Fundamental Knowledge for Understanding Marx’s Dialectic Part 2

Hideki Shibata

Chapter 4: Forms of Value and Commodity Fetishism
Chapter 5: Original Accumulation and Class Society

Following the previous chapters, I would like to set out a perspective on Marx’s principal theories concerning “forms of value” (chapter 4) and “classes” (chapter 5). Understanding these theories clarifies the differences between Marx’s and Hegel’s Dialectic. While both Marx’s and Hegel’s Dialectic are attempts to overcome monism, Hegel’s Dialectic only affects consciousness whereas Marx’s Dialectic involves an interaction between objective materials and subjective ideas in which objective materials emerge as materialized ideas, as illustrated below with the examples of an ancient Hindu miniature and of money (Chapter 4, Sections 2 and 3).

Chapter 4: Forms of Value and Commodity Fetishism

Section 1: Differences between Hegel’s and Marx’s Dialectic

Marx often presented arguments concerning his inversion of Hegel’s dialectic, for example, in the *Afterword to the Second German Edition* of the first volume of *Capital*:

My dialectic method is not only different from the Hegelian, but is its direct opposite. To Hegel, the life process of the human brain, i.e., the process of thinking, which, under the name of “the Idea”, he even transforms into an independent subject, is the demiurgos of the real world, and the real world is only the external, phenomenal form of “the Idea”. With me, on the contrary, the ideal is nothing else than the material world reflected by the human mind, and translated into forms of thought. ... The mystifying side of Hegelian dialectic I criticised nearly thirty years ago. (Marx 1996, p. 19)

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He also discussed the same matter in *A Contribution to the Critique of Political Economy*, which was written virtually at the same time as the previously cited text:

The concrete concept is concrete because it is a synthesis of many definitions, thus representing the unity of diverse aspects. It appears therefore in reasoning as a summing-up, a result, and not as the starting point, although it is the real point of origin, and thus also the point of origin of perception and imagination. The first procedure attenuates meaningful images to abstract definitions, the second leads from abstract definitions by way of reasoning to the reproduction of the concrete situation. Hegel accordingly conceived the illusory idea that the real world is the result of thinking which causes its own synthesis, its own deepening and its own movement; whereas the method of advancing from the abstract to the concrete is simply the way in which thinking assimilates the concrete and reproduces it as a concrete mental category. This is, however, by no means the process of evolution of the concrete world itself. (Marx 1970, p. 206)

What Marx was concerned with was Hegel's conceiving “the illusory idea that the real world is the result of thinking which causes its own synthesis, its own deepening and its own movement,” and that, in this way of thinking, “the Idea’, he even transforms into an independent subject.” He had discussed this point in depth 30 years previously in *Contribution to the Critique of Hegel's Philosophy of Law* and in the third manuscript of *Economic and Philosophic Manuscripts of 1844* (“Critique of Hegel's Philosophy in General”).

According to Hegel, civil society's principal characteristic is “the mediation of need and one man's satisfaction through his work and the satisfaction of the needs of all others-the System of Needs,” (Hegel 1990, p. 68) through which “a system of complete interdependence” (Hegel 1990, p. 67) is formed. As the principle of civil society is not harmony but dissociation, so arbitrariness and accidents, involving “disparities of individual resources and ability” (Hegel 1990, p. 71), are inevitable in civil society. Civil society faces a further serious problem besides “disparities”: that is, “excessive poverty and the creation of a penurious rabble” (Hegel 1990, p. 81). The resolution of this problem lies outside the self-movement of civil society or would be against its principles (cf. Hegel 1990, §245). Hegel therefore sublates [aufhebt] this contradiction in civil society by applying the characteristics of the state in civil society: “public authority” and “corporation” (cf. Hegel 1990, §230). In the end, in Hegel's theory of the state, civil society is sublated to the state, which is now the realization (energeia) of the idea of ethical mind otherwise contained directly and naturally in the family.

In contrast, Marx grasps that the disassociation of the state and civil society is a historical fact specific to the modern era and emphasizes that this disassociation is not an
unmediated but a mediated disassociation; that is, the state and civil society coexist and stand in mutuality. Hegel’s sublation of the state and civil society is a fiction and purely an event in his consciousness, and it cannot dissolve the dualism of state–civil society.

