

PART III, Chapter 5

CAPITAL, Volume I, 1867 - 1883

1. The Split in the Category of Labor: Abstract and Concrete Labor;
Labor and Labor Power

"All understanding of the facts depends upon a comprehension of this dual character of labor." (Marx-Engels Correspondence)

Marx begins CAPITAL as he began Critique, with an analysis of the dual character of the familiar unit of capitalist wealth, the commodity. He moves straightaway from the duality of use-value and value of the commodity to the dual character of labor itself. Marx considers the analysis of abstract and concrete labor as his original contribution to political economy, "the pivot on which a clear comprehension of political economy turns." He tirelessly reminds, in his correspondence, that since "all" (the emphasis is his) understanding depends upon this, "It is emphasized in the first chapter." (B/24/67)

Labor had been central to all of Marx's thinking the moment the young Marx broke with bourgeois society. That was not alone because he aligned himself with the working class. To Marx, as we saw from his earliest writings, the whole of human history could be traced through the development of labor. The evolution of man from lower to higher stages takes place by means of the developing process of labor. Labor has transformed the natural conditions of human existence into social ones. In primitive communism, labor was a mode of self-activity, the creative function of man, which flowed from his natural capacities and further developed his natural talents. In his contact with nature, primitive man, despite the limitations of his knowledge, exercised not only his labor power but his judgment as well. He thus developed himself and nature.

The social division of labor was the necessary prerequisite in moulding nature to man's will and creating new productive forces. However, this undermined the collective nature of production and appropriation.

Producers no longer consumed directly what they produced and they lost control over the products of their labor. Man is essentially a tool-making animal and the process of the production of his material life, the process of labor, means the process of the growth of the productive forces and his command over nature. We have seen Marx explain industry as "the real historic relation of nature, and consequently the science of nature, to man."

The industrial revolution, the progress of natural science and the general technological advance so revolutionized the mode of production that finally there arose a true basis for freedom. However, with the division of labor -- then most monstrous of which is the division between mental and manual labor -- class societies arose. The separation of intellectual and physical labor stands in the way of man's full development. Labor in class societies -- whether they be slave, feudal or capitalist orders -- no longer means the free development of the physical and intellectual energy of man. It has reached its most alienated aspect under capitalism where not alone the product of his labor is alienated from the laborer but his very mode of activity. It has ceased to be "the first necessity of living" and has become a mere means to life. It has become a drudgery man must perform to earn a living, and not a mode of activity in which he realized his physical and mental potentialities. He is no longer interested in the development of the productive forces and, in fact, the productive forces seem to develop independently of him. Labor has become a means of creating wealth and "is no longer grown together with the individual into one particular destination." (Critique, p. 299).

What is now in CAPITAL, as compared to the early works where he uses the term alienated labor and calls for "its abolition," and the Critique where it "is no longer grown together with the individual into one particular destination," is that Marx had not heretofore entered the labor process itself. The analysis of the capitalistic labor process is the cornerstone of the Marxian theory. Here we see what kind of labor produces value -- abstract labor -- and how the concrete individual labor with specific skills becomes

reduced by the discipline of the factory clock to nothing but a producer of ~~abstract~~
a mass of congealed, abstract labor.

There may be no such creature as an "abstract laborer." One is a miner or a tailor or a steel worker or a baker. Nevertheless, the perverse nature of capitalist production is such that man is not master of the machine, the machine of man. Through the instrumentality of the machine which expresses itself in the ticking of a factory clock, it has indeed become immaterial what the skill of man is so long as each produces such and such a quantity of products in such and such a time. Socially-necessary labor time is the hand-maiden of the machine which accomplishes the fantastic transformation of all concrete labors into one abstract mass. Paid or unpaid, all labor is forged labor. Every instant. With the analysis of what kind of labor produces value and surplus value and how this is done, Marx transcended Ricardo. He at one and the same time extricated the Ricardian labor theory of value from its contradictions and transformed it into a theory of surplus value.

The phenomenon of alienated labor, which some Marxists have treated as if it were a leftover of Marx's Young Hegelian days that stuck to him before he succeeded in working his way out of philosophic jargon into "materialism," is demonstrated by the mature Marx to be the very pivot on which turns, not just the science or literature of political economy, but the productive system itself. There is nothing intellectual or deductive about the worker's individual skills being alienated away from him to become a social labor whose only specific feature is that it is "human." ~~It is~~ It is a very real and very degrading labor process which accomplishes this transformation. Marx's concept of the degraded worker seeking universality, of living labor as revolutionary, caused a revolution in political economy.

Marxism is wrongly considered to be "a new political economy." In truth, it is a critique of the very foundations of political economy which is nothing ~~else~~ else than the bourgeois mode of thought of the bourgeois mode of production. By introducing the laborer into political economy, Marx

transformed it from a science which deals with things, such as commodities, money, wages, profits, into one which analyzes relations of men at the point of production. It is true that man's cardinal tie in this historic, that is to say, transitory, system called capitalism, is exchange and that this makes social relations appear as relations between things. But these things veil, instead of manifest, the essence. To separate the essence -- the social relations -- from the appearance -- the exchange of things -- required a new science that was at the same time a philosophy of history. That new phenomenon is Marxism.

