

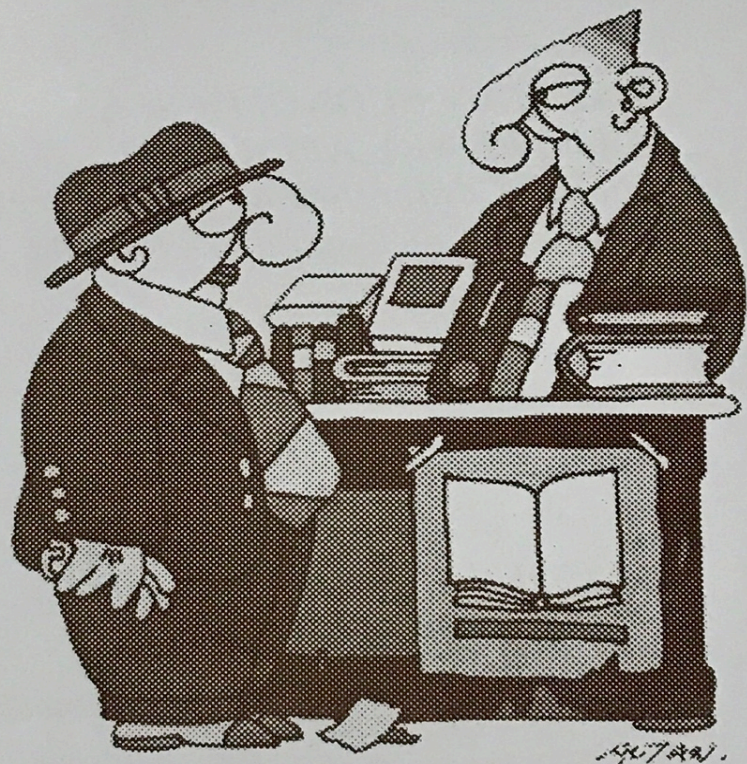
# WHAT'S VALUE GOT TO DO WITH THE CRITIQUE OF POLITICAL ECONOMY?

THE MULTIPLE MEANINGS OF VALUE THEORY IN MARX.

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VORREI  
IL CAPITALE  
DI MARX.

LO INCARTO  
O LO BRUCIA QUI?





**MARX**

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

# Marx

- Uniqueness of Marx: value theory within monetary analysis
  - Capital as an Automatic Fetish & Subject
  - Capital as a [social] relation [of production]
- Theory of exploitation
  - within a universalised commodity exchange economy
  - which is an essentially monetary economy
- Internal tendency to development & crisis
  
- How to read Marx: reading + interpretation + reconstruction
- The challenge: being a Marxian (not a Marxist) means do what Marx did: what is political economy after Marx? what have been fundamental changes in capitalism
- constant doubt & revision (& procrastination?)