What was the truth of the bourgeois revolution that dismantled the feudal system, or “the political revolution which overthrew this sovereign power and raised state affairs to become affairs of the people, which constituted the political state as a matter of general concern, that is, as a real state” (Marx 1975b, p. 166)? On the one hand, the revolution “abolished the political character of civil society” and “broke up civil society into its simple component parts,” and, on the other hand, it “set free the political spirit, which had been, as it were, split up, partitioned and dispersed in the various blind alleys of feudal society…gathered the dispersed parts of the political spirit, freed it from its intermixture with civil life, and established it as the sphere of the community, the general concern of the nation, ideally independent of those particular elements of civil life” (Marx 1975a, p. 166).

Thus, state politics, which was the task of estates in the middle ages, became of general concern. But what then happened to civil society? Civil society had thrown off “the bonds which restrained the egoistic spirit of civil society,” or “the political yoke,” and society, as a result, broke up into the units of “its basic element-man, but man as he really formed its basis-egoistic man” (Marx 1975a, p. 166). As Marx described this,

The political revolution resolves civil life into its component parts, without revolutionising these components themselves or subjecting them to criticism. It regards civil society, the world of needs, labour, private interests, civil law, as the basis of its existence, as a precondition not requiring further substantiation and therefore as its natural basis. (Marx 1975a, p. 167)

That is to say, “the completion of the idealism of the state was at the same time the completion of the materialism of civil society” (Marx 1975a, p. 166).

Thus, Marx grasped the fundamental limitations of the dualism of state and civil society and of the subsequent limitations concerning the political liberation of humanity. There is indeed a sort of liberation, but not the liberation of humanity itself. The liberation of humanity could only be achieved through the sublation of the dualism of state and civil society, and Marx searches for the fundamental conditions for this in the economic system of civil society.

Hegel’s dialectic makes the real and concrete an adjunct to logic occurring exclusively within human consciousness, whereas, on the other hand, Marx’s dialectic is a concrete process that occurs in relation to the world and humanity, and between one person and another. In the latter case, consciousness functions as a mediator of the dialectic process or as a conscious act, and it is meaningless to inquire into the contents of consciousness
itself. On this point, Marx’s consciousness is the same as the impersonal and absolute consciousness of Sartre.

An argument put forward by S. M. Eisenstein is instructive. Eisenstein, a film director, tackled issues concerning the relations between description and image. Under the Soviet regime, he had to make films in accordance with Soviet communist doctrine. He was not able to avoid expectations of socialist realism in his activity as a film director. However, for him, true realism meant an integration of description and image. True realistic works must begin with the fundamental principle of realism and integrate descriptions of real objects, with the image essentially encapsulating the phenomena. The description and the image must undergo mutual transitions to this end. He found an ideal example of such work in an ancient Hindu miniature, (see Figure 1) as shown below.

He offered an explanation, as follows:

The “moment” that interests us here represents a stage in the formation of consciousness when the generalising concept has not yet wholly managed to “separate itself” from the objectification of a particular instance; a stage in which, for instance, the generalised concept of “carrying” still cannot separate itself from depiction of the more familiar idea of “a carrier.” It is precisely this process that has been captured in
a certain very curious and extremely ancient Hindu miniature [depicted above].
We must assume that in this case the generalising outline of the composition does not represent some dynamic, overall scheme, ... but retains some elements of semi-abstract representation.

And this applies, with the utmost clarity, to our miniature.

The miniature depicts a bevy of heavenly maidens carrying the god Vishunu from one place to another. The action is very accurately depicted. But the artist was not satisfied with mere representation. He wants to convey fully the idea of the girls carrying Vishunu. What have we done in the instances we have been considering? Apart from objective depiction we have also forced the compositional elements—in particular the contour—to reiterate the content, but in a maximally generated form. We have taken generalisation beyond the limit of immediate depiction and into the compositional arrangement of the subject depicted.

