

CAPITAL

MARX

Arendt

HB

501

.M3561

1906

CAPITAL

A CRITIQUE OF POLITICAL ECONOMY

BY

KARL MARX

THE PROCESS OF CAPITALIST PRODUCTION

TRANSLATED FROM THE THIRD GERMAN EDITION BY
SAMUEL MOORE AND EDWARD AVELING

EDITED BY

FREDERICK ENGELS

REVISED AND AMPLIFIED ACCORDING TO THE
FOURTH GERMAN EDITION
BY ERNEST UNTERMANN



BENNETT A. CERF • DONALD S. KLOPPER

THE MODERN LIBRARY

NEW YORK

3772



CONTENTS.

	PAGE
EDITOR'S NOTE TO THE FIRST AMERICAN EDITION,	7
AUTHOR'S PREFACES—I. To the First Edition,	11
II. To the Second Edition,	16
EDITOR'S PREFACE—To the First English Translation,	27
EDITOR'S PREFACE—To the Fourth German Edition,	32

PART I.

COMMODITIES AND MONEY.

CHAPTER I.—Commodities,	41
Section 1.—The two Factors of a Commodity; Use Value and Value (the Substance of Value and the Magnitude of Value),	41
Section 2.—The Twofold Character of the Labour embodied in Commodities,	48
Section 3.—The Form of Value, or Exchange Value,	54
A. Elementary or Accidental Form of Value,	56
1. The two Poles of the Expression of Value: Relative Form and Equivalent Form,	56
The Relative Form of Value,	57
(a.) The Nature and Import of this Form,	57
(b.) Quantitative Determination of Relative Value,	61
3. The Equivalent Form of Value,	64
4. The Elementary Form of Value considered as a Whole,	69
B. Total or Expanded Form of Value,	72
1. The Expanded Relative Form of Value,	72
2. The Particular Equivalent Form,	73
3. Defects of the Total or Expanded Form of Value,	74
C. The General Form of Value,	75
1. The altered Character of the Form of Value,	75
2. The interdependent Development of the Relative Form of Value, and of the Equivalent Form,	78
3. Transition from the General Form to the Money Form,	79
D. The Money Form,	80
Section 4.—The Fetishism of Commodities and the Secret thereof,	81
CHAPTER II.—Exchange	96
CHAPTER III.—Money, or the Circulation of Commodities,	106
Section 1.—The Measure of Value,	106
Section 2.—The Medium of Circulation,	116
a. The Metamorphosis of Commodities,	116
b. The Currency of Money,	128
c. Coin, and Symbols of Value,	140
Section 3.—Money,	146
a. Hoarding,	146
b. Means of Payment,	151
c. Universal Money,	159

PART II.

THE TRANSFORMATION OF MONEY INTO CAPITAL.

CHAPTER IV.—The General Formula for Capital,	162
CHAPTER V.—Contradictions in the General Formula of Capital,	173
CHAPTER VI.—The Buying and Selling of Labour-Power,	185

10021

PART III.

THE PRODUCTION OF ABSOLUTE SURPLUS-VALUE.

	PAGE
CHAPTER VII.—The Labour Process and the Process of producing Surplus-Value,	197
Section 1.—The Labour Process or the Production of Use-Value,	197
Section 2.—The Production of Surplus-Value,	207
CHAPTER VIII.—Constant Capital and Variable Capital,	221
CHAPTER IX.—The Rate of Surplus-Value,	235
Section 1.—The Degree of Exploitation of Labour-Power,	235
Section 2.—The Representation of the Components of the Value of the Product by corresponding proportional Parts of the Product itself,	244
Section 3.—Senior's "Last Hour,"	248
Section 4.—Surplus-Produced,	254
CHAPTER X.—The Working-Day,	255
Section 1.—The Limits of the Working-Day,	255
Section 2.—The Greed for Surplus-Labour. Manufacturer and Boyard,	259
Section 3.—Branches of English Industry without Legal Limits to Exploitation,	268
Section 4.—Day and Night Work. The Relay System,	282
Section 5.—The Struggle for a Normal Working-Day. Compulsory Laws for the Extension of the Working-Day from the Middle of the 14th to the End of the 17th Century,	290
Section 6.—The Struggle for a Normal Working-Day. Compulsory Limitation by Law of the Working-Time. The English Factory Acts, 1833 to 1864,	304
Section 7.—The Struggle for a Normal Working-Day. Re-action of the English Factory Acts on Other Countries,	326
CHAPTER XI.—Rate and Mass of Surplus-Value,	331

PART IV.

PRODUCTION OF RELATIVE SURPLUS-VALUE.

CHAPTER XII.—The Concept of Relative Surplus-Value,	342
CHAPTER XIII.—Co-Operation,	353
CHAPTER XIV.—Division of Labour and Manufacture,	368
Section 1.—Twofold Origin of Manufacture,	368
Section 2.—The Detail Labourer and his Implements,	372
Section 3.—The two Fundamental Forms of Manufacture: Heterogeneous Manufacture, Serial Manufacture,	375
Section 4.—Division of Labour in Manufacture, and Division of Labour in Society,	385
Section 5.—The Capitalistic Character of Manufacture,	395
CHAPTER XV.—Machinery and Modern Industry,	405
Section 1.—The Development of Machinery,	405
Section 2.—The Value transferred by Machinery to the Product,	422
Section 3.—The Proximate Effects of Machinery on the Workman,	430
a. Appropriation of Supplementary Labour-Power by Capital. The Employment of Women and Children,	431
b. Prolongation of the Working-Day,	440
c. Intensification of Labour,	447
Section 4.—The Factory,	457
Section 5.—The Strife between Workman and Machinery,	466
Section 6.—The Theory of Compensation as regards the Workpeople displaced by Machinery,	478
Section 7.—Repulsion and Attraction of Workpeople by the Factory System. Crises of the Cotton Trade,	488

PAGE

Section 8.—Revolution effected in Manufacture, Handicrafts, and Domestic Industry by Modern Industry,	502
a. Overthrow of Co-Operation based on Handicraft and on Division of Labour,	502
b. Re-action of the Factory System on Manufacture and Domestic Industries,	504
c. Modern Manufacture,	506
d. Modern Domestic Industry,	509
e. Passage of Modern Manufacture and Domestic Industry into Modern Mechanical Industry. The Hastening of this Revolution by the Application of the Factory Acts to those Industries,	514
Section 9.—The Factory Acts. Sanitary and Educational Clauses of the same. Their general Extension in England,	526
Section 10.—Modern Industry and Agriculture,	553

PART V.

THE PRODUCTION OF ABSOLUTE AND RELATIVE SURPLUS-VALUE.

CHAPTER XVI.—Absolute and Relative Surplus-Value,	557
CHAPTER XVII.—Changes of Magnitude in the Price of Labour-Power and in Surplus-Value,	568
I. Length of the Working Day and Intensity of Labour constant. Productiveness of Labour variable,	569
II. Working Day constant. Productiveness of Labour constant. Intensity of Labor variable,	574
III. Productiveness and Intensity of Labour constant. Length of the Working Day variable,	576
IV. Simultaneous Variations in the Duration, Productiveness and Intensity of Labour,	578
(1.) Diminishing Productiveness of Labour with a simultaneous Lengthening of the Working Day,	578
(2.) Increasing Intensity and Productiveness of Labour with simultaneous Shortening of the Working Day,	580
CHAPTER XVIII.—Various Formulæ for the Rate of Surplus-Value,	582

PART VI.

WAGES.

CHAPTER XIX.—The Transformation of the Value (and respectively the Price) of Labour-Power into Wages,	586
CHAPTER XX.—Time-wages,	594
CHAPTER XXI.—Piece-Wages,	602
CHAPTER XXII.—National Differences of Wages,	611

PART VII.

THE ACCUMULATION OF CAPITAL.

