour Embodied in Commodities', reads as follows:

On the one hand, all labour is an expenditure of human labour-power, in the physiological sense, and it is in this quality of being equal, or abstract, human labour that it forms the value of commodities. On the other hand, all labour is an expenditure of human labour-power in a particular form and with a definite aim, and it is in this quality of being concrete useful labour that it produces use-values.⁴⁵

I take Marx to say here that there is a generally applicable concept of abstract labour (labour 'in the physiological sense') and that labour produces value *only insofar as* it is abstract in this sense. But, if this concept of abstract labour is general, if it is applicable to all human labour, would that not imply that all human labour is value-producing? No. Marx does not say, 'abstract labour' produces value. Rather, he says that labour is value-producing *only insofar as* it is abstract. *If* labour is to be value-producing, it will be so only insofar as it is taken in abstraction from its 'particular form' and 'definite aim'. In fact, Marx shows that there is a category mistake involved in the very proposition that all abstract labour produces value, for 'abstract labour' (in the sense relevant here) is not a *sort* of labour. The concept of abstract labour relevant here is not a sorting one; it is an analytical one pertinent to all human labour.

⁴⁵ Marx 1977a, p. 137.

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Neither should we forget what is the subject of inquiry in Section Two of Chapter One. The subject is not human labour in general, no more than the topic of Section 1 is wealth in general; it is the specific social sort of labour that produces commodities. Only *that* sort of labour, 'practically abstract' labour, is value-producing. Nonetheless, to make the point that commodity-producing labour produces value only insofar as it is abstract, Marx needs to develop the generally applicable concept of abstract labour.

The passage in *Capital* that most compellingly supports the present interpretation comes toward the beginning of the famous conclusion to the first chapter of *Capital*, 'The Fetishism of the Commodity and its Secret'. Lucio Colletti, in his important essay 'Bernstein and the Marxism of the Second International', rightly observed, 'Marx's theory of value is identical to his theory of fetishism', to which he correctly added, 'it is precisely by virtue of this element ... that Marx's theory differs in principle from the whole of classical political economy'.⁴⁶

By the 'fetishism of the commodity', Marx points to the fact that, in capitalism, use-values, the products of labour, come to be transubstantiated as values, objects possessed of peculiar social powers. Marx asks: '*What gives rise to the fetishism of the commodity?*' Following Colletti, we see that this amounts to the question, 'What gives rise to value?' Marx rules out several possible responses. He says that the fetish character of the commodity comes neither from the use-value of the products nor from 'the nature of the determinants of value'. Among those rejected determinants, Marx cites three. The second is the duration of the labour process, a consideration which Marx observes must concern any society. The third is the fact that labour always has *some* social form: 'as soon as men start to work for each other in any way, their labour also assumes a social form'.⁴⁷ The first determinant that Marx rules out takes us right back to the closing paragraph of Section 2: 'however varied the useful kinds of labour, or productive activities, it is a physiological fact, that they are functions of the human organism, and that each such function, whatever may be its nature or form, is essentially the expenditure of human brain, nerves, muscles, and sense organs'.⁴⁸ In other words, Marx flatly asserts that value, or the fetish character of the commodity, is *not* a consequence of 'abstract labour', that is, labour

⁴⁶ Colletti 1972, p. 77. Despite these ringing declarations, Colletti ultimately failed to figure out just how radically Marx broke with political economy. For a critique of Colletti along these lines, see Postone 1993, pp. 146–8.

⁴⁷ Marx 1977a, p. 164.

⁴⁸ Marx 1977a, p. 164.

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does not produce value *simply because* it can be viewed as an expenditure of human capacities. The reason he rules out the three 'determinants of value' is precisely *because they are general*: human labour always has a specific social form; the duration of the labour process always matters, though in different ways under different social forms; and human labour can always be regarded abstractly, as 'physiological' labour.

This passage demonstrates that: (i) Marx does have a general concept of abstract labour (which he distinguishes from his general concept of labour) and (ii) Marx holds that, although labour is value-producing only insofar as it is abstract in this 'physiological' sense, the fact that all human labour may be thought of in this abstract manner does not imply that all human labour is value-producing labour. If Marx thought that value was 'abstract labour-embodied' in the general sense of abstract labour (as Reuten claims), he would have already found the answer to his question as to the origin of the fetishism of commodities. Marx's account of the fetishism of commodities will not square with the notion that he held an asocial 'abstract labour-embodied' theory of value.