It is characteristic of Marx, known the world over as the creator of the theory of surplus value, to disclaim the honor because the theory was "implicit" in the classical theory of labor value. What he did that was new was to make it explicit by showing what type of labor creates values and hence surplus values and the process by which this is done. What kept others from seeing it is that they had kept a goodly distance away from the factory and, remaining in the sphere of circulation & "which furnishes the 'Free-trader Vulgaris' with his views and ideas and with the standard by which he judges a society based on capital and wages," they remained prisoners of the "fetishism of commodities."

Marx shows that the appearance of capitalist wealth as an immense accumulation of commodities is not mere appearance. It is true it dazzles the sight and gives the relations between men "the mystical character of commodities, this fetishism that attaches itself to them, while fantastic, it is at the same time true. It is "what they really are" because of the perverse nature of capitalist production where the machine is master of man, not man of the machine.

Ideology and economy are integrally connected with the historic movement as content and form in a work of literature. Just as "logic is the money of the mind," so the fetishism of commodities is the mind, the ideology, of capitalist society; and ideology that holds prisoner not only the capitalist and his intellectual representatives but also the worker. Only freely associated labor will be able to strip the fetishism from commodities. By

tracing through the dialectical development of this fetishism, not alone as it is, but as it is bound to perish -- and in the revolutionary working class capitalism has created its own gravediggers -- Marx arrives at the class nature of the value form.

The failure of the Ricardian theory to explain the exchange between capital and labor on the basis of its own primary law of labor value, to explain, that is, how it is that labor -- which is the source and creator of all values -- becomes the poorer the more value he creates, had meant the disintegration of that school. The theory that all profits were created in the last hour (Senior's famous "11th Hour" theory, created to fight against the workers' struggle for a ten-hour day) sounded the death knell of bourgeois economics as a science. Yet the utopian socialists could not transcend the science. They had satisfied themselves with the declaration that the division capital and labor was unjust and proceeded to look for utopian schemes to abolish the injustice. Utopian socialism could move nowhere because it had introduced morality into economics and remained a prisoner of the economic categories of Ricardo.

Marx rejected the concept of labor as a commodity. Labor was an activity, not a commodity. It was not by accident that Ricardo used one and the same word for the activity and the commodity; he was a prisoner of his concept of the laborer himself as a thing. Marx, on the other hand, showed that what the laborer sold was not his labor, but only his capacity to labor, his labor power.

The principle involved here is that Marx has split the category labor. He split it because outside of the old category there have arisen new material forces and it is necessary to make a leap in thought to correspond to the new activity of the working class. The moment Marx has split this category and has created a new one, labor power, he has new weapons of investigation. "The peculiar characteristic is not that the commodity, labor power, is salable, but that labor power appears in the shape of a commodity." (CAPITAL, V. 2, p. 37)

Ricardo had been unable to extricate his Labor theory of value from the contradictions that befell it when it came to the most important exchange between capital and labor. Marx, on the other hand, was able to demonstrate how inequality arose out of the equality of the market.

That is because in the millions of commodities exchanged daily, one and only one, labor power, is incorporated in a living person. A \$5 bill or a piece of cloth has the same value in the market as at home or in the factory or in the pocket. Labor power, on the other hand, has first to be utilized, put to work, in the factory. He therefore can be, and is, made to work more than it takes to reproduce him. When he finds that out, his voice "stifled in the sobs and stress of production, cries out: what appears on your side as self-expansion of value, is, on my side, an extra expenditure of labor power." It is too late; his commodity, his labor power, no longer belongs to him but to the one who bought it. He is therefore told unceremoniously that he can quit if he wants to, but so long as he is in the factory he must work under the command of the capitalist.

The capitalist is most righteous about the whole transaction as he has a right to be since, according to the laws of exchange, he hasn't cheated. He has a contract with the laborer, duly executed according to the laws of exchange: so much money for so many hours of labor. The utility of a thing, he tells the laborer, belongs to him who has paid the exchange value. He has paid so much money for a day's labor, and he has as much right over it as the laborer over his wages. He, the capitalist, doesn't follow him to see whether he is a good provider and brings his \$5 bill home to his wife or whether he goes to the bar to drink it down; why can't the laborer be as considerate of the capitalist's right over his product. In any case, the worker can take it or leave it. But so long as he is in the factory,-- and here the voice of Mr. Moneybags is full of unquestioned, military authority -- the worker had better know who is boss. It is too bad that labor power cannot be disembodied from the laborer but that commodity belongs to him; he hasn't violated any

laws including the Ricardian law of value.