CHAPTER XXIII.—Simple Reproduction,	619
CHAPTER XXIV.—Conversion of Surplus-Value into Capital,	634
Section 1.—Capitalist Production on a progressively increasing Scale. Transition of the Laws of Property that characterise Production of Commodities into Laws of Capitalist Appropriation,	634
Section 2.—Erroneous Conception, by Political Economy, of Reproduction on a progressively increasing Scale,	644

	PAGE
Section 3.—Separation of Surplus-Value into Capital and Revenue. The Abstinence Theory,	648
Section 4.—Circumstances that, independently of the proportional Division of Surplus-Value into Capital and Revenue, determine the Amount of Accumulation. Degree of Exploitation of Labour-Power. Productivity of Labour. Growing Difference in Amount between Capital employed and Capital consumed. Magnitude of Capital advanced,	658
Section 5.—The so-called Labour Fund,	667
CHAPTER XXV.—The General Law of Capitalist Accumulation,	671
Section 1.—The increased Demand for Labour-Power that accompanies Accumulation, the Composition of Capital remaining the same,	671
Section 2.—Relative Diminution of the Variable Part of Capital simultaneously with the Progress of Accumulation and of the Concentration that accompanies it,	681
Section 3.—Progressive Production of a Relative Surplus-Population, or Industrial Reserve Army,	689
Section 4.—Different Forms of the Relative Surplus-Population. The General Law of Capitalistic Accumulation,	708
Section 5.—Illustrations of the General Law of Capitalist Accumulation,	711
a. England from 1846 to 1866,	711
b. The badly paid Strata of the British Industrial Class,	718
c. The Nomad Population,	728
d. Effect of Crises on the best paid Part of the Working Class,	733
e. The British Agricultural Proletariat,	739
f. Ireland,	767

PART VIII.

THE SO-CALLED PRIMITIVE ACCUMULATION.

CHAPTER XXVI.—The Secret of Primitive Accumulation,	784
CHAPTER XXVII.—Expropriation of the Agricultural Population from the Land, 788	788
CHAPTER XXVIII.—Bloody Legislation against the Expropriated from the End of the 15th Century. Forcing down of Wages by Acts of Parliament,	803
CHAPTER XXIX.—Genesis of the Capitalist Farmer,	814
CHAPTER XXX.—Reaction of the Agricultural Revolution on Industry. Creation of the Home Market for Industrial Capital,	817
CHAPTER XXXI.—Genesis of the Industrial Capitalist,	822
CHAPTER XXXII.—Historical Tendency of Capitalistic Accumulation,	834
CHAPTER XXXIII.—The Modern Theory of Colonization,	838
Works and Authors quoted in "Capital,"	850
Index,	866

AUTHOR'S PREFACES.

I.—TO THE FIRST EDITION.

THE work, the first volume of which I now submit to the public, forms the continuation of my "Zur Kritik der Politischen Oekonomie" (A Contribution to the Critique of Political Economy) published in 1859. The long pause between the first part and the continuation is due to an illness of many years' duration that again and again interrupted my work.

The substance of that earlier work is summarised in the first three chapters of this volume. This is done not merely for the sake of connection and completeness. The presentation of the subject-matter is improved. As far as circumstances in any way permit, many points only hinted at in the earlier book are here worked out more fully, whilst, conversely, points worked out fully there are only touched upon in this volume. The sections on the history of the theories of value and of money are now, of course, left out altogether. The reader of the earlier work will find, however, in the notes to the first chapter additional sources of reference relative to the history of those theories.

Every beginning is difficult, holds in all sciences. To understand the first chapter, especially the section that contains the analysis of commodities, will, therefore, present the greatest difficulty. That which concerns more especially the analysis of the substance of value and the magnitude of value,

I have, as much as it was possible, popularised.¹ The value-form, whose fully developed shape is the money-form, is very elementary and simple. Nevertheless, the human mind has for more than 2000 years sought in vain to get to the bottom of it, whilst on the other hand, to the successful analysis of much more composite and complex forms, there has been at least an approximation. Why? Because the body, as an organic whole, is more easy of study than are the cells of that body. In the analysis of economic forms, moreover, neither microscopes nor chemical reagents are of use. The force of abstraction must replace both. But in bourgeois society the commodity-form of the product of labor—or the value-form of the commodity—is the economic cell-form. To the superficial observer, the analysis of these forms seems to turn upon minutiae. It does in fact deal with minutiae, but they are of the same order as those dealt with in microscopic anatomy.

With the exception of the section on value-form, therefore, this volume cannot stand accused on the score of difficulty. I pre-suppose, of course, a reader who is willing to learn something new and therefore to think for himself.

The physicist either observes physical phenomena where they occur in their most typical form and most free from disturbing influence, or, wherever possible, he makes experiments under conditions that assure the occurrence of the phe-

¹ This is the more necessary, as even the section of Ferdinand Lassalle's work against Schulze-Delitzsch, in which he professes to give "the intellectual quintessence" of my explanations on these subjects, contains important mistakes. If Ferdinand Lassalle has borrowed almost literally from my writings, and without any acknowledgment, all the general theoretical propositions in his economic works, *e.g.*, those on the historical character of capital, on the connection between the conditions of production and the mode of production, &c., &c., even to the terminology created by me, this may perhaps be due to purposes of propaganda. I am here, of course, not speaking of his detailed working out and application of these propositions, with which I have nothing to do.

successive phases of its normal development. But it can shorten and lessen the birth-pangs.

To prevent possible misunderstanding, a word. I paint the capitalist and the landlord in no sense *couleur de rose*. But here individuals are dealt with only in so far as they are the personifications of economic categories, embodiments of particular class-relations and class-interests. My stand-point, from which the evolution of the economic formation of society is viewed as a process of natural history, can less than any other make the individual responsible for relations whose creature he socially remains, however much he may subjectively raise himself above them.

In the domain of Political Economy, free scientific enquiry meets not merely the same enemies as in all other domains. The peculiar nature of the material it deals with, summons as foes into the field of battle the most violent, mean and malignant passions of the human breast, the Furies of private interest. The English Established Church, *e.g.*, will more readily pardon an attack on 38 of its 39 articles than on $\frac{1}{39}$ of its income. Now-a-days atheism itself is *culpa levis*, as compared with criticism of existing property relations. Nevertheless, there is an unmistakable advance. I refer, *e.g.*, to the bluebook published within the last few weeks: "Correspondence with Her Majesty's Missions Abroad, regarding Industrial Questions and Trades' Unions." The representatives of the English Crown in foreign countries there declare in so many words that in Germany, in France, to be brief, in all the civilised states of the European continent, a radical change in the existing relations between capital and labor is as evident and inevitable as in England. At the same time, on the other side of the Atlantic Ocean, Mr. Wade, vice-president of the United States, declared in public meetings that, after the abolition of slavery, a radical change of the relations of

BOOK I.

CAPITALIST PRODUCTION.

PART I.

COMMODITIES AND MONEY.

CHAPTER I.

COMMODITIES.

SECTION 1.—THE TWO FACTORS OF A COMMODITY: USE-VALUE AND VALUE (THE SUBSTANCE OF VALUE AND THE MAGNITUDE OF VALUE).

THE wealth of those societies in which the capitalist mode of production prevails, presents itself as “an immense accumulation of commodities,”¹ its unit being a single commodity. Our investigation must therefore begin with the analysis of a commodity.

A commodity is, in the first place, an object outside us, a thing that by its properties satisfies human wants of some sort or another. The nature of such wants, whether, for instance, they spring from the stomach or from fancy, makes no differ-

¹Karl Marx “A Contribution to the Critique of Political Economy,” 1859, London, p. 19.

ence.¹ Neither are we here concerned to know how the object satisfies these wants, whether directly as means of subsistence, or indirectly as means of production.

Every useful thing, as iron, paper, &c., may be looked at from the two points of view of quality and quantity. It is an assemblage of many properties, and may therefore be of use in various ways. To discover the various use of things is the work of history.² So also is the establishment of socially-recognised standards of measure for the quantities of these useful objects. The diversity of these measures has its origin partly in the diverse nature of the objects to be measured, partly in convention.

The utility of a thing makes it a use-value.³ But this utility is not a thing of air. Being limited by the physical properties of the commodity, it has no existence apart from that commodity. A commodity, such as iron, corn, or a diamond, is therefore, so far as it is a material thing, a use-value, something useful. This property of a commodity is independent of the amount of labour required to appropriate its useful qualities. When treating of use-value, we always assume to be dealing with definite quantities, such as dozens of watches, yards of linen, or tons of iron. The use-values of commodities furnish the material for a special study, that of the commercial knowledge of commodities.⁴ Use-values become a reality only by use or consumption: they also con-

¹ "Desire implies want; it is the appetite of the mind, and as natural as hunger to the body. . . . The greater number (of things) have their value from supplying the wants of the mind." Nicolas Barbon: "A Discourse on coining the new money lighter, in answer to Mr. Locke's Considerations," &c. London, 1696. p. 2, 3.