What, then, is the source of value, the fetish character of wealth in the commodity form? Marx answers:

Clearly, it arises from this form itself. The equality of the kinds of human labour takes on a physical form in the equal objectivity of the products of labour as values; the measure of the expenditure of human labour-power by its duration takes on the form of the magnitude of the value of the products of labour; and finally the relationships between the producers, within which the social characteristics of their labours are manifested, take on the form of a social relation between the products of labour.⁴⁹

There it is. Value is a consequence of the peculiar social form of wealth and labour in societies where wealth generally takes the form of commodities. The human labour whose equality with other forms of human labour is validated by the social practice of equating the products of those labours to one another in the market, through money, is abstract not in a general way; it is 'practically abstract' labour.

So as not to leave the slightest doubt as to whether or not this is a 'truly social' theory of value, Marx goes on to say, 'the commodity-form and the value-relation of the products of labour within which it appears, have absolutely no connection with the physical nature of

⁴⁹ Marx 1977a, p. 164.

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the commodity and the material relations arising out of this. It is nothing but the definite social relation between men themselves which assumes, here, for them, the fantastic form of a relation between things'.⁵⁰

One of the passages on abstract labour from the *Grundrisse* that I commented on in *Marx's Theory of Scientific Knowledge* was this: 'The simplest abstraction, therefore, which modern economics sets at the peak, and which expresses an ancient relation, valid for all forms of society, appears in this abstraction practically true, however, only as [a] category of the most modern society'.⁵¹ I claimed that this 'simplest abstraction ... valid for all forms of society...' was what I there called the 'abstract category of labour' and here call the 'general concept of labour', that is, the conception of labour that Marx expounds in Chapter Seven. The category of abstract labour that was 'in this abstraction practically true' only for modern society I called the concept of abstract labour. And, I further claimed that this was a determinate category and that abstract labour was value-producing labour. This appears wrong to me now.

We can make better sense of that passage by drawing the distinctions I now make among: (i) the general concept of labour, (ii) the concept of abstract labour, and (iii) the concept of 'practically abstract' labour. With these *three* different concepts in mind, we can see that this passage is not about the general concept of labour at all. That is not the 'simplest abstraction'; the concept of abstract labour is the simplest. *It* is the concept that modern economics 'sets at the peak', for only labour that counts as *abstract in this sense* is value-producing – and modern economics is all about value. This concept of abstract labour is general, since it is 'valid for all forms of society', but it is 'practically true' only in modern (market) societies. I take that to require the concept of 'practically abstract' labour as I have presented it. Though Marx has an analytical, generally applicable concept of abstract labour, it should be clear that he holds that only a historically specific social sort of labour, 'practically abstract' labour, produces value.

Escaping 'Rubin's dilemma'

In his seminal book, *Essays on Marx's Theory of Value*, Isaac Rubin opens the chapter devoted to abstract labour with an observation that still has bite today: 'When we see the decisive importance which

⁵⁰ Marx 1977a, p. 165.

⁵¹ Marx 1973, p. 105.

Marx gave to the theory of abstract labour, we must wonder why this theory has received so little attention in Marxist literature'.⁵² But Rubin is disappointed by what he finds among those who do pay abstract labour some mind. Typical is Kautsky's approach, which Rubin describes as follows: 'Abstract labour is the expenditure of human energy as such, independently of the given forms. Defined in this way, the concept of abstract labour is a *physiological* concept, devoid of all social and historical elements.'⁵³ For Rubin, this way of thinking of abstract labour dead-ends in an asocial, Ricardian theory of value that shows utter disregard for the 'truly social' theory of value that Marx sets forth in *Capital*.

Rubin forcefully states the apparent dilemma Marx's interpreters face:

One of two things is possible: if abstract labour is an expenditure of human energy in physiological form, then value also has a reified-material character. Or value is a social phenomenon connected with a determined social form of production. It is not possible to reconcile a physiological concept of abstract labour with the historical character of the value it creates.⁵⁴

To choose the first possibility, as so many Marxists and non-Marxists alike have done, is, as Rubin says, 'to arrive at the crudest interpretation of the theory of value, one which sharply contradicts Marx's theory'.⁵⁵ Rubin is thereby constrained to argue that there is no real dilemma here: abstract labour cannot be 'physiological labour'; in order to produce value, it must be a historically specific sort of labour.