This is true. It isn't that the law doesn't hold in the factory. It is that in the factory "it" is no longer a commodity -- "it" is the activity itself, labor. True, the living laborer is made to work beyond the value of his labor power; it is his sweat that congeals into unpaid labor. That precisely is the miracle of surplus value, that labor power is incorporated in the living laborer. For the next 389 pages, Marx will not take his eyes off the relations of capital and labor at the point of production.

2. The Domination of Capital: Constant Capital and Variable Capital

"By turning his money into commodities that serve as the material elements of a new product, and as factors in the labor process, by incorporating living labor with their dead substance, the capitalist at the same time converts value, i.e., past, materialized and dead labor into capital, into value big with value, a live monster that is fruitful and multiplies."
(CAPITAL, V.I. p. 176)

"The Hegelian contradiction (is) the source of all contradiction." (CAPITAL, V.I. p. 608, fn.)

To examine the labor process, Marx establishes only two other categories: constant capital and variable capital. He is most specific and adamant about naming both factors of production, these absolute opposites -- labor and machine capital because these factors of production, as indeed all of bourgeois society, is under its domination. He then divides capital into two forms:

(1) Constant capital: the means of production and the raw materials which undergo no change in their value in the process of production. They yield to the commodities their value, in whole or in part, but they remain constant -- they yield no more than their value which has been established by the labor process from which they issued.

(2) Variable capital: labor power in the actual process of production, which undergoes a variation in the magnitude since it reproduces not alone the value for it, but an unpaid surplus.

Heretofore, economic science had made a distinction only between

fixed and circulating capital; distinctions which flowed from the process of circulation, not from the process of production where the surplus value is actually created. Constant and variable capital are Marx's original contributions to political economy, along with the distinctions in labor between abstract and concrete as well as between it as an activity and as a commodity, labor power. If you add to it what rightly belongs there, surplus value, you have a total of but six categories Marx has created for his profound analysis of capitalist production which takes up some 5,000 pages. Yet, as we shall see, at every critical turn in history, even Marxists have tried to denude these categories of their specifically capitalistic character which, as Engels put it, give them their "peculiar distinctness." As to those who have been blind to their dialectical development and prophetic vision, their number is legion. Each generation may have had to interpret Marxism for itself but it would at least have behooved them scrupulously to ~~firm~~ follow Marx's theory which took its point of departure from the real world in which he lived. The economic reality determined the structure of his work.

Marx no sooner establishes the two new categories, constant and variable capital, than he departs from the abstraction of theory to the actual struggles of the working class against the capitalist's "were-wolf hunger for surplus labor." The worker is compelled to struggle for the shortening of the working day because once the capitalist has discovered that a machine can work 24 hours a day, "All bounds of morals and nature, age and sex, day and night, were broken down....Capital celebrated its orgies." This "boundless thirst for surplus labor" expresses itself in the attempt to extend the working day. The surplus value produced through the extension of the working day Marx calls absolute surplus value.

The worker fights back but anyone who thinks that Marx spent 64 pages on "sob story stuff" is totally blind to the fact that society itself would have collapsed had the worker not fought for the shortening of the working day. Capitalism has used up nine generations of cotton spinners in three generations.

Any struggle for the establishment of a normal working day met with the powers of the state as well as the might of the capitalist. It was a "veritable civil war." While it curbed the capitalist orgies and saved society from collapse, labor learned labor solidarity, internationalism, and the fact that "Labor cannot emancipate itself in the white skin where in the black it is branded."

The simple question: where does my day begin and where does it end? Marx considered a philosophy far superior to Rousseau's famous "Social Contract" and the bombast of the Declaration of Independence and the Declaration of the Rights of Man. "In place of the pompous catalogue of the 'inalienable rights of man' comes the modest Magna Charta of a legally limited working day, which shall make clear 'when the time which the worker sells is ended, and when his own begins.' Quantum mutatus ab illo!"

Capitalism did not perish. It fought back with a more potent factor than even the state extension of the working day. Technological development made possible the extraction of surplus value within the same working day.

When Machine-ism is organized into a system, becomes the body of the factory, its spirit is incorporated in the factory clock. Every single motion of the human hand is timed, coordinated with the automatic movements of the machine to which the laborer becomes subordinated. Once the working day is shortened, it is not the capacity of the machine to run for 24 hours that is pivotal any longer. What becomes the turning point now is its power to command living labor, "suck it dry." The problem of the capitalist is to extract as much and more surplus value within the given working day as he had previously extracted during an elastic working day. The machine must justify its cost of production by lengthening that part of the working day in which the worker produces the surplus above that necessary to maintain him and have him reproduce his kind.

Cheaper goods makes this possible and that is all the liberal ideologists saw. Marx saw the greater exploitation of the worker, the greater contradiction in capitalist production. From the very start, when he first examined

the contradictory character of the commodity, Marx noted: "An increase in the quantity of use-values is an increase of material wealth. With two coats two men can be clothed, with one coat only one man. Nevertheless, an increased quantity of material wealth may correspond to a simultaneous fall in the magnitude of its value. The antagonistic movement has its origin in the two-fold character of labor." (CAPITAL V, I, p. 13).