Our Hindu proceeds in the same way, but he does not confine himself to what would have been done at a later stage of development....He knows that the carrying of royalty is associated with being seated on an elephant, that on solemn occasions Indian rajahs and high officials move among the people on elephants. The idea of ceremonial transportation is indissolubly linked in his mind with an elephant, i.e., with the creature which transports a rajah on ceremonial occasions. Here, however, the divinity is not being carried by an elephant, but by girls! What is he to do? How is he to combine a depiction of girls carrying [the divinity] with the “image of carrying”-an elephant?

Our master has found the solution! Look at the contour into which the maidens, in their flowing diaphanous garments, have been grouped: all these figures and details have been arranged into a contour which corresponds to the outline, the silhouette of... an elephant! This astonishing example, unique of its kind, shows graphically how generalisation develops from requirements that are firmly depictive in nature, and how even in this still impure form it assumes a compositional function.

At one point in our analysis we referred not merely to carrying but to the carrying of royalty. I believe the example in question can be interpreted in two ways: as a case of straightforward, primary metaphorical meaning—something which, in essence, every word is—and as a case of metaphorical description. That is to say, the contour of the elephant may be interpreted as a wish to depict the supreme form of transportation together with the idea of transportation as such. Or it may be interpreted as a wish to express the idea of royal transportation. Both cases can be supported by argument. Restricting ourselves to the second case, we simply broaden the horizon of our speculations. We must stress once again that the “generalisation” we are discussing is an artistic type of generalisation, i.e., a generalisation that is
tendentiously and emotionally coloured. Any kind of generalisation applied compositionally to an artistic representation gives it a resonance that is in the tonality which we wish to impart to the phenomenon depicted. (Eisenstein 1991, pp. 31-32)

An interpretation of linguistic expression is not intended to determine an author’s true message through focusing on linguistic expression alone but depends on social codes to interpret that which consists of “its unique historical, social, cultural, context.” However, such codes are not enough to interpret certain works. The impersonal consciousness of human-beings transcends such social, cultural, and historical restrictions, and metaphors work creatively. Recognition of that reality is a fundamental requirement for the integration of descriptions and images.

Section 2: Commodity Fetishism

It is generally never doubted that money represents wealth. More goods and services can be consumed when money is available. However, is it true that a country can be considered rich only if it possesses a lot of money?

After U.S. President Richard Nixon took the dollar off the gold standard on August 16, 1971, in what came to be known as the “Nixon shock,” the U.S. abolished restraints whereby dollars could only be issued in relation to the amount of gold held by the Federal Reserve. These actions had the effect of obliging other countries to keep more dollars as foreign reserves and to buy more dollars. The dollar had higher liquidity and U.S. multinational enterprises could operate more aggressively outside the U.S., despite the dollar representing the debt of the U.S. government. The value of money, in this case the dollar, was no longer tied to gold, or to anything specific, raising uncertainty as to the precise value of money.

The U.K., which completed its Industrial Revolution in the first half of the 19th century, was gradually caught up with by the U.S. and Germany, but it could keep its dominant position in the world economy because its currency, the pound, continued to play a central role in world trade. However, European countries exhausted their financial reserves during World War I and acquired significant U.S. debt, whereas, on the other hand, the U.S. economy developed tremendously because of increased demand during the same war. Subsequently, the U.S. dollar gradually took over the role as the key international currency from the pound. After World War II, under the Bretton Woods system and the overwhelming influence of the U.S. economy, the U.S. established a precise dollar/gold exchange rate and the U.S. dollar, despite subsequent developments, has remained the key global currency. What is revealed in this history is that, in the international arena, there has been competition among national currencies, and this shows that the value of money is not something intrinsic to money but works rather as a
preconception.