I will not attempt to do what Rubin rightly calls impossible, namely, to 'reconcile a physiological concept of abstract labour with the historical character of the value it creates'. Instead, I will suggest why the dilemma Rubin poses is both more troublesome than he allows and altogether avoidable. The apparent dilemma is stickier than Rubin thinks, because his solution forces us to say either that Marx did not have a generally applicable concept of 'physiological' labour or that he had one, but it ought not be called a concept of abstract labour. Neither of those options is supportable, so Rubin's solution is not satisfactory.

⁵² Rubin 1972, p. 131. For example, Jon Elster is silent on the topic of abstract labour in his *Making Sense of Marx*.

⁵³ Rubin 1972, p. 132.

⁵⁴ Rubin 1972, p. 135.

⁵⁵ Rubin 1972, p. 135.

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There is a way out of 'Rubin's dilemma', however. It is to reject the presupposition that gives rise to it. The presupposition is this: Marx has a single concept of 'abstract labour' in play in treating the dual character of commodity-producing labour, so 'abstract labour' must be flatly identified with 'value-producing labour'. I claim that Marx has two different concepts in play – indeed, two different *kinds* of concepts – namely, the generally applicable concept of abstract ('physiological') labour and the historically specific concept of 'practically abstract' labour. While it is true that labour produces value only insofar as it is abstract in the 'physiological' sense, it is a simple fallacy to turn this around and claim that labour of whichever social sort produces value because the concept of abstract labour is generally applicable. Only 'practically abstract' labour may be identified with value-producing labour. So, while Rubin is right to insist that the generality of the concept of abstract labour, understood to be 'physiological labour', is incompatible with the historically specific character of the value it is supposed to produce, he is wrong to think that such a claim is forced upon one who says Marx's concept of abstract labour is a generally applicable one. If we get our concepts and terminology straight, 'Rubin's dilemma' does not arise.

Does this put me in the unwelcome position of defending those whom Rubin criticises? I do agree with them that Marx's concept of abstract labour is generally applicable. However, because they share Rubin's mistaken assumption that Marx has one concept in play here, they are then forced into the egregious error of flatly identifying abstract labour (in this generally applicable sense) with value-producing labour. For that, Rubin rightly lambasts them.

My position is substantially in agreement with Rubin: what he calls 'abstract labour' is what I call 'practically abstract' labour. But this terminological difference is still significant. First, Rubin's terminology gets in the way of convincingly answering those who say that Marx conceives of abstract labour as a generally applicable concept, so that, if abstract labour simply is value-producing labour, value cannot be a socially specific form of wealth. It is not persuasive either to deny that Marx has a generally applicable concept of 'physiological' labour or to deny that it deserves to be called a concept of abstract labour. Second, Rubin's terminology distorts his interpretation of what Marx is doing. Thus, Rubin writes of the 'physiological' concept of labour as 'the simplified conception of abstract labour' and as a 'preliminary definition'.⁵⁶ These phrases, especially the former, suggest that Rubin thinks that there is one

⁵⁶ Rubin 1972, p. 135.

concept in play, abstract labour, so that the concept of 'physiological' labour must be a simplification of the concept Marx is after. The concept of 'physiological' labour *is* simpler than the one Rubin calls 'abstract labour', but it is not a simplified version of *that* concept. It is a different concept, indeed a different sort of concept.

Failure to see this gets Rubin into a tangle. He says: 'Whoever wants to maintain Marx's well-known statement that abstract labour creates value and is expressed in value, must renounce the physiological concept of abstract labour'.⁵⁷ But what exactly are we to renounce? That there is a legitimate, generally applicable 'physiological' concept of labour? That such a concept deserves to be called a concept of abstract labour? That such a concept should be identified with the concept of value-producing labour? I agree with Rubin that the concept of 'physiological' labour should not be identified with the concept of value-producing labour. But Rubin himself accepts the legitimacy and general applicability of the concept of 'physiological' labour. His constrictive terminology, however, does not allow him to call it a concept of abstract labour; he has reserved the term 'abstract labour' for value-producing labour. That unwarranted move causes confusion.