**CRITIQUE CRITIQUE  
CRITIQUE**



**CRITIQUE**

# *CRITIQUE of Political Economy*

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



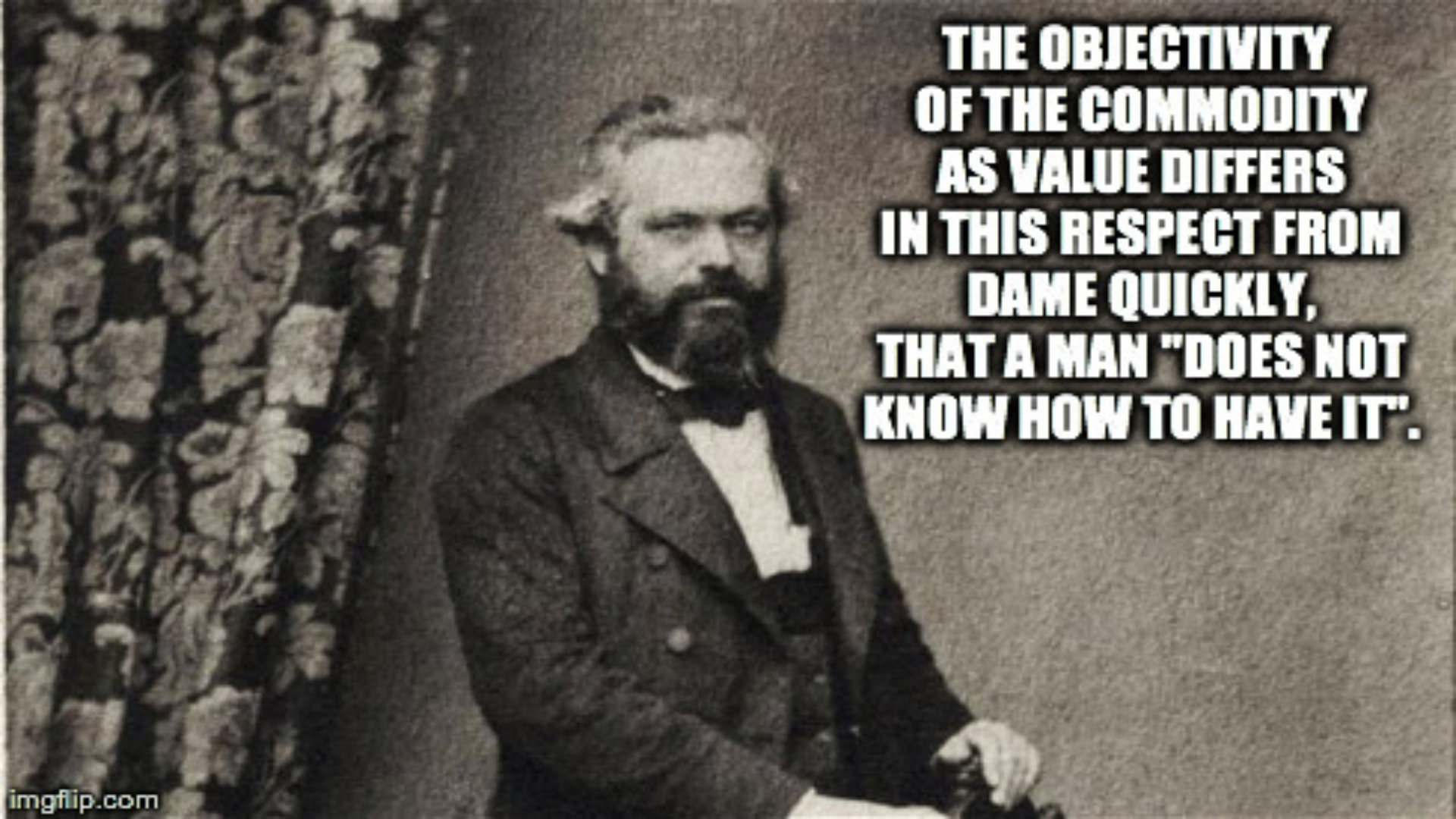
**CAPITAL**

**YOU KEEP USING THAT WORD.  
I DO NOT THINK IT MEANS  
WHAT YOU THINK IT MEANS.**

# *Multiple meanings of value theory*

- What IS Value theory
  - Labour Theory of Value = Value Theory of Labour
  - 1) Monetary [Labour] Theory of Value
  - 2) Theory of [Capitalist] Exploitation
  - 3) Macro-Monetary Theory of Capitalist Production
  - 4) Theory of [individual, relative] Prices
  - 5) 'Out-of-equilibrium' Theory
  - 6) Theory of Crisis(Crises
- Each one of this multiple meanings has been misinterpreted





**THE OBJECTIVITY  
OF THE COMMODITY  
AS VALUE DIFFERS  
IN THIS RESPECT FROM  
DAME QUICKLY,  
THAT A MAN "DOES NOT  
KNOW HOW TO HAVE IT".**