Why then is money seen as valuable, the embodiment of value, or the symbol of value? Marx discusses, in minute detail, the “commodity-god” as operating like a fetish in the world, in the section “The Fetishism of Commodities and the Secret Thereof” in Capital. A Critique of Political Economy. There, he defined the fetishism of commodities at the outset:

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 labor. 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 form of wood, for instance, is altered, by making a table out of it. Yet, for all that, the table continues to be that common, every-day thing, wood. But, so soon as it steps forth as a commodity, it is changed into something transcendent. It not only stands with its feet on the ground, but, in relation to all other commodities, it stands on its head. (Marx 1996, pp. 81–82)

In the above passage, Marx says “so far as it is a value in use, there is nothing mysterious about it,” but then notes that “so soon as it steps forth as a commodity, it is changed into something transcendent.” Thus, commodities involve a unity of use value and value; notably, although commodities gain their fetish character from value, they do not originate from use value.

Marx denies that use value is the origin of the fetish character of commodities. He also denies that “determining factors of value” are the origin of this fetish character. Determining factors of value refer to abstract human labor, which is expressed in the value of commodities. Marx lists three reasons why the fetish character of commodities does not originate from the determining factors of value:

The mystical character of commodities does not originate, therefore, in their use value. Just as little does it proceed from the nature of the determining factors of value. For, in the first place, however varied the useful kinds of labor, or productive activities, may be, it is a physiological fact, that they are functions of the human organism, and that each such function, whatever may be its nature or form, is essentially the expenditure of human brain, nerves, muscles, etc. Secondly, with regard to that which forms the ground-work for the quantitative determination of value, namely, the duration of that expenditure, or the quantity of labour, it is quite
clear that there is a palpable difference between its quantity and quality. In all states of society, the labour time that it costs to produce the means of subsistence, must necessarily be an object of interest to mankind, though not of equal interest in different stages of development. And lastly, from the moment that men in any way work for one another, their labour assumes a social form. (Marx 1996, p. 82)

These three determinants refer to activities through which humans work upon nature and provide for life’s necessities. In addition, these activities involve human labor, which is fundamental for all kinds of human societies. Such labor is a fundamental determinant of what it is to be human and common to all societies, including capitalist society and feudal society. In this sense, it is a type of social substance.

Marx considered that the origin of the fetish character of the commodity lay in the “form of commodity.” According to Marx, “the equality of all sorts of human labour,” “the measure of the expenditure of labour power by the duration of that expenditure,” and “the mutual relations of the producers, within which the social character of their labour affirms itself” appear in the form of the commodity, in terms of “their products all being equally values,” “the form of the quantity of value of the products of labour,” and “the form of a social relation between the products” (Marx 1996, p. 82). That is, in relation to a commodity, “the social character of men’s labour appears to them as an objective character stamped upon the product of that labour” and “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” (Marx 1996, p. 83).

In following Marx’s argument thus far, the structure of this quid pro quo, that is, how “a definite social relation between men” appears as “a relation between things,” remains to be clearly explained. However, the clarification of this fetish character of commodities is possible only through the clarification of the structure of this quid pro quo. What then is this structure in relation to commodities?

**Section 3: Forms of Value**

The purpose of production and labor in the capitalist economy is to produce money as a universal form of wealth. Money as wealth is premised on the exchange and circulation of commodities and is, on that point, very different from other concrete forms of wealth such as land, slaves, or livestock. In the exchange of commodities, the parties involved must adjust their needs to ensure effective barter, but it rarely happens that the kind, quality, and quantity of goods to be exchanged are completely interchangeable between parties. Understanding the difficulties in barter exchange is important in understanding forms of value.

**A. The Elementary or Accidental Form of Value**
Understanding the “Form of Value” requires starting with the value relation of commodities, from their simplest, almost imperceptible outline, “that of one commodity to some one other commodity of a different kind.” This simplest relation, however, includes the whole secret of the money form and “the whole mystery of the form of value” (Marx 1996, pp. 57–58), so “its analysis, therefore, is our real difficulty” (Marx 1996, p. 58).

The elementary form of value can, for example, be expressed as “20 yards of linen = 1 coat.” In this equation, the linen expresses its value in the coat and the coat serves as “the material in which that value is expressed.” Here, the value of 20 yards of linen is expressed in 1 coat. “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” (Marx 1996, p. 58).