Rubin writes: 'But this does not mean that we deny the obvious fact that in every social form of economy the working activity of people is carried out through the expenditure of physiological energy'.⁵⁸ What is this but to admit that there is a legitimate, generally applicable concept of 'physiological' labour? But he follows this admission with some special pleading: 'Physiological labour is the presupposition of abstract labour in the sense that one cannot speak of abstract labour if there is no expenditure of physiological energy on the part of people. But this expenditure of physiological energy remains precisely a presupposition, and not the object of our analysis'.⁵⁹ This fails to make the point that the *concept of* abstract labour is presupposed by the *concept of* value-producing labour (what Rubin calls simply 'abstract labour' and what I term 'practically abstract' labour): we need to know what it means for labour to be abstract before we can tell whether or not a certain social type of labour is abstract *in practice*. So the 'physiological' concept of labour is a necessary object of analysis, even though it is not the ultimate object of analysis. Rubin has to pooh-pooh its significance because his concepts and terminology do not provide him the room to give it its due. Rubin's resolution of the dilemma he poses is not snarl-free.

⁵⁷ Rubin 1972, p. 136.

⁵⁸ Rubin 1972, p. 136.

⁵⁹ Rubin 1972, p. 136.

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But, by distinguishing between Marx's generally applicable concept of abstract ('physiological') labour and his concept of 'practically abstract' labour, we escape 'Rubin's dilemma.'

On Reuten: might Marx have held an 'abstract labour-embodied theory of value'?

By now, I hope to have presented a compelling case for the claim that Marx offers a 'truly social' labour theory of value. However, in his 1993 essay 'The Difficult Labour of a Social Theory of Value,' Geert Reuten contends that ambiguities exist in Chapter One of *Capital* that allow for an interpretation that Marx held an 'abstract labour-embodied theory of value'. That would mean that Marx did not escape the orbit of Ricardian theory. In this closing section, I attempt to answer the points that Reuten makes in support of his contention.

Reuten distinguishes three basic types of value theory swirling around in Marx and Marxism: (i) concrete labour-embodied theory, (ii) abstract labour-embodied theory, and (iii) value-form theory. Though Reuten detects traces of the concrete labour-embodied theory in Marx, interpreting his theory as such would not begin to do justice to Marx's innovations in value theory. By contrast, the abstract labour-embodied theory takes into account Marx's insistence that only abstract labour is value-producing. Since Reuten recognises that Marx employs a generally applicable concept of abstract labour, he argues that a theory of value founded upon abstract labour in this general sense would fail to break with classical theory. Reuten emphasises that, if value were simply embodied abstract labour, it would have no inherent connection with the market. Such a theory would fail to provide a 'truly social' theory of value, which only the value-form theory of value can offer.

I agree with Reuten that an abstract labour-embodied theory is an asocial one that represents no fundamental break with classical political economy. But the evidence shows that Marx never held that theory, which is at such cross purposes to his objectives in *Capital*. Where Reuten's reasoning goes wrong, I believe, is in its failure to recognise that there are *two* concepts in play in Chapter One, the general concept of abstract labour and the concept of 'practically abstract' labour.⁶⁰ And Marx's account of value-producing labour is

⁶⁰ Reuten does entertain a notion of 'practically abstract' labour, indeed, he devotes a section of his essay to it, 'The Abstract-Labour Theory of Value: Abstraction in Practice'. However, he seems to take the notion of 'practically

completed only with the latter: 'practically abstract' labour, not 'abstract labour' produces value. And, as we have seen, 'practically abstract' labour is inherently connected with the market.

Reuten makes three main points in support of his claim that Marx failed to achieve unambiguously a 'truly social' theory of value: (i) Marx repeatedly spoke of labour being 'embodied' in commodities; (ii) Marx repeatedly invoked the 'metaphor of substance'; and (iii) Marx is unclear about his method: he does not make clear whether his abstractions are *analytical* or *dialectical*. For Reuten, these first two points combine to show that Marx failed to break unequivocally with the naturalism of classical value theory. I find these first two points *prima facie* unpersuasive for this simple reason: I do not see how to avoid reading *Capital*, and the first chapter in particular, as an all-out assault on precisely the proposition that Reuten suggests Marx slips into defending, namely, that value is some asocial property of wealth.⁶¹ As Marx sardonically comments in wrapping up the first chapter, 'so far no chemist has ever discovered exchange-value either in a pearl or a diamond'.⁶² I cannot reconcile the clarity and confidence with which Marx ridicules the very proposition that Reuten contends he might have been propounding with the idea he was ever propounding it.⁶³

Still, why *does* Marx talk about 'embodiment' and 'substance'? I believe that Marx expects us to be shocked by the ludicrousness of the very proposition that abstract labour is 'embodied' in

abstract' labour as a way of interpreting the concept of abstract labour as a determinate one, whereas I am arguing for two separate concepts, one general (abstract labour) and one determinate ('practically abstract' labour).