# *ToV as Monetary Theory of Value*

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



**ABSTRACT LABOUR**



**YOU KEEP USING THAT WORD, I DO NOT  
THINK IT MEANS WHAT YOU THINK IT MEANS**

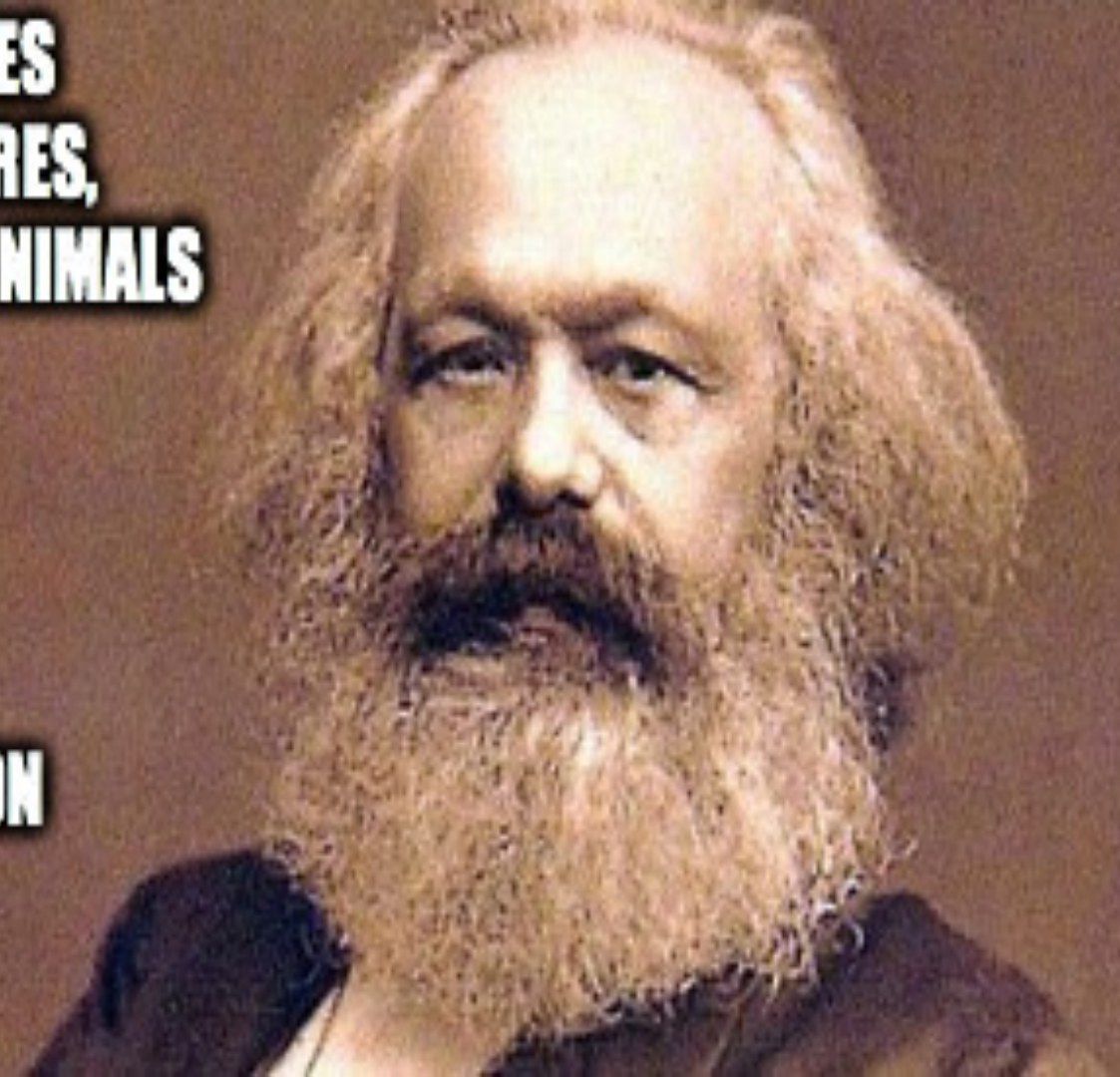
# *Value-as-content and Value-as-form*

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

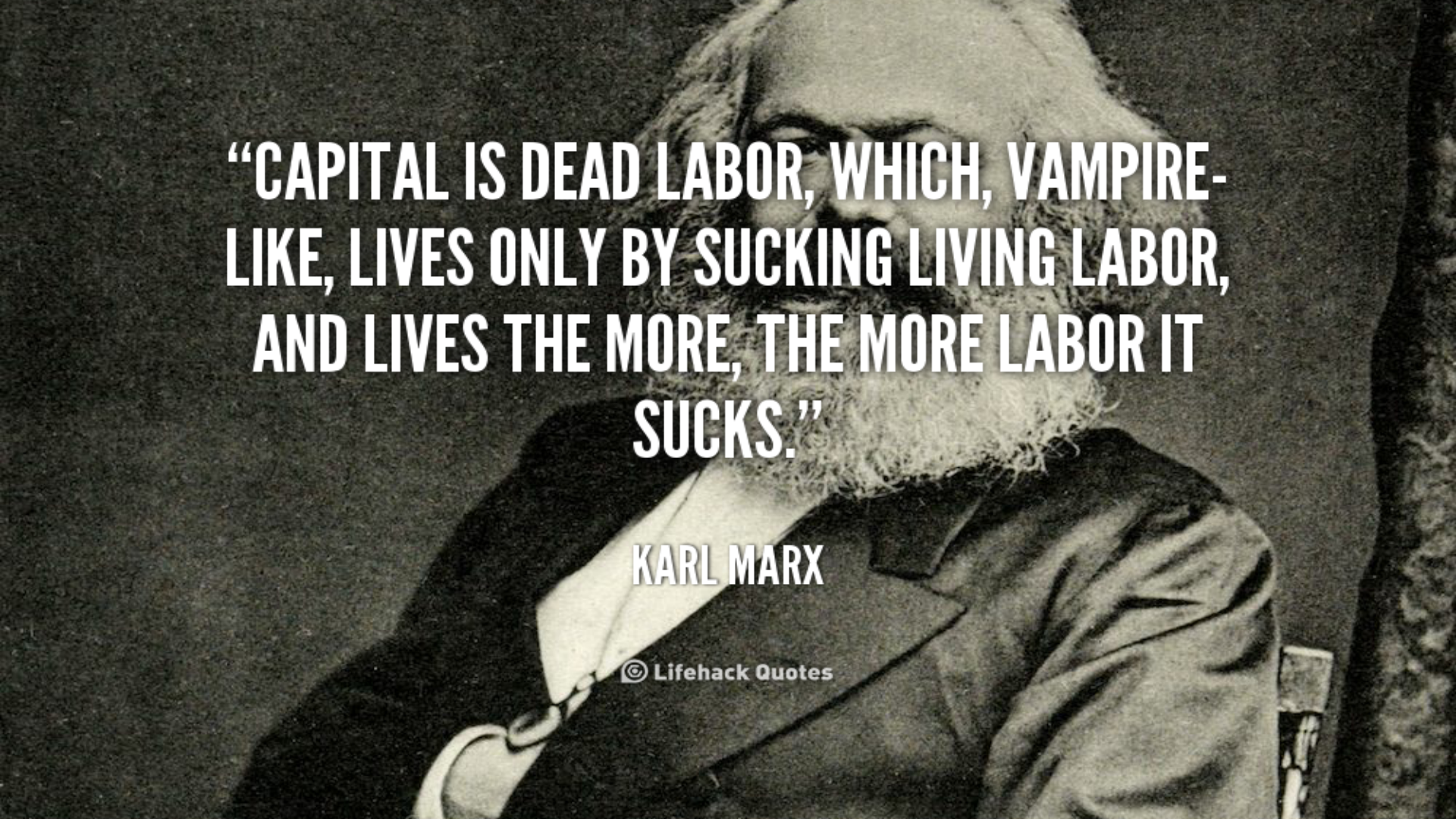
PROBLEMS: PROBLEMS: among them, the “two worlds” perspective