By the time he has reached Manufacture, we can see how his new categories, constant and variable capital, illuminate the ever greater contradictions of capitalist production. The constant capital -- the machinery -- undergoes no change in value, no matter how light or how hard it is worked. The laborer, with his concrete type of labor, can transfer the value of the machine to the new product only to the extent of its original value. As dead matter, machinery is incapable of creating value and gains nothing from the labor process. The capitalist is therefore fully dependent on his other type of capital, variable capital, the labor power of the living laborer. It is he who must be forced to produce ever more. Where this can no longer be done through the lengthening of the working day, it must be done by making every instant count. This is where the factory clock plays its part. It is now not merely a sort of counting machine for the quantity of output. It has become a measure of the intensity of labor itself. The surplus labor or value thus extracted is related directly to the wear and tear of the laborer himself. Where the extraction of surplus value by lengthening the working day was the production of absolute surplus value, the extraction of surplus value within a given working day is the production of relative surplus value. Marx calls this "specifically capitalistic production". It comes out of the very nature of capitalist production and has no relationship to extraneous factors such as the state. In machine-ism, capitalism has not merely a productive force; it has a force to strike down the hand of labor to the right degree of intensity and docility, "a barracks discipline."

At the beginning, the bourgeois ideologists' relation to science was unambiguous. Professor Ure was most frank: "When capitalism enlists science

into her service, the refractory hand of labor will always be taught docility."

The rejoicing was loud and clear. "One of the most singular advantages we derive from machinery," wrote Engels, "is in the check it affords against the inattention, idleness and knavery of human agents." If, with automation, and the experience of a few revolutions, the capitalists and their ideologists boast only of "the magic carpet" of the new industrial revolution which "lightens" work, it is nevertheless true that machinery has not only superseded the skill and strength of the worker, but has put a greater nervous as well as physical the greater effort per unit of labor time. Marx saw all this 100 years ago when he described the method of transformation of millions of concrete labors into one abstract mass and focused on the domination of capital through the "peculiar distinctness" of his original categories; constant and variable capital.

The role played by the struggle for the shortening of the working day in production of absolute surplus value is not played by the "Strife between Workmen and Machinery." Professional Marxists have too sophisticated an attitude to the revolts which have raged throughout the history of capitalism. They manage to "take them for granted" what Marx called the "revolts against this particular form of the means of production as being the material basis of the capitalist mode of production" as if ashamed of the period when workers broke up machines instead of having their fights with "the real enemy" on the political front. They thereby miss the central point of Marxian theory that revolt marks every stage of capitalist progress. As Marx puts it: "It would be possible to write quite a history of the inventions, made since 1830, for the sole purpose of supplying capital with weapons against the revolts of the working class." (p. 436). The revolt caused the change to advanced methods; the revolt saved the life of the country. But, as we shall see in the last part of CAPITAL, each revolt caused a greater centralization, exploitation, socialization; and greater organization, both objectively and subjectively, of the proletariat.

There are two movements in CAPITAL: 1) the historical; and
2) the logical.

1) Historical: This includes what Marx calls "The Primitive Accumulation of Capital," where the power of the State is employed "to hasten in hothouse fashion, the process of transformation of the feudal mode of production into the capitalist mode," and where "The starting point of the development that gave rise to the wage laborer as well as to the capitalist was the servitude of the laborer....The expropriation of the agricultural producer, of the peasant, from the soil, is the basis of the whole process....The dull compulsion of economic relations completed the subjection of the laborer to the capitalist."

2) Logical: Take the three stages of development of capitalist production: a) Cooperation; b) Manufacture; c) Mechanization

"Dull compulsion of economic relations" is an "objective" enough phrase for the radical intellectual to swallow. The whole capitalistic system is based on the sale of labor power as a commodity and no one can blame the worker for hating the factory. Everyone can see the oppression, the feeling of repulsion against going into the factory with its prison-like discipline and the abject submission once there. What they cannot see is the frequent, violent strikes that appear so "suddenly." What only Marx saw is that, once in the factory, the worker has found strength in all the other workers and the cooperative labor process. He has lost his feeling of isolation and found a new power. It is true that he has also found that he no longer belongs to himself, that "As cooperators, as members of a working organism, they are but special modes of existence of capital" (V. I, p. 323).

"Hence the connection existing between their various labors appears to them, ideally, in the shape of a preconceived ~~plan~~ plan" of the capitalist, and practically in the shape of the authority of the same capitalist, ~~shakakakakak~~ in the shape of the powerful will of another, who subjects their activity to his aims. If then, the control of the capitalist is in substance twofold by reason of the twofold control of the nature of the process of production

itself -- which, on the one hand, is a social process for producing use-values, on the other, a process for creating surplus value -- in form that control is despotic." (V. I, p. 322).