⁶¹ In commenting on Cornelius Castoriadis's essay 'From Marx to Aristotle,' Moishe Postone observes that Castoriadis 'imputes an implausible degree of inconsistency to Marx. He implies that, in one and the same chapter of *Capital*, Marx holds the very quasi-natural, non-historical position he analyses critically in his discussion of the fetish' (Postone 1993, p. 171, n. 110). Though Reuten's claims are qualified, thus he finds Marx's text ambiguous and offers the 'abstract labour-embodied' reading only as a possible interpretation, they remain unlikely for the same reason.

⁶² Marx 1977a, p. 177.

⁶³ Though I disagree with Reuten that Marx was 'enmeshed in the physical substance-embodiment metaphor' (Reuten 1993, p. 110) – on the contrary, I think that Marx, with brilliant irony, exposed the fetishism involved in taking value to be a physical substance that 'transcends sensuousness' – Reuten is surely right to link the (profound misunderstanding of the) metaphor to the failure of many Marxists to recognise the theory of value as the theory of capitalist social forms. Even if Reuten's suspicions about Marx are unsustainable, he sheds light on how Marx came to be so widely misunderstood, including by Marxists.

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commodities: how can *abstract* labour be *embodied*? Is not the bodily the antithesis of the abstract? Marx says as much when he writes:

If I state that coats or boots stand in a relation to linen because the latter is the universal incarnation of abstract human labour, the absurdity of the statement is self-evident. Nevertheless, when the producers of coats and boots bring these commodities into a relation with linen, or with gold or silver (and this makes no difference here), as the universal equivalent, the relation between their own private labour and the collective labour of society appears to them in exactly this absurd form.⁶⁴

When Marx begins to speak of the fetish character of the commodity, he says that when something becomes a commodity 'it changes into a thing that transcends sensuousness';⁶⁵ commodities are, then, 'sensuous things that are at the same time supersensible, social'.⁶⁶ But the supersensible cannot be sensible, bodily; Marx does not believe in incarnation. Marx calls this 'embodiment' of 'congealed quantities of homogeneous human labour' a 'phantom-like objectivity'.⁶⁷ Did Marx believe in ghosts?⁶⁸ To treat commodities as if they 'embodied' abstract labour is to reify a distinction of reason; it is to treat an analytical abstraction as if it picked out some actual, natural or natural-like property of a product. Here, we face one of those 'metaphysical subtleties'⁶⁹ to which Marx alerts us. In a capitalist society we *act* as though abstract labour were

⁶⁴ Marx 1977a, p. 169.

⁶⁵ Marx 1977a, p. 163.

⁶⁶ Marx 1977a, p. 165.

⁶⁷ Marx 1977a, p. 128.

⁶⁸ In a qualified way one may answer 'yes' to this question. Recalling Marx's observation that to understand value 'we must take flight into the misty realm of religion. There the products of the human brain appear as autonomous figures endowed with a life of their own' (Marx 1977a, p. 165), consider this passage from Marx's notes to his dissertation: 'The ontological proof means nothing but: that which I actually present to myself, is an actual presentation for me that has its effect on me, and in this sense all gods, pagan as well as Christian, possess a real existence ... Kant's example [of the one hundred talers] could have made the ontological proof more forceful. Actual talers have the same existence as imagined gods [have]' (as quoted in Murray 1988, p. 49). The 'ghostly objectivity' of value is real in the sense that it is posited by the actual practices of a capitalist society, and this positing of value has real effects. But this way of looking at the objectivity of value does not show that Marx mistook it for something natural; rather, it confirms that he held a 'truly social' labour theory of value.

⁶⁹ Marx 1977a, p. 163.