**IT IS AS IF, BESIDES  
LIONS, TIGERS, HARES,  
AND ALL OTHER REAL ANIMALS**

**ALSO THE ANIMAL  
EXISTED, THE  
INDIVIDUAL INCARNATION  
OF THE WHOLE  
ANIMAL KINGDOM.**







**“CAPITAL IS DEAD LABOR, WHICH, VAMPIRE-  
LIKE, LIVES ONLY BY SUCKING LIVING LABOR,  
AND LIVES THE MORE, THE MORE LABOR IT  
SUCKS.”**

**KARL MARX**

© Lifehack Quotes



# ToV as a Theory of Exploitation

- Universal exchange only with Capital: individual producers are many capitals in “competition” => immediately private labours are collective workers organised within capitalist firms.
- Collective workers are, at the stage of real subsumption, immediately socialised [Vergesellschaftung!] labour.
- Technology => form determination of labour process, concrete properties come to labour from capital; living labour in capitalist production not only counts as but already IS abstract in product.
- How capital is produced. Two steps comparison:  $LL = NL$ , zero profits, simple prices (circular flow) /  $LL > NL$ , at simple prices: origin of surplus value. [non-Engelsian justification of dual evaluation]
- NL is attached to “free”+“equal” human bearers, LL is spent by them: LLP. Specific social problem: capitalist production is nothing but CONSUMPTION of workers who MAY resist (counter-productivity)
- First definition of EXPLOITATION is the USE of LLP, that is the WHOLE working day, affecting the ‘nature’ of labour, not just its distribution (NeoRicardians: use value; Marxist: labour magnitudes).
- This is the FOUNDATION of LTV.
- CONSTITUTION of capital as a relation in the “instance of class struggle in production”.
- Second definition of EXPLOITATION: surplus labour exhibited as surplus value.

PROBLEMS: among them, the “two worlds” perspective



**ONE DOES NOT SIMPLY**

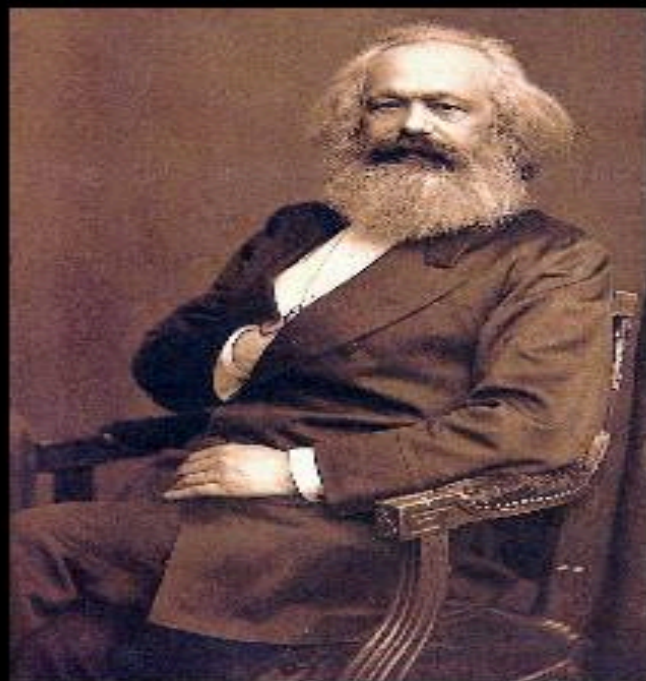
**SPEAK OF A MACRO-MONETARY  
THEORY OF VALUE**