² "Things have an intrinsic virtue" (this is Barbon's special term for value in use) "which in all places have the same virtue; as the loadstone to attract iron" (l. c., p. 6). The property which the magnet possesses of attracting iron, became of use only after by means of that property the polarity of the magnet had been discovered.

³ "The natural worth of anything consists in its fitness to supply the necessities, or serve the conveniences of human life." (John Locke, "Some considerations on the consequences of the lowering of interest, 1691," in Works Edit. London, 1777, Vol. II., p. 28.) In English writers of the 17th century we frequently find "worth" in the sense of value in use, and "value" in the sense of exchange value. This is quite in accordance with the spirit of a language that likes to use a Teutonic word for the actual thing, and a Romance word for its reflexion.

⁴ In bourgeois societies the economical *factio jura prevails*, that every one, as a buyer, possesses an encyclopædic knowledge of commodities.

fore be equal to a third, which in itself is neither the one nor the other. Each of them, so far as it is exchange value, must therefore be reducible to this third.

A simple geometrical illustration will make this clear. In order to calculate and compare the areas of rectilinear figures, we decompose them into triangles. But the area of the triangle itself is expressed by something totally different from its visible figure, namely, by half the product of the base into the altitude. In the same way the exchange values of commodities must be capable of being expressed in terms of something common to them all, of which thing they represent a greater or less quantity.

This common "something" cannot be either a geometrical, a chemical, or any other natural property of commodities. Such properties claim our attention only in so far as they affect the utility of those commodities, make them use-values. But the exchange of commodities is evidently an act characterised by a total abstraction from use-value. Then one use-value is just as good as another, provided only it be present in sufficient quantity. Or, as old Barbon says, "one sort of wares are as good as another, if the values be equal. There is no difference or distinction in things of equal value An hundred pounds' worth of lead or iron, is of as great value as one hundred pounds' worth of silver or gold."¹ As use-values, commodities are, above all, of different qualities, but as exchange values they are merely different quantities, and consequently do not contain an atom of use-value.

If then we leave out of consideration the use-value of commodities, they have only one common property left, that of being products of labour. But even the product of labour itself has undergone a change in our hands. If we make abstraction from its use-value, we make abstraction at the same time from the material elements and shapes that make the product a use-value; we see in it no longer a table, a house, yarn, or any other useful thing. Its existence as a material thing is put out of sight. Neither can it any longer be regarded as the product of the labour of the joiner, the mason,

¹N. Barbon, l. c. p. 53 and 7.

the spinner, or of any other definite kind of productive labour. Along with the useful qualities of the products themselves, we put out of sight both the useful character of the various kinds of labour embodied in them, and the concrete forms of that labour; there is nothing left but what is common to them all; all are reduced to one and the same sort of labour, human labour in the abstract.

Let us now consider the residue of each of these products; it consists of the same unsubstantial reality in each, a mere congelation of homogeneous human labour, of labour-power expended without regard to the mode of its expenditure. All that these things now tell us is, that human labour-power has been expended in their production, that human labour is embodied in them. When looked at as crystals of this social substance, common to them all, they are—Values.

We have seen that when commodities are exchanged, their exchange value manifests itself as something totally independent of their use-value. But if we abstract from their use-value, there remains their Value as defined above. Therefore, the common substance that manifests itself in the exchange value of commodities, whenever they are exchanged, is their value. The progress of our investigation will show that exchange value is the only form in which the value of commodities can manifest itself or be expressed. For the present, however, we have to consider the nature of value independently of this, its form.

A use-value, or useful article, therefore, has value only because human labour in the abstract has been embodied or materialised in it. How, then, is the magnitude of this value to be measured? Plainly, by the quantity of the value-creating substance, the labour, contained in the article. The quantity of labour, however, is measured by its duration, and labour-time in its turn finds its standard in weeks, days, and hours.

Some people might think that if the value of a commodity is determined by the quantity of labour spent on it, the more idle and unskilful the labourer, the more valuable would his commodity be, because more time would be required in its production. The labour, however, that forms the substance of

value, is homogeneous human labour, expenditure of one uniform labour-power. The total labour-power of society, which is embodied in the sum total of the values of all commodities produced by that society, counts here as one homogeneous mass of human labour-power, composed though it be of innumerable individual units. Each of these units is the same as any other, so far as it has the character of the average labour-power of society, and takes effect as such; that is, so far as it requires for producing a commodity, no more time than is needed on an average, no more than is socially necessary. The labour-time socially necessary is that required to produce an article under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time. The introduction of power looms into England probably reduced by one half the labour required to weave a given quantity of yarn into cloth. The hand-loom weavers, as a matter of fact, continued to require the same time as before; but for all that, the product of one hour of their labour represented after the change only half an hour's social labour, and consequently fell to one-half its former value.

We see then that that which determines the magnitude of the value of any article is the amount of labour socially necessary, or the labour-time socially necessary for its production.¹ Each individual commodity, in this connexion, is to be considered as an average sample of its class.² Commodities, therefore, in which equal quantities of labour are embodied, or which can be produced in the same time, have the same value. The value of one commodity is to the value of any other, as the labour-time necessary for the production of the one is to that necessary for the production of the other. "As values, all commodities are only definite masses of congealed labour-time."³

¹ The value of them (the necessaries of life), when they are exchanged the one for another, is regulated by the quantity of labour necessarily required, and commonly taken in producing them." (Some Thoughts on the Interest of Money in general, and particularly in the Publick Funds, &c., Lond., p. 36.) This remarkable anonymous work, written in the last century, bears no date. It is clear, however, from internal evidence, that it appeared in the reign of George II. about 1739 or 1740.

² "Toutes les productions d'un même genre ne forment proprement qu'une masse, dont le prix se détermine en général et sans égard aux circonstances particulières." (Le Trosne, l. c. p. 893.)

³ K. Marx, l. c. p. 24.

The value of a commodity would therefore remain constant, if the labour-time required for its production also remained constant. But the latter changes with every variation in the productiveness of labour. This productiveness is determined by various circumstances, amongst others, by the average amount of skill of the workmen, the state of science, and the degree of its practical application, the social organisation of production, the extent and capabilities of the means of production, and by physical conditions. For example, the same amount of labour in favourable seasons is embodied in 8 bushels of corn, and in unfavourable, only in four. The same labour extracts from rich mines more metal than from poor mines. Diamonds are of very rare occurrence on the earth's surface, and hence their discovery costs, on an average, a great deal of labour-time. Consequently much labour is represented in a small compass. Jacob doubts whether gold has ever been paid for at its full value. This applies still more to diamonds. According to Eschwege, the total produce of the Brazilian diamond mines for the eighty years, ending in 1823, had not realised the price of one-and-a-half years' average produce of the sugar and coffee plantations of the same country, although the diamonds cost much more labour, and therefore represented more value. With richer mines, the same quantity of labour would embody itself in more diamonds and their value would fall. If we could succeed at a small expenditure of labour, in converting carbon into diamonds, their value might fall below that of bricks. In general, the greater the productiveness of labour, the less is the labour-time required for the production of an article, the less is the amount of labour crystallised in that article, and the less is its value; and *vice versa*, the less the productiveness of labour, the greater is the labour-time required for the production of an article, and the greater is its value. The value of a commodity, therefore, varies directly as the quantity, and inversely as the productiveness, of the labour incorporated in it.

A thing can be a use-value, without having value. This is the case whenever its utility to man is not due to labour. Such are air, virgin soil, natural meadows, &c. A thing can

special productive activity, exercised with a definite aim, an activity that appropriates particular nature-given materials to particular human wants. So far therefore as labour is a creator of use-value, is useful labour, it is a necessary condition, independent of all forms of society, for the existence of the human race; it is an eternal nature-imposed necessity, without which there can be no material exchanges between man and Nature, and therefore no life.

