WHAT’S VALUE GOT TO DO WITH THE CRITIQUE OF POLITICAL ECONOMY?

THE MULTIPLE MEANINGS OF VALUE THEORY IN MARX.

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VORREI IL CAPITALE DI MARX.

LO INCARTO O LO BRUCIA QUI?
MARX

YOU KEEP USING THAT NAME. I DO NOT THINK IT MEANS WHAT YOU THINK IT MEANS
Marx

- Uniqueness of Marx: value theory within monetary analysis
  - Capital as an Automatic Fetish & Subject
  - Capital as a [social] relation [of production]
- Theory of exploitation
  - within a universalised commodity exchange economy
  - which is an essentially monetary economy
- Internal tendency to development & crisis

- How to read Marx: reading + interpretation + reconstruction
- The challenge: being a Marxian (not a Marxist) means do what Marx did: what is political economy after Marx? what have been fundamental changes in capitalism
- constant doubt & revision (& procrastination?)
CRITIQUE of Political Economy

- Critique versus Criticism
  - Pointing out errors in Political Economy
  - Learning from its scientific results
    - Developing science until the point it can be criticised (Critical P.E.)
    - Putting that science in question (Critique of P.E.)
    - What are the conditions of possibility of Political Economy?
    - This conditions are historical, but a capitalism is a system positing its own presuppositions.
  - The critique of the science provide a critique of capitalist social relation
  - Uniqueness of Marx: value theory within monetary analysis
CAPITAL

YOU KEEP USING THAT WORD. I DO NOT THINK IT MEANS WHAT YOU THINK IT MEANS.
Multiple meanings of value theory

• What IS Value theory
  • Labour Theory of Value = Value Theory of Labour
  • 1) Monetary [Labour] Theory of Value
  • 2) Theory of [Capitalist] Exploitation
  • 3) Macro-Monetary Theory of Capitalist Production
  • 4) Theory of [individual, relative] Prices
  • 5) ‘Out-of-equilibrium’ Theory
  • 6) Theory of Crisis(Crises)

• Each one of this multiple meanings has been misinterpreted
THE OBJECTIVITY OF THE COMMODITY AS VALUE DIFFERS IN THIS RESPECT FROM THAT A MAN "DOES NOT KNOW HOW TO HAVE IT".
ToV as Monetary Theory of Value

- Separation of commodity producers.
- Labour is immediately private, it *becomes mediately social* on commodity market, exhibited in money as the universal equivalent.
- Socialisation [Vergesellschaftung] is ex-post [Nachträgliche], after production.
- Unity of production and circulation.
ABSTRACT LABOUR

YOU KEEP USING THAT WORD, I DO NOT THINK IT MEANS WHAT YOU THINK IT MEANS
Value-as-content and Value-as-form

- It is not money that renders commodities commensurable. Before exchange commodities have already acquired the property of being universally exchangeable.
- Value within a commodity is a ghost. But Value-as-content duplicates in Value-as-form: Ideal Money
- Ideal Money turns into Real Money (most developed Form-of-value, universal equivalent). The qualitative homogeneisation is also quantitative, because Marx has a theory of money as a commodity (gold).
- Exhibition of abstract labour of commodities in the concrete (only immediately social) labour of money as a commodity (unity of production and circulation) is at the same time the expression of value into money (from production to commodity circulation).
- Abstract Labour is IN BECOMING, and it is actually Money IN MOTION.

PROBLEMS: among them, the “two worlds” perspective
IT IS AS IF, BESIDES LIONS, TIGERS, HARES, AND ALL OTHER REAL ANIMALS

ALSO THE ANIMAL EXISTED, THE INDIVIDUAL INCARNATION OF THE WHOLE ANIMAL KINGDOM.
“CAPITAL IS DEAD LABOR, WHICH, VAMPIRE-LIKE, LIVES ONLY BY SUCKING LIVING LABOR, AND LIVES THE MORE, THE MORE LABOR IT SUCKS.”

KARL MARX
ToV as a Theory of Exploitation

• Universal exchange only with Capital: individual producers are many capitals in “competition” => immediately private labours are collective workers organised within capitalist firms.

• Collective workers are, at the stage of real subsumption, immediately socialised [Vergesellschaftung!] labour.

• Technology => form determination of labour process, concrete properties come to labour from capital; living labour in capitalist production not only counts as but already IS abstract in product.

• How capital is produced. Two steps comparison: LL = NL, zero profits, simple prices (circular flow) / LL > NL, at simple prices: origin of surplus value. [non-Engelsian justification of dual evaluation]

• NL is attached to “free” + “equal” human bearers, LL is spent by them: LLP. Specific social problem: capitalist production is nothing but CONSUMPTION of workers who MAY resist (counter-productivity)

• First definition of EXPLOITATION is the USE of LLP, that is the WHOLE working day, affecting the ‘nature’ of labour, not just its distribution (NeoRicardians: use value; Marxist: labour magnitudes).

• This is the FOUNDATION of LTV.

• CONSTITUTION of capital as a relation in the “instance of class struggle in production”.

• Second definition of EXPLOITATION: surplus labour exhibited as surplus value.

PROBLEMS: among them, the “two worlds” perspective
ONE DOES NOT SIMPLY SPEAK OF A MACRO-MONETARY THEORY OF VALUE
ToV as Macro-Monetary Theory of Exploitation

• Macroscopic perspective, modelled on sect 7 of Vol.1 Macro agents: Firm sector, Banking system, Working Class.

• Kreislauf, “circuit”, successive phases: (i) initial buying & selling of LP (finance to production); immediate production (LL as fluid); final circulation of commodities (direct labour, objectified labour after prod./ideal money => social labour/”real money” in circ.