# ToV as Macro-Monetary Theory of Exploitation

- Macroscopic perspective, modelled on sect 7 of Vol.1 Macro agents: Firm sector, Banking system, Working Class.
- *Kreislauf*, “circuit”, successive phases: (i) initial buying & selling of LP (finance to production); immediate production (LL as fluid); final circulation of commodities (direct labour, objectified labour after prod./ideal money => social labour/”real money” in circ.
- Value in motion is NEITHER value NOR money. (It is the *ens realissimum!*).
- Vol. 1: Closed economy, no State. Capital extracts LL; but it is forced to reproduce LP, hence subtraction of NL. Rate of surplus value,  $s'$ , is in simple prices: invariant!
- $I, C_k \Rightarrow Pr. \Rightarrow$  (given  $s'$ , hence Pr. Share) Income, Employment
- Difference btw. Money (Geld) and Currency (Münze).
- Key Point: the Wage of the Working Class is given.
- The Micro Logic is subordinate & opposite to the Macro Logic: once New Value is extracted, pricing affects distribution of “direct labour” to producers, not valorisation anymore. The Transformation Problem is irrelevant!
- “Forget Moseley” and the other monetary approaches.

One is a Matrix, the other is a Marxist

$$\begin{bmatrix} a_{11} & a_{12} & \cdots & a_{1n} \\ a_{21} & a_{22} & \cdots & a_{2n} \\ \vdots & \vdots & \ddots & \vdots \\ a_{m1} & a_{m2} & \cdots & a_{mn} \end{bmatrix}$$



# Know the Difference

It could change your life

# *ToV as Theory of Individual Prices*

- Dual system of (relative) prices?
  - Labour-Values ('exchange values') vs Prices of Production?
  - homogeneous dimension: simple prices vs prices of production
- No: 2 "laws of exchange", but only 1 price system, the capitalist one
  - But then, why Volume 1 as it is?
  - should Vol. I be read according to Vol. III? Hmmm.....
- The answer has already been given
  - in Marx we find another 2-step comparison (iteration)
  - completing the transformation just means revealing the 'opacity' of capitalist reality
- Marxists as well as Neoricardians or Neoclassical interpreters obliterate the process "constituting" the equilibrium position.