Squeezing the cooperative form of labor, which is in essence socialist, into the value-form of production which is specifically capitalistic is the first deep contradiction of this historic form of production. It is followed by or develops into, the division of labor and manufacture where, again, the worker finds that the division of labor "implies the undisputed authority of the capitalist over men that are but parts of a mechanism that belongs to him."

"While simple cooperation leaves the mode of working by the individual for the most part unchanged, manufacture thoroughly revolutionizes it, and seizes labor power by its very roots. It converts the laborer into a crippled monstrosity, by forcing his detail dexterity at the expense of a world of productive capabilities and instincts; just as in the States of La Plata they butcher a whole beast for the sake of his hide or his tallow." (I, 354)

The degradation of the worker to an appendage of the workshop in turn produces machines which sweep away "the craftsman's work as the regulating principle of social production." With the same sweep we reach "Manufacture" which we would today call heavy industry. The objective drive of making surplus-value and ever more complicated machines comes out of the productive system itself. It is not that the individual capitalist is a tyrant. "The domination of the capitalist over the worker is in reality the mastery of dead over living labor."

The modern bourgeoisie has emasculated the word, revolutionary, so that it is equivalent to nothing but a violent overthrow in the dark of night, "a conspiracy." In truth, as compared to every previous social order, capitalism was the most revolutionary not because of its violent overthrows but because of its daily technological revolutions. In the Communist Manifesto, the young Marx had written:

"The bourgeoisie cannot exist without continually revolutionizing the instruments of production, and thereby the relations of production and all the social relations. Conservatism, in an unaltered form, of the old modes of production was on the contrary the first condition of existence for all earlier industrial classes. Constant revolution in production, uninterrupted disturbance of all social conditions,

everlasting uncertainty and agitation, distinguish the bourgeois epoch from all earlier ones. All fixed, fast-frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober senses his real conditions of life, and his relations with his kind."

The nature Marx quotes precisely this passage as in his analysis of Machinery and Modern Industry he reaches the "absolute contradiction between the technical necessities of Modern Industry and the social character inherent in its capitalistic form" and sees how "this antagonism vents its rage in the creation of that monstrosity, an industrial reserve army" and "the devastation caused by a social anarchy which turns every economical progress into a social calamity." (CAPITAL, V.I, p. 493).

Marx stresses that this is "the negative side." He shows how the resistance of the workers is the positive aspect which compels Modern Industry under the penalty of death to replace the mere fragment of a man "by the fully developed individual, fit for a variety of labors, ready to face any change in production, and to whom the different social functions he performs, are but so many modes of giving free scope to his own natural and acquired powers." (494)

Having traced the dialectical development of the two opposites, living labor and dead labor, labor and machinery, from Cooperation through the Division of Labor and ~~Machinery~~ Manufacture to Machinery and Modern Industry, Marx concludes that there is no other than the historical solution to the "revolutionary ferment" the final result of which is the abolition of the old division of labor, diametrically opposed to the capitalistic form of production and to the economic status of the laborer corresponding to that form." (V. I, p. 494). The penalty of death hanging over the capitalistic mode of production and the elements of the socialist society which are imbedded in the old will clash head on in The Accumulation of Capital, the final part of Marx's great work.

3. Accumulation of Capital of Crises and the Theory of Unemployment

"It is the ultimate aim of this work, to lay bare the economic law of motion of modern society." (Preface to CAPITAL)

How the historical and the logical in CAPITAL are not two separate movements; the dialectic contains them both. It is not that MARX has inter-related them; it is the very nature of the one to contain the other. What MARX has had as his underlying assumption is that history has not discharged theory ~~itself~~ from the need to transcend the given society. With MARX theory is not in heaven or in ivory towers, but takes its point of departure from reality, which is also its point of return. It is the reality out of which the movement comes. Yet it is true that the movement is at the same time an act of cognition. MARX's act of cognition does not separate object from subject. The very first sentence in his General Law of Capitalist Accumulation reads: "In this chapter we consider the influence of the growth of capital on the lot of the laboring class. The most important factor in this inquiry is the composition of capital..."

We are back to the ever greater growth of machinery at the expense of the working class, or constant capital over variable. We can see now how the very simple act of exchange, contains in embryo all the contradictions of capitalism. There is the contradictory two-fold nature of the commodity; its use-value and value. Behind it is the dual character of labor: concrete and abstract. In the process of production itself living labor and machinery become both forms of the existence of capital: constant and variable. And finally, we have the two-fold nature of capitalist accumulation: the ratio of constant over variable so that the mass of the means of production employed on the one hand, and the mass of labor necessary for their employment, on the other, or the value composition and the technical composition of capital are so interrelated and so reflect one another that MARX calls it the organic composition of capital, that is to say, it is part of the very organism and can no sooner be separated one from the other and still live, than the head from the body.