• Value in motion is NEITHER value NOR money. (It is the ens realissimum!).

• Vol. 1: Closed economy, no State. Capital extracts LL; but it is forced to reproduce LP, hence substraction of NL. Rate of surplus value, s’, is in simple prices: invariant!

• I, C => Pr. => (given s’, hence Pr. Share) Income, Employment

• Difference btw. Money (Geld) and Currency (Münze).

• Key Point: the Wage of the Working Class is given.

• The Micro Logic is subordinate & opposite to the Macro Logic: once New Value is extracted, pricing affects distribution of “direct labour” to producers, not valorisation anymore. The Transformation Problem is irrelevant!

• “Forget Moseley” and the other monetary approaches.
One is a Matrix, the other is a Marxist

Know the Difference
It could change your life
ToV as Theory of Individual Prices

• Dual system of (relative) prices?
  • labour-Values (‘exchange values’) vs Prices of Production?
  • homogeneous dimension: simple prices vs prices of production

• No: 2 “laws of exchange”, but only 1 price system, the capitalist one
  • But then, why Volume 1 as it is?
  • should Vol. I be read according to Vol. III? Hmmm…..

• The answer has already being given
  • in Marx we find another 2-step comparison (iteration)
  • completing the transformation just means revealing the ‘opacity’ of capitalist reality

• Marxists as well as Neoricardians or Neoclassical interpreters obliterate the process “constituting” the equilibrium position.
CAN'T BE OUT OF EQUILIBRIUM
IF THE CURVE DOESN'T EXIST
ToV as an out-of-equilibrium approach

- Constitution of economic magnitudes.
- Living labour as a fluid (variable!): direct labour as its objectification.
- Intra-sector, dynamic, competition. (Schumpeter)
- The commodity must be use-value for others, and that is not granted. (Keynes)
- Socially necessary labour time: dual definition. Average technique, Ordinary Demand.
- The “givens” are constructed, and the theory of value is redundant if this dimension is erased.
Enjoy the Fall (of capitalism)
**ToV as a theory of crises**

- Accumulation of (surplus) value is contradictory process
- Crisis: explosion and (temporary) solution of contradictions
- Monetary economy, “commodity circulation”: possibility
  - BUT: Vol. III, ch. 10, “ordinary demand” drives production (Keynes!)
- Schemes of Reproduction
  - not a ‘balanced growth’ model: dialogue with Torrens (use value dimension) + Ricardo-Say vs. Malthus-Sismondi (equilibrium/disequilibrium): demand is originated by capital, but no requirement of balance
- Necessity of crisis: profitability collapse (not an empirical/operational theory)
  - Profit squeeze? (Industrial Reserve Army). Distributive struggles and/or Conflict at the point of production?
  - Effective demand failures, yes BUT from a fall in Investment (against Underconsumptionism): Luxemburg?
  - Tendential fall in the rate of profit? PROBLEMS. Textual. Interpretative. It doesn’t work. Jettison it? NO.
- All these forms of crises MUST be connected (versus eclectic approaches)
  - Theoretical link: the Grundrisse? Luxemburg?
  - The core is the contradiction of capital (potentially) expelling workers from the point of production, when living labour is the exclusive source of new value, and hence surplus value.
  - TFRP as meta-theory of the crises. ‘Stage Approach’ to capitalist development and crisis.
Is There Life on Marx? The Critique of Political Economy as a Macro-Monetary Theory of Capitalist Production. (1)

- Preface
- Introduction:
  - What's value got to do with the critique of political economy? The multiple meanings of value theory in Marx.
- Part One: The 1844 Paris Manuscrits and the Grundrisse, or How to Re-read Marx Backwards.
  - 1. The Economic and Philosophical Manuscripts of 1844: On the Concept of Labour in Marx.
- Part Two: Capital, or the Marxian Critique of Political Economy and its Philosophical Foundation
  - 4. The Value Theory of Labour as a Theory of Exploitation: Abstract Labour, the Real Subsumption of Labour to Capital, and Capitalist Dynamics.
Is There Life on Marx? The Critique of Political Economy as a Macro-Monetary Theory of Capitalist Production. (2)

  - 5. The Value of Value: The Italian Debate on Marx’s Value Theory.
  - 6. Marx between Schumpeter and Keynes: Italian Circuitism Reclaiming Marx’s Theory of (Surplus) Value within the Cycle of Money Capital.
  - 7. One Step Up, Two Steps Back? From the Debates on the Transformation Problem to the Circulationist Perspectives and the New Interpretation(s).
  - 8. The Use of the Notion of Surplus Value. Reading Sraffa as if Marx really mattered.

- Part Four: From the Interpretation to the Reconstruction of Marx
  - 10. Marx’s Value Theory of Labour: Towards a Class Macro-Monetary Theory of Capitalist Production
  - 11. Marx’s Theory of Crisis: The Tendential Fall in the Profit Rate as a Meta-Theory of Crises, and Minsky’s Money Manager Capitalism as a Real Subsumption of Labour to Finance.
Part Five: Capitalist Reproduction and Crisis

12. ‘Like a Candle Burning at Both Ends’: Rosa Luxemburg and the Critique of Political Economy

13. Michał Kalecki and Rosa Luxemburg: an alternative reading of The Accumulation of Capital

14. On Paul M. Sweezy and Paul Mattick sr. (title to be defined)

15. On Suzanne de Brunhoff (title to be defined)

16. Current Crisis (title to be defined)
FB page: *Economisti di Classe*
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