The use-values, coat, linen, &c., *i. e.*, the bodies of commodities, are combinations of two elements—matter and labour. If we take away the useful labour expended upon them, a material substratum is always left, which is furnished by Nature without the help of man. The latter can work only as Nature does, that is by changing the form of matter.¹ Nay more, in this work of changing the form he is constantly helped by natural forces. We see, then, that labour is not the only source of material wealth, of use-values produced by labour. As William Petty puts it, labour is its father and the earth its mother.

Let us now pass from the commodity considered as a use-value to the value of commodities.

By our assumption, the coat is worth twice as much as the linen. But this is a mere quantitative difference, which for the present does not concern us. We bear in mind, however, that if the value of the coat is double that of 10 yds. of linen, 20 yds. of linen must have the same value as one coat. So far as they are values, the coat and the linen are things of a like substance, objective expressions of essentially identical labour. But tailoring and weaving are, qualitatively, different kinds of labour. There are, however, states of society in which one and

¹ Tutti i fenomeni dell' universo, sieno essi prodotti della mano, dell' uomo, ovvero delle universali leggi della fisica, non ci danno idea di attuale creazione, ma unicamente di una modificazione della materia. Accostare e separare sono gli unici elementi che l'ingegno umano ritrova analizzando l'idea della riproduzione: e tanto è riproduzione di valore (value in use, although Verri in this passage of his controversy with the Physiocrats is not himself quite certain of the kind of value he is speaking of) e di ricchezze se la terra l'aria e l'acqua ne' campi si trasmutino in grano, come se colla mano dell' uomo il glutine di un insetto si trasmuti in velluto ovvero alcuni pezzetti di metallo si organizzino a formare una ripetizione."—Pietro Verri. "Meditazioni sulla Economia Politica" [first printed in 1773] in Custodi's edition of the Italian Economists, Parte Moderna, t. xv. p. 22.

A. *Elementary or Accidental Form of Value.*

Value of x commodity A = y commodity B, or
 x commodity A is worth y commodity B.
 20 yards of linen = 1 coat, or
 20 yards of linen are worth 1 coat.

1. *The two poles of the expression of value: Relative form and Equivalent form.*

The whole mystery of the form of value lies hidden in this elementary form. Its analysis, therefore, is our real difficulty.

Here two different kinds of commodities (in our example the linen and the coat), evidently play two different parts. The linen expresses its value in the coat; the coat serves as the material in which that value is expressed. The former plays an active, the latter a passive, part. The value of the linen is represented as relative value, or appears in relative form. The coat officiates as equivalent, or appears in equivalent form.

The relative form and the equivalent form are two intimately connected, mutually dependent and inseparable elements of the expression of value; but, at the same time, are mutually exclusive, antagonistic extremes—i.e., poles of the same expression. They are allotted respectively to the two different commodities brought into relation by that expression. It is not possible to express the value of linen in linen. 20 yards of linen = 20 yards of linen is no expression of value. On the contrary, such an equation merely says that 20 yards of linen are nothing else than 20 yards of linen, a definite quantity of the use-value linen. The value of the linen can therefore be expressed only relatively—i.e., in some other commodity. The relative form of the value of the linen pre-supposes, therefore, the presence of some other commodity—here the coat—under the form of an equivalent. On the other hand, the commodity that figures as the equivalent cannot at the same time assume the relative form. That second commodity is not the one whose value is expressed. Its function is merely to serve as

the material in which the value of the first commodity is expressed.

No doubt, the expression 20 yards of linen = 1 coat, or 20 yards of linen are worth 1 coat, implies the opposite relation: 1 coat = 20 yards of linen, or 1 coat is worth 20 yards of linen. But, in that case, I must reverse the equation, in order to express the value of the coat relatively; and, so soon as I do that the linen becomes the equivalent instead of the coat. A single commodity cannot, therefore, simultaneously assume, in the same expression of value, both forms. The very polarity of these forms makes them mutually exclusive.

Whether, then, a commodity assumes the relative form, or the opposite equivalent form, depends entirely upon its accidental position in the expression of value—that is, upon whether it is the commodity whose value is being expressed or the commodity in which value is being expressed.

2. *The Relative form of value.*(a.) *The nature and import of this form.*

In order to discover how the elementary expression of the value of a commodity lies hidden in the value relation of two commodities, we must, in the first place, consider the latter entirely apart from its quantitative aspect. The usual mode of procedure is generally the reverse, and in the value relation nothing is seen but the proportion between definite quantities of two different sorts of commodities that are considered equal to each other. It is apt to be forgotten that the magnitudes of different things can be compared quantitatively, only when those magnitudes are expressed in terms of the same unit. It is only as expressions of such a unit that they are of the same denomination, and therefore commensurable.¹

Whether 20 yards of linen = 1 coat or = 20 coats or = x

¹ The few economists, amongst whom is S. Bailey, who have occupied themselves with the analysis of the form of value, have been unable to arrive at any result, first, because they confuse the form of value with value itself; and second, because, under the coarse influence of the practical bourgeois, they exclusively give their attention to the quantitative aspect of the question. "The command of quantity . . . constitutes value." ("Money and its Vicissitudes." London, 1837, p. 11. By S. Bailey.

of A figures only as a use-value, the bodily form of B only as the form or aspect of value. The opposition or contrast existing internally in each commodity between use-value and value, is, therefore, made evident externally by two commodities being placed in such relation to each other, that the commodity whose value it is sought to express, figures directly as a mere use-value, while the commodity in which that value is to be expressed, figures directly as mere exchange value. Hence the elementary form of value of a commodity is the elementary form in which the contrast contained in that commodity, between use-value and value, becomes apparent.

Every product of labour is, in all states of society, a use-value; but it is only at a definite historical epoch in a society's development that such product becomes a commodity, viz., at the epoch when the labour spent on the production of a useful article becomes expressed as one of the objective qualities of that article, *i.e.*, as its value. It therefore follows that the elementary value-form is also the primitive form under which a product of labour appears historically as a commodity, and that the gradual transformation of such products into commodities, proceeds *pari passu* with the development of the value-form.

We perceive, at first sight, the deficiencies of the elementary form of value: it is a mere germ, which must undergo a series of metamorphoses before it can ripen into the Price-form.

The expression of the value of commodity A in terms of any other commodity B, merely distinguishes the value from the use-value of A, and therefore places A merely in a relation of exchange with a single different commodity, B; but it is still far from expressing A's qualitative equality, and quantitative proportionality, to all commodities. To the elementary relative value-form of a commodity, there corresponds the single equivalent form of one other commodity. Thus, in the relative expression of value of the linen, the coat assumes the form of equivalent, or of being directly exchangeable, only in relation to a single commodity, the linen.

Nevertheless, the elementary form of value passes by an easy transition into a more complete form. It is true that by means

Gold is now money with reference to all other commodities only because it was previously, with reference to them, a simple commodity. Like all other commodities, it was also capable of serving as an equivalent, either as simple equivalent in isolated exchanges, or as particular equivalent by the side of others. Gradually it began to serve, within varying limits, as universal equivalent. So soon as it monopolises this position in the expression of value for the world of commodities, it becomes the money commodity, and then, and not till then, does form D become distinct from form C, and the general form of value become changed into the money form.

The elementary expression of the relative value of a single commodity, such as linen, in terms of the commodity, such as gold, that plays the part of money, is the price form of that commodity. The price form of the linen is therefore
 20 yards of linen=2 ounces of gold, or, if 2 ounces of gold when coined are £2, 20 yards of linen=£2.

The difficulty in forming a concept of the money form, consists in clearly comprehending the universal equivalent form, and as a necessary corollary, the general form of value, form C. The latter is deducible from form B, the expanded form of value, the essential component element of which, we saw, is form A, 20 yards of linen=1 coat or x commodity A=y commodity B. The simple commodity form is therefore the germ of the money form.

SECTION 4.—THE FETISHISM OF COMMODITIES AND THE SECRET THEREOF.

A commodity appears, at first sight, a very trivial thing, and easily understood. Its analysis shows that it is, in reality, a very queer thing, abounding in metaphysical subtleties and theological niceties. So far as it is a value in use, there is nothing mysterious about it, whether we consider it from the point of view that by its properties it is capable of satisfying human wants, or from the point that those properties are the product of human labour. It is as clear as noon-day, that man, by his industry, changes the forms of the materials furnished by nature, in such a way as to make them useful to him. The

character of their labour affirms itself, take the form of a social relation between the products.