What is the foundation of this equation? Generally speaking, it rarely happens that commodities such as 20 yards of linen and 1 coat are considered equivalent and directly exchanged in daily commodity circulation. Understanding the equation 20 yards of linen = 1 coat seems to require viewing it from the perspective of the linen, for this equation expresses the value of the 20 yards of linen where the subject of the expression, that is, the linen, plays the active role in this equation. The coat is not explicitly engaged with, as it merely serves as the material enabling a value expression for the linen and plays a passive role in this equation.

The fundamental perspective for grasping the origin of the elementary form of value is now open. What does the equation 20 yards of linen = 1 coat mean? It refers to the one-

**Figure 2** Elementary Form of Value
way, subjective relationship of an owner of the linen, in that such an owner will give his/her 20 yards of linen to satisfy his/her appetite for 1 coat. It represents a personal request of a linen owner for a coat. It cannot be deduced, therefore, from this equation that another equation might equally apply, for example, that 40 yards of linen = 2 coats, since the owner may not want more than one coat. In this elemental form of value, the value expression of 20 yards of linen is possible only under the absolute constraint of the use value of another commodity, that is, a coat. This means that the origin of the value form is the desire of the linen owner.

Since it is the origin of the money form, what kind of reification structure does the equation 20 yards of linen = 1 coat express? This can be explained from the viewpoint of the significance of the commodity, which serves as an equivalent form (a coat) to the owner of the value-expressing subject (linen owner). The linen owner expresses that the 20 yards of linen has a value “by saying that the coat is directly exchangeable with it” (Marx 1996, p. 65). This means that the linen does not express its value in itself, but rather that a detour is required to express its value by way of another commodity. The linen owner has a direct desire for a coat, unilaterally and actively, but the linen owner’s request is almost impossible to satisfy because it is a one-way desire and the coat owner pays no attention to it. On the other hand, the coat owner, who has a passive position in this equation, is more likely to obtain linen in exchange for his coat, if he/she so wishes. This situation reveals an unusual upside-down relation. The more the subject of the value expression emphasizes his/her subjectivity (i.e., a request for exchange), the more he/she loses his/her subjectivity. This upside-down relation develops finally into the money form. Money has prevailing, one-way purchasing power over other commodities and makes commodity circulation possible.

In the equivalent form, “use value [i.e., 1 coat] becomes the form of manifestation, the phenomenal form of its opposite, value” (Marx 1996, p. 66). This is a puzzling quid pro quo because originally 1 coat was “the form of the equivalent” only in the relation subjectively set by the linen owner; however, now it seems “the material commodity itself—the coat—just as it is, expresses value, and is endowed with the form of value by Nature itself.” “The properties of a thing are not the result of its relations to other things, but only manifest themselves in such relations, the coat seems to be endowed with its equivalent form, its property of being directly exchangeable, just as much by Nature as it is endowed with the property of being heavy, or the capacity to keep us warm” (Marx 1996, pp. 67–68). The properties of the equivalent form contain some social relations, but they are effectively neglected in daily life.

B. The Total or Expanded Form of Value

In the “Expanded Form of Value,” the value expression of the linen originates in the “desire” of the linen owner, and commodities in equivalent form are objectives of this
“desire”—that is, the linen owner chooses them. In the “Expanded Form of Value,” the value of the linen is expressed in a limited number of use values, chosen according to the linen owner’s “desire for exchange.” However, the “desire for exchange” in the “Expanded Form of Value” has many-sided aspects, and the use values chosen as material for value expression are diverse. The opposition between the value and the use value of the linen as a commodity is no more direct and limited than the “elementary form of value”; in fact, it becomes more indirect.

In the “Elementary Form of Value,” only the 20 yards, no less and no more, of linen can express its value. However, the linen owner could have more linen, and he/she must express the value of that linen in relation to other commodities, provided the linen owner does not use the linen for personal consumption. The linen owner may express the value of the linen in terms of 5 pounds of tea or 2 quarts of wheat for 10 yards of linen, or for 30 yards. In these value expressions, the “desire for exchange” is more diversified compared to the “Elementary Form of Value,” and the expression of the value of linen involves greater freedom. The linen owner, however, could have more linen than needed to exchange for daily necessities, for example, such as a coat, tea, and wheat. If the objects of the “desire for exchange” are limited to daily necessities, value expression must also be limited, because daily and direct desire for exchange disappears once satisfied. The linen owner cannot readily have a wish to have 500 pounds of tea in exchange for 1000 yards of linen because 500 pounds of tea exceeds the linen owner’s ability to consume. This means that value expression has its limits if the desire for exchange is limited to the desire for daily and direct necessities. However, this limit must be overcome for value expression to become universal.