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'embodied' in products; the bizarreness of this social practice – even when seen through – does not stop it.

Marx's treatment of the fetishism of commodities in Section 4 amounts to a commentary on the results of Section 3's investigation of the value-form, the necessary, polar form of expression of value in exchange-value. There, Marx points up three 'peculiarities' of the value-form: (i) *value* is expressed as *use-value*, (ii) *abstract labour* is expressed as *concrete labour*, and (iii) *private labour* is expressed as *directly social labour*. It is the second that is most pertinent here.

The body of the commodity, which serves as the equivalent, always figures as the embodiment of abstract human labour, and is always the product of some specific useful and concrete labour. This concrete labour therefore becomes the expression of abstract human labour. If the coat is merely abstract human labour's realisation, the tailoring actually realised in it is merely abstract...Tailoring is now seen as the tangible form of realisation of abstract human labour.⁷⁰

This is very peculiar precisely because of the absurdity of thinking that tailoring just *is* abstract labour incarnate. Talk of 'embodiment' and 'substance' cannot be avoided in writing a critique of capitalist society, but let's not lose the irony.⁷¹

Rather than capitulating to naturalism, Marx's talk of abstract labour being 'embodied' bears directly on his theory of value as social form, as can be seen from his account of what gives rise to the fetishism of the commodity. The 'metaphysical' notion of abstract labour 'embodied' in products comes up precisely because Marx is dealing with a particular social form of production (capitalism) that validates actual labour only through the interaction of the products of labour. It is that peculiar social form of labour that forces upon us the weird notion of 'abstract labour embodied'.

We read earlier what Marx thinks of the idea that value is a bodily property of products (commodities): 'the commodity-form, and the value-relation of the products of labour within which it appears, have absolutely no connection with the physical nature of the commodity and the material relations arising out of this. It is

⁷⁰ Marx 1977a, p. 150.

⁷¹ Reuten illuminatingly observes (Reuten 1993, p. 97) that, when Marx introduces the concept of value, he makes an unmistakable reference to the transubstantiation of the bread and wine at the Consecration of the Mass. This observation fits in well with my contention that Marx's talk of value 'substance' is laced with irony, but it is at sixes and sevens with Reuten's contention that Marx thought value was some sort of natural substance.

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nothing but a definite social relation between men themselves which assumes here, for them, the fantastic form of a relation between things'.⁷² I know of no place in *Capital* where Marx wavers from this view. When he speaks of 'substance', he qualifies it as 'social substance',⁷³ an expression that is inexplicable on the assumption that he is enmeshed in a naturalistic understanding of value. The fact that Marx speaks of 'substance' and 'embodiment' and 'congealed labour' only means that he is doing what is necessary to present a critique of a society that acts as if such ideas made good sense. At the same time – this is a critique, after all – Marx's use of 'substance' is taunting. What a topsy-turvy sort of society it must be that is organised such that its social relations appear to be natural properties of things! Time for Ghostbusters!

I believe that there are further connotations to Marx's use of the term 'substance' in connection with value. As I argued in *Marx's Theory of Scientific Knowledge*,⁷⁴ Marx's account of the 'value substance' as the 'residue' that remains once all the concrete, natural properties of commodities have been abstracted away,⁷⁵ intentionally mimics Descartes's famous derivation of material substance (*res extensa*) from his analysis of the bit-turned-blob of wax at the end of the second Meditation.⁷⁶ Like Berkeley, Marx took a dim view of this sort of abstract, 'metaphysical' materialism, for it hypostatizes 'distinctions of reason', extension, flexibility, moveability, and number, into 'abstract ideas'. Where abstract material substance makes a fetish of our abstractive capacities in thinking about natural objects, acting as though there actually were pure thought and objects of pure thought, value makes a fetish of the market's practical abstraction from the specific useful properties of commodities and from the concrete labour that produces them, treating 'congealed abstract (or pure) labour', as if it were something actual, instead of what it is, a socially enacted distinction of reason. Since we know that Marx was no fan of Cartesian materialism, we can see that he is deliberately undermining the naturalistic conception of value by invoking this Cartesian connotation of the word 'substance'.

In Hegelian language deriving from Aristotle, a society may be called a substance insofar as it possesses sufficient autonomy to reproduce itself. Marx was familiar with this usage and appealed to it in the course of writing his doctoral dissertation. He took the

⁷² Marx 1977a, p. 291.