A commodity is therefore a mysterious thing, simply because in it the social character of men's labour appears to them as an objective character stamped upon the product of that labour; because the relation of the producers to the sum total of their own labour is presented to them as a social relation, existing not between themselves, but between the products of their labour. This is the reason why the products of labour become commodities, social things whose qualities are at the same time perceptible and imperceptible by the senses. In the same way the light from an object is perceived by us not as the subjective excitation of our optic nerve, but as the objective form of something outside the eye itself. But, in the act of seeing, there is at all events, an actual passage of light from one thing to another, from the external object to the eye. There is a physical relation between physical things. But it is different with commodities. There, the existence of the things *quâ* commodities, and the value relation between the products of labour which stamps them as commodities, have absolutely no connection with their physical properties and with the material relations arising therefrom. There it is a definite social relation between men, that assumes, in their eyes, the fantastic form of a relation between things. In order, therefore, to find an analogy, we must have recourse to the mist-enveloped regions of the religious world. In that world the productions of the human brain appear as independent beings endowed with life, and entering into relation both with one another and the human race. So it is in the world of commodities with the products of men's hands. This I call the Fetishism which attaches itself to the products of labour, so soon as they are produced as commodities, and which is therefore inseparable from the production of commodities.

This Fetishism of commodities has its origin, as the foregoing analysis has already shown, in the peculiar social character of the labour that produces them.

As a general rule, articles of utility become commodities, only because they are products of the labour of private individ-

uals or groups of individuals who carry on their work independently of each other. The sum total of the labour of all these private individuals forms the aggregate labour of society. Since the producers do not come into social contact with each other until they exchange their products, the specific social character of each producer's labour does not show itself except in the act of exchange. In other words, the labour of the individual asserts itself as a part of the labour of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly, through them, between the producers. To the latter, therefore, the relations connecting the labour of one individual with that of the rest appear, not as direct social relations between individuals at work, but as what they really are, material relations between persons and social relations between things. It is only by being exchanged that the products of labour acquire, as values, one uniform social status, distinct from their varied forms of existence as objects of utility. This division of a product into a useful thing and a value becomes practically important, only when exchange has acquired such an extension that useful articles are produced for the purpose of being exchanged, and their character as values has therefore to be taken into account, beforehand, during production. From this moment the labour of the individual producer acquires socially a two-fold character. On the one hand, it must, as a definite useful kind of labour, satisfy a definite social want, and thus hold its place as part and parcel of the collective labour of all, as a branch of a social division of labour that has sprung up spontaneously. On the other hand, it can satisfy the manifold wants of the individual producer himself, only in so far as the mutual exchangeability of all kinds of useful private labour is an established social fact, and therefore the private useful labour of each producer ranks on an equality with that of all others. The equalization of the most different kinds of labour can be the result only of an abstraction from their inequalities, or of reducing them to their common denominator, viz., expenditure of human labour power or human labour in the abstract. The two-fold social character of the labour of the individual appears to him, when

reflected in his brain, only under those forms which are impressed upon that labour in everyday practice by the exchange of products. In this way, the character that his own labour possesses of being socially useful takes the form of the condition, that the product must be not only useful, but useful for others, and the social character that his particular labour has of being the equal of all other particular kinds of labour, takes the form that all the physically different articles that are the products of labour, have one common quality, viz, that of having value.

Hence, when we bring the products of our labour into relation with each other as values, it is not because we see in these articles the material receptacles of homogeneous human labour. Quite the contrary; whenever, by an exchange, we equate as values our different products, by that very act, we also equate, as human labour, the different kinds of labour expended upon them. We are not aware of this, nevertheless we do it.¹ Value, therefore, does not stalk about with a label describing what it is. It is value, rather, that converts every product into a social hieroglyphic. Later on, we try to decipher the hieroglyphic, to get behind the secret of our own social products; for to stamp an object of utility as a value, is just as much a social product as language. The recent scientific discovery, that the products of labour, so far as they are values, are but material expressions of the human labour spent in their production, marks, indeed, an epoch in the history of the development of the human race, but, by no means, dissipates the mist through which the social character of labour appears to us to be an objective character of the products themselves. The fact, that in the particular form of production with which we are dealing, viz., the production of commodities, the specific social character of private labour carried on independently, consists in the equality of every kind of that labour, by virtue of its being human labour, which character, therefore, assumes

¹When, therefore, Galiani says: Value is a relation between persons—"La Ricchezza è una ragione tra due persone,"—he ought to have added: a relation between persons expressed as a relation between things. (Galiani: *Della Moneta*, p. 221, V. III. of Custodi's collection of "Scrittori Classici Italiani di Economia Politica." Parte Moderna, Milano, 1803.)

in the product the form of value—this fact appears to the producers, notwithstanding the discovery above referred to, to be just as real and final, as the fact, that, after the discovery by science of the component gases of air, the atmosphere itself remained unaltered.

What, first of all, practically concerns producers when they make an exchange, is the question, how much of some other product they get for their own? in what proportions the products are exchangeable? When these proportions have, by custom, attained a certain stability, they appear to result from the nature of the products, so that, for instance, one ton of iron and two ounces of gold appear as naturally to be of equal value as a pound of gold and a pound of iron in spite of their different physical and chemical qualities appear to be of equal weight. The character of having value, when once impressed upon products, obtains fixity only by reason of their acting and re-acting upon each other as quantities of value. These quantities vary continually, independently of the will, foresight and action of the producers. To them, their own social action takes the form of the action of objects, which rule the producers instead of being ruled by them. It requires a fully developed production of commodities before, from accumulated experience alone, the scientific conviction springs up, that all the different kinds of private labour, which are carried on independently of each other, and yet as spontaneously developed branches of the social division of labour, are continually being reduced to the quantitative proportions in which society requires them. And why? Because, in the midst of all the accidental and ever fluctuating exchange-relations between the products, the labour-time socially necessary for their production forcibly asserts itself like an over-riding law of nature. The law of gravity thus asserts itself when a house falls about our ears.¹ The determination of the magnitude of value by labour-time is therefore a secret, hidden under the apparent

¹ "What are we to think of a law that asserts itself only by periodical revolutions? It is just nothing but a law of Nature, founded on the want of knowledge of those whose action is the subject of it." (Friedrich Engels: *Umriss zu einer Kritik der Nationalökonomie*, in the "Deutsch-französische Jahrbücher," edited by Arnold Ruge and Karl Marx. Paris, 1844.

fluctuations in the relative values of commodities. Its discovery, while removing all appearance of mere accidentality from the determination of the magnitude of the values of products, yet in no way alters the mode in which that determination takes place.

Man's reflections on the forms of social life, and consequently, also, his scientific analysis of those forms, take a course directly opposite to that of their actual historical development. He begins, post festum, with the results of the process of development ready to hand before him. The characters that stamp products as commodities, and whose establishment is a necessary preliminary to the circulation of commodities, have already acquired the stability of natural, self-understood forms of social life, before man seeks to decipher, not their historical character, for in his eyes they are immutable, but their meaning. Consequently it was the analysis of the prices of commodities that alone led to the determination of the magnitude of value, and it was the common expression of all commodities in money that alone led to the establishment of their characters as values. It is, however, just this ultimate money form of the world of commodities that actually conceals, instead of disclosing, the social character of private labour, and the social relations between the individual producers. When I state that coats or boots stand in a relation to linen, because it is the universal incarnation of abstract human labour, the absurdity of the statement is self-evident. Nevertheless, when the producers of coats and boots compare those articles with linen, or, what is the same thing with gold or silver, as the universal equivalent, they express the relation between their own private labour and the collective labour of society in the same absurd form.