The great contradiction of capitalism, the one it cannot overcome, the one that is wrecking the system, is that the greater the use of machinery or constant capital, the lesser relatively the need of variable capital. But since surplus value can come only from variable or living labor power, it, at one and the same time, keeps on producing and reproducing wage labor and, on the other hand, keeps throwing it into a reserve army of unemployed. Marx calls this "the absolute general law of capitalist accumulation."

"We saw in Part IV, when analyzing the production of relative surplus value: within the capitalist system all methods for raising social productivity of labor are brought about at the cost of the individual laborer; all means for the development of production transfer themselves into means of domination over, and exploitation of, the producers; they mutilate the laborer into a fragment of a man, degrade him to the level of an appendage of a machine, destroy every remnant of charm in his work and turn it into a hated toil; they estrange from him the intellectual potentialities of the labor process in the same proportion as science is incorporated in it as an independent power; they distort the conditions under which he works, subject him during the labor process to a despotism the more hateful for its meanness; they transform his life-time into working-time, and drag his wife and child beneath the wheels of the juggernaut of capital. But all methods for the production of surplus value are at the same time methods of accumulation; and every extension of accumulation becomes again a means for the development of those methods." (p. 661).

How many have, at this point, stopped and bemoaned that nevertheless, the worker is out only for higher wages and that once he gets it he is satisfied "because he is better off." Marx says the exact opposite. As he continues, Marx stresses that whether "his payment is high or low" his lot is worse:

"It follows therefore that in proportion as capital accumulated, the lot of the laborer, be his payment high or low, must grow worse. The law, finally, that always equilibrates the relative surplus population, or industrial reserve army, to the extent and energy of accumulation, this law rivets the laborer to capital more firmly than the sledge of Vulcan did Prometheus to the rock. It establishes an accumulation of misery, corresponding with accumulation of capital. Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole, i.e., on the side of the class that produces its own product in the form of capital."

That is the negative side, the absolute of capitalist development. The positive side contains the elements of the new society that are present in the old, "the new forces and new passions (which) spring up in the bosom of

the society" and which will overcome it. But before we follow Marx in his summation of the historical tendency of capitalist accumulation, let us return to the beginning of the final part dealing with the Accumulation of Capital, in order ~~that~~ to note that not alone is Volume I of CAPITAL a whole in itself but it does, in fact, contain the essentials also of Volumes II and III. Only the bare essentials, tightly drawn, it is true, but both the essence and the motion of the entire development of capitalism which Marx calls its "law of motion." Thus, as he introduces the part, he writes:

"So far as accumulation takes place, the capitalist must have succeeded in selling his commodities, and in reconverting the sale-money into capital. Moreover, the breaking-up of surplus value into fragments neither alters its nature nor the conditions under which it becomes an element of accumulation. Whatever be the proportion of surplus value which the industrial capitalist retains for himself, or yields up to others, he is the one who, in the first instance, appropriates it. He, therefore, assumes no more than what actually takes place. On the other hand, the simple fundamental form of the process of accumulation is obscured by the incident of the circulation which brings it about and by the splitting up of surplus value. An exact analysis of the process therefore, demands that we should, for a time, disregard all phenomena that hide the play of its inner mechanism." (I, p. 577. My emphasis.)

Outside of the buying and selling of labor power, we have not dealt with the question of sale at all in Volume I, nor have we dealt with the division of the surplus value between capitalist, landlord and banker -- profit, rent and interest. Many an academic economist has said that Volume I is on too high a level of abstraction and if only Marx had started with Volume III when he deals with these actual problems of the market, it would be easier to understand him. Marx's point was the exact opposite. If you understand the production relations those in the market are easy. If you do not begin with production, you can understand neither the one nor the other. That is why he stresses that it is the inner mechanism he is dealing with and rigidly excluding all phenomena that hide the play or "deze the sight" (p. 601).

In a word, where labor has produced no value, neither Andrew Carnegie nor Houdini can create one or change what has appeared as steel into apples or clothing: "In one word, surplus-value is convertible into capital solely because the surplus-product, whose value it is already comprises the material

elements of the new capital." (I, 594, my emphasis.) But this, and the question of composition of capital are precisely the essence of Volumes II and III.

Having indicated the material elements and organic composition of capitalist production, Marx proceeds to show that the conditions of production are the conditions of reproduction and that the process of reproduction produces not alone commodities nor even only surplus value, but, above all, produces the capitalist relationship: on the one side capitalists and, on the other, wage laborers:

"Fanatically bent on making value expand itself, he (the capitalist) ruthlessly forces the human race to produce for production's sake; he thus forces the development of the productive powers of society, and creates these material conditions, which alone can form the real basis of a higher form of society, in which the full and free development of every individual forms the ruling principle." (I, p. 603)

Marx is concerned with the freedom of humanity and the inevitable waste of human life that the economic system called capitalism entailed. Capitalism develops according to two great fundamental laws: the law of centralization of capital, and the law of the socialization of labor. First, the law of centralization.