**CAN'T BE OUT OF  
EQUILIBRIUM**

**IF THE CURVE DOESN'T  
EXIST**

# *ToV as an out-of-equilibrium approach*

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

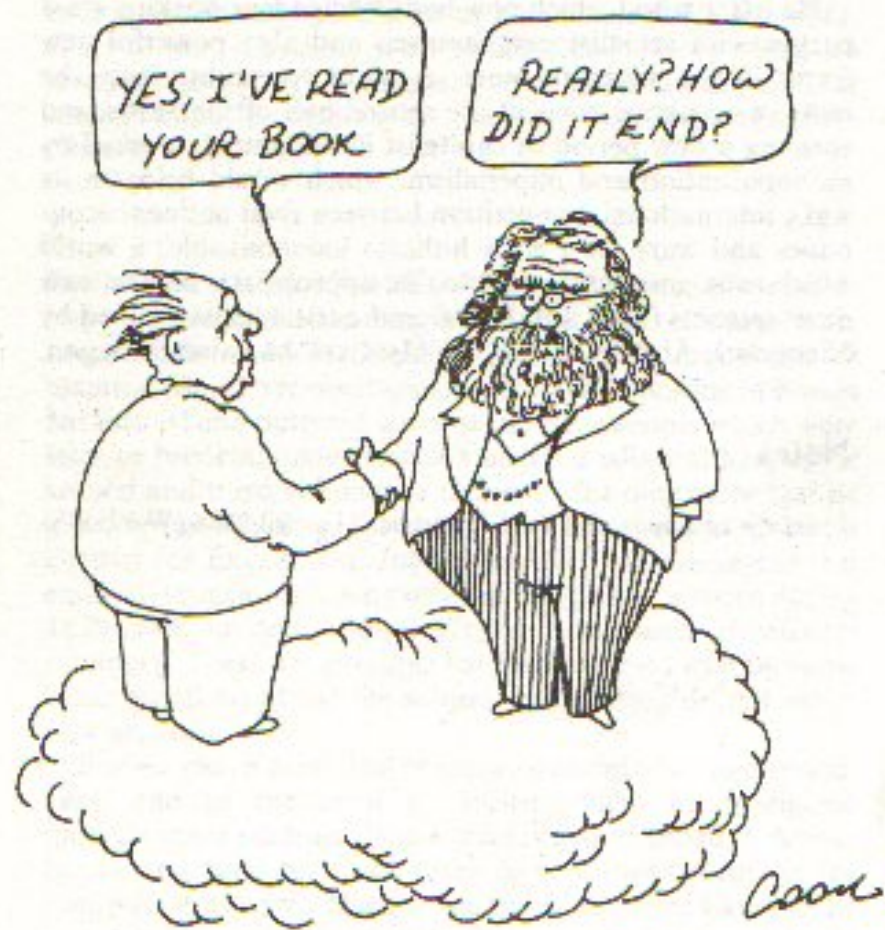


**Enjoy the Fall  
(of capitalism)**



# *ToV as a theory of crises*

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



YES, I'VE READ  
YOUR BOOK

REALLY? HOW  
DID IT END?

Cook

# ***Is There Life on Marx? The Critique of Political Economy as a Macro-Monetary Theory of Capitalist Production. (1)***

- **Preface**
- **Introduction:**
- What's value got to do with the critique of political economy? The multiple meanings of value theory in Marx.
- **Part One: The 1844 Paris Manuscripts and the Grundrisse, or How to Re-read Marx Backwards.**
- 1. *The Economic and Philosophical Manuscripts of 1844: On the Concept of Labour in Marx.*
- 2. *The Grundrisse: The Dialectics of Labour Capacity and Living Labour.*
- **Part Two: Capital, or the Marxian Critique of Political Economy and its Philosophical Foundation**
- 3. *Capital as Automatic Fetish and Subject, and its Constitution: On Marx-Hegel (Dis)Connection.*
- 4. *The Value Theory of Labour as a Theory of Exploitation: Abstract Labour, the Real Subsumption of Labour to Capital, and Capitalist Dynamics.*

# ***Is There Life on Marx? The Critique of Political Economy as a Macro-Monetary Theory of Capitalist Production. (2)***

- **Part Three: Money, Value and Capital. Old Debates and New Approaches.**
- 5. The Value of Value: The Italian Debate on Marx's Value Theory.
- 6. Marx between Schumpeter and Keynes: Italian Circuitism Reclaiming Marx's Theory of (Surplus) Value within the Cycle of Money Capital.
- 7. One Step Up, Two Steps Back? From the Debates on the Transformation Problem to the Circulationist Perspectives and the New Interpretation(s).
- 8. The Use of the Notion of Surplus Value. Reading Sraffa as if Marx really mattered.
- 9. Labour Power and Living Labour, Workers and Capital: On Italian *Operaismo* in the Sixties and Early Seventies.
- **Part Four: From the Interpretation to the Reconstruction of Marx**
- 10. Marx's Value Theory of Labour: Towards a Class Macro-Monetary Theory of Capitalist Production
- 11. Marx's Theory of Crisis: The Tendential Fall in the Profit Rate as a Meta-Theory of Crises, and Minsky's Money Manager Capitalism as a Real Subsumption of Labour to Finance.

# ***Is There Life on Marx? The Critique of Political Economy as a Macro-Monetary Theory of Capitalist Production. (3)***

- **Part Five: Capitalist Reproduction and Crisis**
- 12. 'Like a Candle Burning at Both Ends': Rosa Luxemburg and the Critique of Political Economy
- 13. *Michał* Kalecki and Rosa Luxemburg: an alternative reading of *The Accumulation of Capital*
- 14. On Paul M. Sweezy and Paul Mattick sr. (title to be defined)
- 15. On Suzanne de Brunhoff (title to be defined)
- 16. Current Crisis (title to be defined)

**FB page: *Economisti di Classe***  
**Riccardo Bellofiore (with Giovanna Vertova)**