⁷³ Marx 1977a, p. 128.

⁷⁴ Murray 1988, pp. 149–50, and Chapter 18.

⁷⁵ Marx 1977a, p. 128.

⁷⁶ See also Postone 1993, pp. 142 and 175.

Hellenistic philosophies (Stoicism, Scepticism, Epicureanism) to be outcomes of the breakdown of the substantial Greek societies that gave rise (in their decline) to Plato and Aristotle. Since Marx thought that the capital form was its own barrier, he saw limits on capitalist society's capacity to reproduce itself; nevertheless, especially in the unpublished *Results of the Immediate Production Process* and in Volume II of *Capital*, Marx made a point of demonstrating how capitalism is capable of reproducing itself materially *and formally*. So, value deserves the name 'social substance' because self-expanding value is the social form of capitalist production, and that social form is capable of reproducing itself – it is substantial. Obviously, this connotation of 'substance' indicates that Marx's theory of value pertains to the form of the society that posits it, not to a natural property of products of human labour.

Regarding Reuten's claim that Marx is confused as to whether or not his abstractions are analytical or dialectical and, more generally, as to whether *Capital* is a work of systematic dialectics, I will address just two issues. First is the question of the status of the abstractions involved in Marx's value theory in Chapter One; the other concerns whether or not the commodity is the proper starting point for a systematic, dialectical account of capitalist society.

Worries over the apparent confusion as to the status of the abstractions involved in Marx's value theory are, I contend, rooted in a failure to see that Marx has *three* concepts going: the general concept of labour, the concept of abstract labour, and the concept of 'practically abstract' labour. The first two concepts are general, which means that they are analytical abstractions (and we have seen that the Marxian conception of systematic dialectics calls for the incorporation of such abstractions); while the determinate concept of 'practically abstract' labour, which is equivalent to the concept of value-producing labour, is a dialectical one. That this is so becomes clear in the course of the double movement of thought in the first chapter. Once Marx has arrived at the concept of value by starting from exchange-value, he turns around in Section 3 and shows that exchange-value is the necessary form of appearance of value, which counts as a prime piece of dialectical reasoning.⁷⁷

Reuten asks, 'is this, the commodity, the most abstract all-embracing concept for the capitalist mode of production?'.⁷⁸ He answers: 'I doubt it.' He adds that 'Marx certainly develops from it

⁷⁷ On this double movement, from exchange-value to value and then from value to exchange-value, see Murray 1993. It is a telling fact about Reuten's essay that he does not talk about Section 3.

⁷⁸ Reuten 1993, p. 96.

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the form of capitalist production (from Chapter 4 onwards)', but he claims that 'from a systematic dialectical point of view, this is not convincing.' I believe that the commodity, understood (as it is presented in the opening sentence of *Capital*) as the form that wealth generally takes, is just the right starting point for Marx's systematic dialectical presentation of capitalist society. Chiefly, this is because of Marx's demonstration that generalised commodity circulation and the circulation of capital presuppose one another, which explains why Marx can make a dialectical argument that develops the concept of capital from that of generalised commodity circulation.⁷⁹

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⁷⁹ An earlier version of this paper was presented at the seventh conference of the 'International Symposium on Marxian Theory', held in Tepozlan, Mexico, in June of 1997. I would like to thank the other participants, Chris Arthur, Riccardo Bellofiore, Martha Campbell, Paul Mattick Jr, Fred Moseley, Geert Reuten, and Tony Smith for their comments. A version of the section on phenomenology and systematic dialectics was presented at the Radical Philosophy Conference held at San Francisco State University in November, 1998. I want to thank Jeanne Schuler and Peter Fuss for helpful comments. I would also like to thank the editors of *Historical Materialism* for their encouragement and well-considered suggestions.

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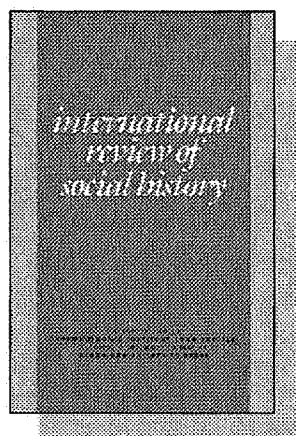
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