"One capitalist always kills many. Hand in hand with this centralization, or this expropriation of many capitalists by a few, develop, on an ever-extending scale the cooperative form of the labor-process, the conscious technical application of science, the methodical cultivation of the soil, the transformation of the instruments of labor into instruments of labor only useable in common, the economizing of all means of production by their use as the means of production of combined socialized labor, the entanglement of all peoples in the net of the world-market, and this, the international character of the capitalist regime." (I, pp. 788-789).

Note the phrase: the cooperative form of the labor process. Marx had his eyes fixed on what was happening in production. And this leads us into the second great law, the law of the socialization of labor. For every stage in this process of growth and the development of cooperative socialized labor, increases its numbers, unites it, disciplines it, organizes it. This has not a thing to do with any union or party. Not a thing. When capital organizes the River Rouge plant, needing some 60,000 workers, it has thereby

organized them as a social force, by the very fact that they work together in one large production unit. It is because capitalist production has organized them already, that a labor union and a labor political party can be formed. It is capitalism itself which produces, in Marx's phrase, its own grave-digger, in these millions of proletarians who are trained to cooperative labor by that scientific organization of large-scale production which capitalism itself created.

Others besides Marx had noticed this. And they believed that mankind would continually develop the cooperative form of the labor process with higher and higher standards of living, more and more democracy, more and more equality. People who thought this way at one time comprised the majority of educated society. But Marx was never afraid to stand alone and he laughed them to scorn. He ridiculed their idea of continuous progress. He insisted that it was the workers who were being trained to cooperation. It was the cooperative form of the labor process which grew continually. The more the workers were knit into huge cooperative units the more savagely capital had to attack and suppress them. Instead of a continuous growth of equality and democracy, you would have such class struggles as the world had never seen before, and a growing and unceasing revolt of the workers. Here are his own words:

"Along with the constantly diminishing number of the magnates of capital who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation, but with this too grows the revolt of the working-class, a class always increasing in numbers and disciplined, united, organized by the very mechanism of the process of production itself."

Marx wrote in 1867, 89 years ago. Since that time the unity, discipline and organization of the working-class has grown until today it is the most powerful social class the world has ever seen. As centralization has increased and the number of capitalist magnates diminished, so of necessity bureaucracy has grown. For the magnates by themselves are too few to discipline tens of millions of workers. Bureaucracy is their weapon against the cooperative society. What else can stop the working class?

Every worker in large-scale industry recognizes that today. These

thousands of men in a single plant need a vast apparatus of foremen, time-study men, superintendents, plant protection, etc. Precisely because the men who labor do not run the plant, you have a swarm of engineers, technicians and clerical employees who are engaged in doing work a great deal of which is totally unnecessary. To these are added lawyers and their staffs, economists, public relations men, all utterly useless except that they are necessary for capital. When the men form the union, the labor leadership soon has to increase its own personnel to discipline the men and to carry on its interminable negotiations with the company. A problem which a dozen men a plant could settle in ten minutes becomes a grievance and goes through a procedure involving a steadily increasing growth of bureaucracy. As the scale of production grows, so grows the bureaucratic administration. Finally the scale of production and the organizations of centralized capital and socialized labor reach a stage where a strike in one industry, sometimes in one plant, can paralyze the economy of the country. The crisis in production becomes a crisis of society as a whole. The corporations cannot control the workers. The labor leaders by themselves cannot. Both run to the government which intervenes with labor-relations boards, fact-finders, arbitrators, mediators, which means still further multiplication of administrative processes and bureaucracy. There are foolish people who think that the whole process is due to the complications of modern industry. Every worker knows that that is nonsense. This mighty apparatus springs from the need to discipline the workers.

The foreman does not tell the worker how to do his work. He is there to discipline him. Every day that becomes harder to do. Hence more bureaucracy, more supervision, more time-study men, more negotiations, more fact-finders, more propagandists. The ultimate end of all this is what there is in Russia, the completely bureaucratized state of totalitarianism, soldiers with bayonets in the factory and millions in slave labor camps. It is the final centralisation within a single country. The relations of production in any society determine, shape, put their stamp upon all other relations. As production expands and is bureaucratized, so is it with all other spheres of social activity. The most important is government. All this bureaucratization, ending in the one-party state, is rooted in the need to discipline workers in production.

Marx foresaw all this not because he was a prophet. But because he carried through to the logical conclusions all the laws of capitalist development which, by the time of the French edition of CAPITAL, 1872-1875, included this famous passage: "In a given society the limit would not be reached until the moment when the entire social capital was united in the hands either of a single capitalist or of a single capitalist company." (I. p.822)

It is to be remembered (for this is a lesson for Marxists of this generation) that this passage did not appear in the early editions. But after the Paris Commune, at about the same time that Marx was discussing with Engels the concentration of all capital into the hands of the state (see Anti-Duhring) he added this passage to Volume I, which is the one complete volume we have from his own hand, on which he never stopped working till the day of his death in 1883. In a note to the French edition, and in all subsequent editions incorporating these changes, he asked the German readers to acquaint themselves with these additions because they "possessed scientific value independent of the original." (I, 842).