Universality of value expression begins to work to overcome the limit of daily and direct desire when the linen owner chooses commodities to fulfill indirect desire, that is, the desire for luxury commodities. Daily and direct desire must turn into luxury and indirect desire. Commodities related to daily necessity no longer play the role of “equivalent forms”; rather, commodities related to luxuries and whose need is prompted through indirect desire play that role. Luxuries and indirect desire have no limit. In that context, the linen owner could express the value of his/her linen beyond his/her daily necessity.

In this way, value expression becomes limitless and universal. The “Extended Form of Value” is fundamentally more developed than the “Elementary Form of Value.”

C. The Money Form

Here, the fetish structure of the “Extended Form of Value” is examined. The “equivalent form” develops along with the “relative form of value.” The “desire for exchange” develops from a direct desire to become an indirect one, as a commodity in equivalent form develops from a daily necessity to become a luxury product. This is how the fetish structure develops. As mentioned above, if the objects of the “desire for exchange” are
daily necessities, the direct desire for exchange disappears once satisfied. The more easily
the opposition between value and use value disappears, the more direct the opposition.
The more indirect the opposition is, the more is this opposition and the “false appearance”
of the “commodity in equivalent form” confirmed.

At this point, the “mysterious quality of the equivalent form” in the “elementary form of
value” appears within the subjective imagination of the linen owner and becomes the
objective quality of some commodity. As the “desire for exchange” loses its limit, one
cannot meet this desire by oneself. Thus, the desire specific to the commodity exchange
economy is considered to be universal, and the desire intrinsic to human beings is
considered nonessential. Money, which appears at the end of the development of value
forms, is understood as the generalization and universalization of the human “desire for
exchange.”

Fetishism, which occurs when the relation between persons is understood as the
relation between things, manifests very clearly in money and in commodities. It is easy to
recognize the relation between persons in the elementary form of value. However,
following the development of the value form, this relation becomes harder to recognize
and is ultimately forgotten. In the elementary form of value, products in equivalent forms
satisfy only personal desire or daily direct desire. However, as equivalent forms develop,
and begin to satisfy indirect desire or universal desire, they become social necessities that
no one can change. Marx describes this development as follows:

Money – the common form into which all commodities as exchange values are
transformed, i.e. the universal commodity – must itself exist as a particular
commodity alongside the others, since what is required is not only that they can be
measured against it in the head, but that they can be changed and exchanged for it
in the actual exchange process. The contradiction which thereby enters, to be
developed elsewhere. Money does not arise by convention, any more than the state
does. It arises out of exchange, and arises naturally out of exchange; it is a product of
the same. At the beginning, that commodity will serve as money – i.e. it will be
exchanged not for the purpose of satisfying a need, not for consumption, but in order
to be re-exchanged for other commodities – which is most frequently exchanged and
circulated as an object of consumption, and which is therefore most certain to be
exchangeable again for other commodities, i.e. which represents within the given
social organization wealth κατ’ ἔξοχην, which is the object of the most general
demand and supply, and which possesses a particular use value. Thus salt, hides,
cattle, slaves. In practice such a commodity corresponds more closely to itself as
exchange value than do other commodities.... It is the particular usefulness of the
commodity, whether as a particular object of consumption (hides), or as a direct
instrument of production (slaves), which stamps it as money in these cases. In the
course of further development precisely the opposite will occur, i.e. that commodity
which has the least utility as an object of consumption or instrument of production
will best serve the needs of exchange as such. (Marx 1973, pp. 165–166)

The quality of the equivalent form is, at first, dependent on the direct desire of the
commodity owner. It gradually loses this dependence as the form of value develops. The
exchangeability, or the indirect quality of the commodity in the equivalent form, becomes
increasingly important. In the case of money, the use value of the commodity in the
equivalent form is of no importance, or its use value is its exchangeability with other
commodities. Money perfectly conceals the fact that value is originally a relation between
persons. With this aspect hidden within the process, money becomes projected as a
natural value. The dominance of money gradually expands from commerce to production,
where it turns into capital.