The categories of bourgeois economy consist of such like forms. They are forms of thought expressing with social validity the conditions and relations of a definite, historically determined mode of production, viz., the production of commodities. The whole mystery of commodities, all the magic and necromancy that surrounds the products of labour as long as they take the form of commodities, vanishes therefore, so soon as we come to other forms of production.

one dependent, serfs and lords, vassals and suzerains, laymen and clergy. Personal dependence here characterises the social relations of production just as much as it does the other spheres of life organized on the basis of that production. But for the very reason that personal dependence forms the groundwork of society, there is no necessity for labour and its products to assume a fantastic form different from their reality. They take the shape, in the transactions of society, of services in kind and payments in kind. Here the particular and natural form of labour, and not, as in a society based on production of commodities, its general abstract form is the immediate social form of labour. Compulsory labour is just as properly measured by time, as commodity-producing labour; but every serf knows that what he expends in the service of his lord, is a definite quantity of his own personal labour-power. The tithe to be rendered to the priest is more matter of fact than his blessing. No matter, then, what we may think of the parts played by the different classes of people themselves in this society, the social relations between individuals in the performance of their labour, appear at all events as their own mutual personal relations, and are not disguised under the shape of social relations between the products of labour.

For an example of labour in common or directly associated labour, we have no occasion to go back to that spontaneously developed form which we find on the threshold of the history of all civilized races.¹ We have one close at hand in the patriarchal industries of a peasant family, that produces corn, cattle, yarn, linen, and clothing for home use. These different articles are, as regards the family, so many products of its labour, but as between themselves, they are not commodities. The different kinds of labour, such as tillage, cattle tending,

¹ "A ridiculous presumption has latterly got abroad that common property in its primitive form is specifically a Slavonian, or even exclusively Russian form. It is the primitive form that we can prove to have existed amongst Romans, Teutons, and Celts, and even to this day we find numerous examples, ruins though they be, in India. A more exhaustive study of Asiatic, and especially of Indian forms of common property, would show how from the different forms of primitive common property, different forms of its dissolution have been developed. Thus, for instance, the various original types of Roman and Teutonic private property are deducible from different forms of Indian common property," (Karl Marx. "Critique," &c., p. 29, footnote.)

spinning, weaving and making clothes, which result in the various products, are in themselves, and such as they are, direct social functions, because functions of the family, which just as much as a society based on the production of commodities, possesses a spontaneously developed system of division of labour. The distribution of the work within the family, and the regulation of the labour-time of the several members, depend as well upon differences of age and sex as upon natural conditions varying with the seasons. The labour-power of each individual, by its very nature, operates in this case merely as a definite portion of the whole labour-power of the family, and therefore, the measure of the expenditure of individual labour-power by its duration, appears here by its very nature as a social character of their labour.

Let us now picture to ourselves, by way of change, a community of free individuals, carrying on their work with the means of production in common, in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community. All the characteristics of Robinson's labour are here repeated, but with this difference, that they are social, instead of individual. Everything produced by him was exclusively the result of his own personal labour, and therefore simply an object of use for himself. The total product of our community is a social product. One portion serves as fresh means of production and remains social. But another portion is consumed by the members as means of subsistence. A distribution of this portion amongst them is consequently necessary. The mode of this distribution will vary with the productive organization of the community, and the degree of historical development attained by the producers. We will assume, but merely for the sake of a parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labour-time. Labour-time would, in that case, play a double part. Its apportionment in accordance with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants of the community. On the other hand, it also

serves as a measure of the portion of the common labour borne by each individual and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, with regard both to their labour and to its products, are in this case perfectly simple and intelligible, and that with regard not only to production but also to distribution.

The religious world is but the reflex of the real world. And for a society based upon the production of commodities, in which the producers in general enter into social relations with one another by treating their products as commodities and values, whereby they reduce their individual private labour to the standard of homogeneous human labour—for such a society, Christianity with its *cultus* of abstract man, more especially in its bourgeois developments, Protestantism, Deism, &c., is the most fitting form of religion. In the ancient Asiatic and other ancient modes of production, we find that the conversion of products into commodities, and therefore the conversion of men into producers of commodities, holds a subordinate place, which, however, increases in importance as the primitive communities approach nearer and nearer to their dissolution. Trading nations, properly so called, exist in the ancient world only in its interstices, like the gods of Epicurus in the Intermundia, or like Jews in the pores of Polish society. Those ancient social organisms of production are, as compared with bourgeois society, extremely simple and transparent. But they are founded either on the immature development of man individually, who has not yet severed the umbilical cord that unites him with his fellow men in a primitive tribal community, or upon direct relations of subjection. They can arise and exist only when the development of the productive power of labour has not risen beyond a low stage, and when, therefore, the social relations within the sphere of material life, between man and man, and between man and Nature, are correspondingly narrow. This narrowness is reflected in the ancient worship of Nature, and in the other elements of the popular religions. The religious reflex of the real world can, in any case, only then finally vanish,

when the practical relations of everyday life offer to man none but perfectly intelligible and reasonable relations with regard to his fellowmen and to nature. *No mysticism*

The life-process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men, and is consciously regulated by them in accordance with a settled plan. This, however, demands for society a certain material groundwork or set of conditions of existence which in their turn are the spontaneous product of a long and painful process of development.

Political economy has indeed analysed, however incompletely,¹ value and its magnitude, and has discovered what lies beneath these forms. But it has never once asked the question why labour is represented by the value of its product

¹ The insufficiency of Ricardo's analysis of the magnitude of value, and his analysis is by far the best, will appear from the 3rd and 4th book of this work. As regards values in general, it is the weak point of the classical school of political economy that it nowhere, expressly and with full consciousness, distinguishes between labour, as it appears in the value of a product and the same labour, as it appears in the use-value of that product. Of course the distinction is practically made since this school treats labour, at one time under its quantitative aspect, at another under its qualitative aspect. But it has not the least idea, that when the difference between various kinds of labour is treated as purely quantitative, their qualitative unity or equality, and therefore their reduction to abstract human labour, is implied. For instance, Ricardo declares that he agrees with Destutt de Tracy in this proposition: "As it is certain that our physical and moral faculties are alone our original riches, the employment of those faculties, labour of some kind, is our only original treasure, and it is always from this employment that all those things are created, which we call riches. . . . It is certain, too, that all those things only represent the labour which has created them, and if they have a value, or even two distinct values, they can only derive them from that (the value) of the labour from which they emanate." (Ricardo, *The Principles of Pol. Econ.* 3 Ed. Lond. 1821, p. 334.) We would here only point out that Ricardo puts his own more profound interpretation upon the words of Destutt. What the latter really says is, that on the one hand all things which constitute wealth represent the labour that creates them, but that on the other hand, they acquire their "two different values" (use-value and exchange-value) from "the value of labour." He thus falls into the commonplace error of the vulgar economists, who assume the value of one commodity (in this case labour) in order to determine the values of the rest. But Ricardo reads him as if he had said, that labour (not the value of labour) is embodied both in use-value and exchange-value. Nevertheless, Ricardo himself pays so little attention to the two-fold character of the labour which has a two-fold embodiment, that he devotes the whole of his chapter on "Value and Riches, Their Distinctive Properties," to a laborious examination of the trivialities of a J. B. Say. And at the finish he is quite astonished to find that Destutt on the one hand agrees with him as to labour being the source of value, and on the other hand with J. B. Say as to the notion of value.

and labour time by the magnitude of that value.¹ These formulæ, which bear stamped upon them in unmistakable letters, that they belong to a state of society, in which the process of production has the mastery over man, instead of being controlled by him, such formulæ appear to the bourgeois intellect to be as much a self-evident necessity imposed by nature as productive labour itself. Hence forms of social production that preceded the bourgeois form, are treated by the bourgeoisie in much the same way as the Fathers of the Church treated pre-Christian religions.²

¹ It is one of the chief failings of classical economy that it has never succeeded, by means of its analysis of commodities, and, in particular, of their value, in discovering that form under which value becomes exchange-value. Even Adam Smith and Ricardo, the best representatives of the school, treat the form of value as a thing of no importance, as having no connection with the inherent nature of commodities. The reason for this is not solely because their attention is entirely absorbed in the analysis of the magnitude of value. It lies deeper. The value form of the product of labour is not only the most abstract, but is also the most universal form, taken by the product in bourgeois production, and stamps that production as a particular species of social production, and thereby gives it its special historical character. If then we treat this mode of production as one eternally fixed by nature for every state of society, we necessarily overlook that which is the differentia specifica of the value-form, and consequently of the commodity-form, and of its further developments, money-form, capital-form, &c. We consequently find that economists, who are thoroughly agreed as to labour time being the measure of the magnitude of value, have the most strange and contradictory ideas of money, the perfected form of the general equivalent. This is seen in a striking manner when they treat of banking, where the commonplace definitions of money will no longer hold water. This led to the rise of a restored mercantile system (Ganilh, &c.), which sees in value nothing but a social form, or rather the unsubstantial ghost of that form. Once for all I may here state, that by classical political economy, I understand that economy which, since the time of W. Petty, has investigated the real relations of production in bourgeois society, in contradistinction to vulgar economy, which deals with appearances only, ruminates without ceasing on the materials long since provided by scientific economy, and there seeks plausible explanations of the most obtrusive phenomena, for bourgeois daily use, but for the rest, confines itself to systematizing in a pedantic way, and proclaiming for everlasting truths, the trite ideas held by the self-complacent bourgeoisie with regard to their own world, to them the best of all possible worlds.