It is perfectly clear that Marx wished this passage studied and had written it for a specific purpose. What the purpose is is also clear. Marx, and no serious analyst of society, would be specifically concerned as to how such a society of capitalists would arise, or what the possibilities of its arising, etc. He took this sum as a point of analysis because by it could be more clearly the limitations of any individual capitalist society. The point to note is that Marx insists that this single capitalism can be considered only in regard to a particular, given society, that is to say, Germany or France or Russia or the United States. By this he makes it clear that this given society, even though under the control or ownership of one

single capitalist, is under the control of the world market, i.e., the law of value. We would therefore be able to expect the following:

(1) The worker will be paid at value. But wouldn't it be possible, asked the well-intentioned planners, to raise the standard of living of the workers; not of some Stakhanovites, but of the working class as a whole, if all capital were concentrated in the hands of the state and thus easily planned? What a grand illusion! The moment that is done, the cost of production of a commodity goes up above the cost of the surrounding world market and then either the production inside the country is under sold by the product from a value producing society, which means that the society cannot indefinitely continue. The jet plane would cost so much more to build than the competing countries on the world market will be able to defeat the particular country in the present form of capitalist competition which is total war. It is not a question of simple competition or sale. If U.S. has the H-bomb and atomic energy, Russia better discover them too or perish.

(2) Means of production will far outdistance means of consumption.

That is both because the material form of production the world over is that -- that is why Marx assumed the capitalist world as "one nation" -- and because value production automatically makes the consumption goods of a community limited to the luxuries of the capitalist class plus the amount which the worker can buy when paid at value. It will be impossible over a historic period to avoid unemployment because the society will be straining every nerve to bring its plants to the level of the more advanced productive system and the only way to do that is to pay the worker as little as possible and to have him produce as much as possible.

The fundamental error of those who cannot understand that a single capitalist society is governed by the same laws as a society composed of individual capitalists is that they simply will not understand that what happens in the market is merely the result and the consequence of the inherent difficulties in the process of production itself. Where Marx kept us in the process of production throughout Volume I and there reached the ultimate limit of capitalist development into a closed single

capitalist company controlling everything, they seem to think that a single capitalist society will have a limitless market. Your single capitalist, call him Collective Leadership under Khrushchev, Inc., if you will, will have at a certain stage a magnificent plant completely automatized, or a jet bomber, but he cannot stop to raise the standard of the masses of workers. He may be able to avoid the more extreme forms of ordinary commercial crises but even within the community itself he cannot escape the internal crisis of production. The plan at no stage can stop to improve the conditions of the masses. Capital does not allow it. That is why Marx, throughout CAPITAL insists that either you have the self-activity of the workers, the plan of freely associated labor or you have the hierarchic structure of relations in the factory and the despotic plan. There is no in-between.

The only possibility of avoiding capitalist crises is the abrogation of the law of value. That is to say, planning must be done according to the needs of the productive system as a human system; human needs which are not governed by the necessity to pay the laborer at minimum and gaining the maximum abstract labor for the purpose of keeping the productive system as far as possible within the lawless laws of the world market, dominated by the law of value.

It may seem that all this would not apply to a capitalist society of a "really" advanced stage of development like the United States. Another monstrous illusion. If, for the sake of argument, we were to imagine the U.S. becoming a single capitalist society, this even, far from improving the conditions of the workers, would ~~xxx~~ worsen them. It would then be a given capitalist society, which means the rest of the world market would exist, thereupon Europe and the Far East would probably combine against it, and the struggle for the capitalist world market would result in a war which would either end in (1) a single capitalist state; 2) socialism; or 3) the destruction of civilization altogether. Backward country or advanced, the absolute law of capitalism, as analyzed by Marx, would hold good even if all capital were concentrated in the hands of one single capitalist or one single capitalist corporation. What to Marx was theory is a most concrete problem now with not a single fundamental

problem having been solved in the single capitalist society.

Marx knew where capitalism was going -- to degeneration and utter collapse. He saw the new forces and passions developing out of it and knew where the proletariat was going. "Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument. The integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated."

Marx had removed the question of value from a dispute among intellectuals and transformed it into a question of the struggle of the proletariat for a new society. The material and the ideal were never too far apart. No philosopher ever had a grander conception of humanity. Yet no philosophic conception was ever so solidly based on the first necessity of human society, labor and production. He best summarized his own social vision when he defined the new social order as a society in which "the free development of each is the condition for the free development of all" and that never again would the rights of the state be counterposed to that of the individual. Human freedom is the principle toward which he worked and his philosophy can be most fittingly called a new humanism.

Note: All page references given for Volume I, are according to the Donna Terra edition. To find the respective passage in the Kerr edition of CAPITAL, Vol. I, add 40 pages to the references given.