² "The economists have a singular manner of proceeding. There are for them only two kinds of institutions, those of art and those of nature. Feudal institutions are artificial institutions, those of the bourgeoisie are natural institutions. In this they resemble the theologians, who also establish two kinds of religion. Every religion but their own is an invention of men, while their own religion is an emanation from God. . . . Thus there has been history, but there is no longer any." Karl Marx, *The Poverty of Philosophy, A Reply to 'La Philosophie de la Misère'* by Mr. Proudhon. 1847, p. 100. Truly comical is M. Bastiat, who imagines that the ancient Greeks and Romans lived by plunder alone. But when people plunder for centuries, there must always be something at hand for them to seize; the objects of plunder must be continually reproduced. It would thus appear

ural objects with strange social properties. And modern economy, which looks down with such disdain on the monetary system, does not its superstition come out as clear as noon-day, whenever it treats of capital? How long is it since economy discarded the physiocratic illusion, that rents grow out of the soil and not out of society?

But not to anticipate, we will content ourselves with yet another example relating to the commodity form. Could commodities themselves speak, they would say: Our use-value may be a thing that interests men. It is no part of us as objects. What, however, does belong to us as objects, is our value. Our natural intercourse as commodities proves it. In the eyes of each other we are nothing but exchange values. Now listen how those commodities speak through the mouth of the economist. "Value"—(*i.e.*, exchange value) "is a property of things, riches"—(*i.e.*, use-value) "of man. Value, in this sense, necessarily implies exchanges, riches do not."¹ "Riches" (use-value) "are the attribute of men, value is the attribute of commodities. A man or a community is rich, a pearl or a diamond is valuable. . . . A pearl or a diamond is valuable" as a pearl or diamond.² So far no chemist has ever discovered exchange value either in a pearl or a diamond. The economical discoverers of this chemical element, who by-the-by lay special claim to critical acumen, find however that the use-value of objects belongs to them independently of their material properties, while their value, on the other hand, forms a part of them as objects. What confirms them in this view, is the peculiar circumstances that the use-value of objects is realised without exchange, by means of a direct relation between the

¹ Observations on certain verbal disputes in Pol. Econ., particularly relating to value and to demand and supply. Lond., 1821, p. 16.

² S. Bailey, l. c., p. 165.

³ The author of "Observations" and S. Bailey accuse Ricardo of converting exchange value from something relative into something absolute. The opposite is the fact. He has explained the apparent relation between objects, such as diamonds and pearls, in which relation they appear as exchange values, and disclosed the true relation hidden behind the appearances, namely, their relation to each other as mere expressions of human labour. If the followers of Ricardo answer Bailey somewhat rudely, and by no means convincingly, the reason is to be sought in this, that they were unable to find in Ricardo's own works any key to the hidden relations existing between value and its form, exchange value.

objects and man, while, on the other hand, their value is realised only by exchange, that is, by means of a social process. Who fails here to call to mind our good friend, Dogberry, who informs neighbour Seacoal, that, "To be a well-favoured man is the gift of fortune; but reading and writing comes by nature."

CHAPTER II.

EXCHANGE.

It is plain that commodities cannot go to market and make exchanges of their own account. We must, therefore, have recourse to their guardians, who are also their owners. Commodities are things, and therefore without power of resistance against man. If they are wanting in docility he can use force; in other words, he can take possession of them.¹ In order that these objects may enter into relation with each other as commodities, their guardians must place themselves in relation to one another, as persons whose will resides in those objects, and must behave in such a way that each does not appropriate the commodity of the other, and part with his own, except by means of an act done by mutual consent. They must, therefore, mutually recognise in each other the right of private proprietors. This juridical relation, which thus expresses itself in a contract, whether such contract be part of a developed legal system or not, is a relation between two wills, and is but the reflex of the real economical relation between the two. It is this economical relation that determines the subject matter comprised in each such juridical act.² The persons exist for

¹In the 12th century, so renowned for its piety, they included amongst commodities some very delicate things. Thus a French poet of the period enumerates amongst the goods to be found in the market of Landit, not only clothing, shoes, leather, agricultural implements, &c., but also "femmes folles de leur corps."

²Proudhon begins by taking his ideal of justice, of "justice éternelle," from the juridical relations that correspond to the production of commodities: thereby, it may be noted, he proves, to the consolation of all good citizens, that the production of commodities is a form of production as everlasting as justice. Then he turns round and seeks to reform the actual production of commodities, and the actual legal system corresponding thereto, in accordance with this ideal.

Price is the money-name of the labour realised in a commodity. Hence the expression of the equivalence of a commodity with the sum of money constituting its price, is a tautology,¹ just as in general the expression of the relative value of a commodity is a statement of the equivalence of two commodities. But although price, being the exponent of the magnitude of a commodity's value, is the exponent of its exchange-ratio with money, it does not follow that the exponent of this exchange-ratio is necessarily the exponent of the magnitude of the commodity's value. Suppose two equal quantities of socially necessary labour to be respectively represented by 1 quarter of wheat and £2 (nearly $\frac{1}{2}$ oz. of gold), £2 is the expression in money of the magnitude of the value of the quarter of wheat, or is its price. If now circumstances allow of this price being raised to £3, or compel it to be reduced to £1, then although £1 and £3 may be too small or too great properly to express the magnitude of the wheat's value, nevertheless they are its prices, for they are, in the first place, the form under which its value appears, *i.e.*, money; and in the second place, the exponents of its exchange-ratio with money. If the conditions of production, in other words, if the productive power of labour remain constant, the same amount of social labour-time must, both before and after the change in price, be expended in the reproduction of a quarter of wheat. This circumstance depends, neither on the will of the wheat producer, nor on that of the owners of other commodities.

Magnitude of value expresses a relation of social production, it expresses the connection that necessarily exists between a certain article and the portion of the total labour-time of society required to produce it. As soon as magnitude of value is converted into price, the above necessary relation takes the shape of a more or less accidental exchange-ratio between a single commodity and another, the money-commodity. But this exchange-ratio may express either the real magnitude of that commodity's value, or the quantity of gold deviating from that value, for which, according to circumstances, it may be parted

¹ "Ou bien, il faut consentir à dire qu'une valeur d'un million en argent vaut plus qu'une valeur égale en marchandises." (Le Trosne l. c. p. 919), which amounts to saying, "qu'une valeur vaut plus qu'une valeur égale."

payments balance one another, money functions only ideally as money of account, as a measure of value. In so far as actual payments have to be made, money does not serve as a circulating medium, as a mere transient agent in the interchange of products, but as the individual incarnation of social labour, as the independent form of existence of exchange value, as the universal commodity. This contradiction comes to a head in those phases of industrial and commercial crises which are known as monetary crises.¹ Such a crisis occurs only where the ever-lengthening chain of payments, and an artificial system of settling them, has been fully developed. Whenever there is a general and extensive disturbance of this mechanism, no matter what its cause, money becomes suddenly and immediately transformed, from its merely ideal shape of money of account, into hard cash. Profane commodities can no longer replace it. The use-value of commodities becomes valueless, and their value vanishes in the presence of its own independent form. On the eve of the crisis, the bourgeois, with the self-sufficiency that springs from intoxicating prosperity, declares money to be a vain imagination. Commodities alone are money. But now the cry is everywhere: money alone is a commodity! As the hart pants after fresh water, so pants his soul after money, the only wealth.² In a crisis, the antithesis between commodities and their value-form, money, becomes heightened into an absolute contradiction. Hence, in such events, the form under which money appears is of no importance. The money famine continues,

¹ The monetary crisis referred to in the text, being a phase of every crisis, must be clearly distinguished from that particular form of crisis, which also is called a monetary crisis, but which may be produced by itself as an independent phenomenon in such a way as to react only indirectly on industry and commerce. The pivot of these crises is to be found in moneyed capital, and their sphere of direct action is therefore the sphere of that capital, viz., banking, the stock exchange, and finance.

² "The sudden reversion from a system of credit to a system of hard cash heaps theoretical fright on top of the practical panic; and the dealers by whose agency circulation is affected, shudder before the impenetrable mystery in which their own economical relations are involved" (Karl Marx, l. c. p. 198). "The poor stand still because the rich have no money to employ them, though they have the same land and hands to provide victuals and clothes, as ever they had; . . . which is the true Riches of a Nation, and not the money." (John Bellers: "Proposals for raising a College of Industry." Lond. 1695. p. 3.)

PART III.

THE PRODUCTION OF ABSOLUTE SURPLUS-VALUE.

CHAPTER VII.

THE LABOUR-PROCESS AND THE PROCESS OF PRODUCING SURPLUS-VALUE.

SECTION 1.—THE LABOUR-PROCESS OR THE PRODUCTION OF USE-VALUES.

THE capitalist buys labour-power in order to use it; and labour-power in use is labour itself. The purchaser of labour-power consumes it by setting the seller of it to work. By working, the latter becomes actually, what before he only was potentially, labour-power in action, a labourer. In order that his labour may reappear in a commodity, he must, before all things, expend it on something useful, on something capable of satisfying a want of some sort. Hence, what the capitalist sets the labourer to produce, is a particular use-value, a specified article. 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, have to consider the labour-process independently of the particular form it assumes under given social conditions.

Labour is, in the first place, a process in which both man and Nature participate, and in which man of his own accord starts, regulates, and controls the material re-actions between himself and Nature. He opposes himself to Nature as one of

her own forces, setting in motion arms and legs, head and hands, the natural forces of his body, in order to appropriate Nature's productions in a form adapted to his own wants. By thus acting on the external world and changing it, he at the same time changes his own nature. He develops his slumbering powers and compels them to act in obedience to his sway. We are not now dealing with those primitive instinctive forms of labour that remind us of the mere animal. An immeasurable interval of time separates the state of things in which a man brings his labour-power to market for sale as a commodity, from that state in which human labour was still in its first instinctive stage. We presuppose labour in a form that stamps it as exclusively human. A spider conducts operations that resemble those of a weaver, and a bee puts to shame many an architect in the construction of her cells. But what distinguishes the worst architect from the best of bees is this, that the architect raises his structure in imagination before he erects it in reality. At the end of every labour-process, we get a result that already existed in the imagination of the labourer at its commencement. He not only effects a change of form in the material on which he works, but he also realises a purpose of his own that gives the law to his *modus operandi*, and to which he must subordinate his will. And this subordination is no mere momentary act. Besides the exertion of the bodily organs, the process demands that, during the whole operation, the workman's will be steadily in consonance with his purpose. This means close attention. The less he is attracted by the nature of the work, and the mode in which it is carried on, and the less, therefore, he enjoys it as something which gives play to his bodily and mental powers, the more close his attention is forced to be.

The elementary factors of the labour-process are 1, the personal activity of man, *i.e.*, work itself, 2, the subject of that work, and 3, its instruments.

The soil (and this, economically speaking, includes water) in the virgin state in which it supplies¹ man with necessaries

¹ "The earth's spontaneous productions being in small quantity, and quite independent of man, appear, as it were, to be furnished by Nature, in the same way as a

or the means of subsistence ready to hand, exists independently of him, and is the universal subject of human labour. All those things which labour merely separates from immediate connection with their environment, are subjects of labour spontaneously provided by Nature. Such are fish which we catch and take from their element, water, timber which we fell in the virgin forest, and ores which we extract from their veins. If, on the other hand, the subject of labour has, so to say, been filtered through previous labour, we call it raw material; such is ore already extracted and ready for washing. All raw material is the subject of labour, but not every subject of labour is raw material; it can only become so, after it has undergone some alteration by means of labour.

An instrument of labour is a thing, or a complex of things, which the labourer interposes between himself and the subject of his labour, and which serves as the conductor of his activity. He makes use of the mechanical, physical, and chemical properties of some substances in order to make other substances subservient to his aims.¹ Leaving out of consideration such ready-made means of subsistence as fruits, in gathering which a man's own limbs serve as the instruments of his labour, the first thing of which the labourer possesses himself is not the subject of labour but its instrument. Thus Nature becomes one of the organs of his activity, one that he annexes to his own bodily organs, adding stature to himself in spite of the Bible. As the earth is his original larder, so too it is his original tool house. It supplies him, for instance, with stones for throwing, grinding, pressing, cutting, &c. The earth itself is an instrument of labour, but when used as such in agriculture implies a whole series of other instruments and a comparatively high development of labour.² No sooner does

small sum is given to a young man, in order to put him in a way of industry, and of making his fortune." (James Steuart: "Principles of Polit. Econ." edit. Dublin, 1770, v. I. p. 116.)

¹ "Reason is just as cunning as she is powerful. Her cunning consists principally in her mediating activity, which, by causing objects to act and re-act on each other in accordance with their own nature, in this way, without any direct interference in the process, carries out reason's intentions." (Hegel: "Encyklopädie, Erster Theil. Die Logik." Berlin, 1840, p. 332.)

² In his otherwise miserable work ("Théorie de l'Econ. Polit." Paris, 1819), Ganilh enumerates in a striking manner in opposition to the "Physiocrats" the

labour, in addition to those things that are used for directly transferring labour to its subject, and which therefore, in one way or another, serve as conductors of activity, all such objects as are necessary for carrying on the labour-process. These do not enter directly into the process, but without them it is either impossible for it to take place at all, or possible only to a partial extent. Once more we find the earth to be a universal instrument of this sort, for it furnishes a *locus standi* to the labourer and a field of employment for his activity. Among instruments that are the result of previous labour and also belong to this class, we find workshops, canals, roads, and so forth.

In the labour-process, therefore, man's activity, with the help of the instruments of labour, effects an alteration, designed from the commencement, in the material worked upon. The process disappears in the product; the latter is a use-value, Nature's material adapted by a change of form to the wants of man. Labour has incorporated itself with its subject: the former is materialised, the latter transformed. That which in the labourer appeared as movement, now appears in the product as a fixed quality without motion. The blacksmith forges and the product is a forging.

If we examine the whole process from the point of view of its result, the product, it is plain that both the instruments and the subject of labour, are means of production,¹ and that the labour itself is productive labour.²

Though a use-value, in the form of a product, issues from the labour-process, yet other use-values, products of previous labour, enter into it as means of production. The same use-value is both the product of a previous process, and a means of production in a later process. Products are therefore not only results, but also essential conditions of labour.

With the exception of the extractive industries, in which

¹ It appears paradoxical to assert, that uncaught fish, for instance, are a means of production in the fishing industry. But hitherto no one has discovered the art of catching fish in waters that contain none.

² This method of determining from the standpoint of the labour-process alone, what is productive labour, is by no means directly applicable to the case of the capitalist process of production.

Capitalist production, therefore, develops technology, and the combining together of various processes into a social whole, only by sapping the original sources of all wealth—the soil and the labourer.

make Mr. John Stuart Mill the first propounder of a theory which was first published by James Anderson in A. Smith's days, and was repeated in various works down to the beginning of the 19th century; a theory which Malthus, that master in plagiarism (the whole of his population theory is a shameless plagiarism), appropriated to himself in 1815; which West developed at the same time as, and independently of, Anderson; which in the year 1817 was connected by Ricardo with the general theory of value, then made the round of the world as Ricardo's theory, and in 1820. was vulgarised by James Mill, the father of John Stuart Mill; and which, finally, was reproduced by John Stuart Mill and others, as a dogma already quite common-place, and known to every school-boy. It cannot be denied that John Stuart Mill owes his, at all events, "remarkable" authority almost entirely to such *quid-pro-quos*.