Chapter 5: Original Accumulation and Class Society

Section 1: Original Accumulation

In a letter to one of his friends, Marx explained the connection between class theory
and his study of the February Revolution of 1848:

Now as for myself, I do not claim to have discovered either the existence of classes
in modern society or the struggle between them. Long before me, bourgeois historians
had described the historical development of this struggle between the classes, as had
bourgeois economists their economic anatomy. My own contribution was 1. to show
that the existence of classes is merely bound up with certain historical phases in the
development of production; 2. that the class struggle necessarily leads to the
dictatorship of the proletariat; 3. that this dictatorship itself constitutes no more than
a transition to the abolition of all classes and to a classless society. (Marx 1983, pp. 62–
65)

Marx’s research centered on bourgeois productive relations as one of the historical stages
of production; he sought to demonstrate that “Bourgeois relations of production are the
last antagonistic form of the social process of production, antagonistic not in the sense of
individual antagonisms, rather of an antagonism growing out of the conditions of life in
society for individuals, but at the same time the productive forces developing in the womb
of bourgeois society create the material conditions for the resolution of this antagonism”
(Marx 1970, p. 21). Furthermore, in the Economic and Philosophic Manuscripts of 1844,
Marx presents capitalist relations as those of “private ownership” (“a state of the national
economy”) and “alienated labor,” and he states “that labor and capital, capital and land
were divided.” In other words, he reveals the “linkage of the essence between personal possession, possessiveness, labor and the separation with capital and the landholding.” After this “draft,” Marx seeks to elaborate the identity of capital and wage labor and their separation based on the fundamental structure of labor. In other words, Marx understands class relations in modern society as involving the separation of objective labor conditions and subjective labor power, or the separation of objectified labor and living labor, that is, the separation of possession and labor. Thus, Marx explains class as an expression of the relations of society. Therefore, Marx’s contribution is not related to discovering “class,” but rather involves a reassessment of the notion of “class.”

Labor for the purpose of commodity production is a historical event, and it needs detailed analysis. It is premised on a separation of the possession of the means of production and of labor and the consequent alienation of the laborer from his/her product. Such labor guarantees the durability of economic circulation and the sustained presence of money.

For Marx, “Original Accumulation” as “an historic process” refers to “the process which takes away from the laborer the possession of his means of production; a process that transforms, on the one hand, the social means of subsistence and of production into capital, on the other, the immediate producers into wage laborers” (Marx 1996, p. 705). This historical separation is “a process of history which dissolves the various forms in which the worker is a proprietor, or in which the proprietor works”; it occurs first in the “[d]issolution of the relation to the earth-land and soil-as natural condition of production”; and second, in that of “the relations in which he [the laborer] appears as proprietor of the instrument.” Both dimensions presuppose “the fact that he [the laborer] has the means of consumption in his possession before production, which are necessary for him to live as producer-i.e. during production, before its completion.” Third, “[d]issolution likewise at the same time of the relations in which the workers themselves, the living labor capacities themselves, still belong directly among the objective conditions of production, and are appropriated as such-i.e. are slaves or serfs” (Marx 1993, pp. 497–498). The most fundamental of the three dimensions is, as a matter of course, the first one, which involves appropriation of the peasantry’s land. As a result, “those moments when great masses of men are suddenly and forcibly torn from their means of subsistence, and hurled as free and ‘unattached’ proletarians on the labor market” (Marx 1996, p. 707) are the historical landmark events of original accumulation.

Original accumulation, which is the moment of capital’s creation, “placed the mass face to face with the objective conditions of labor as free workers” and “also placed these conditions, as capital, face to face with the free workers” (Marx 1993, p. 503). Separation does not involve the disappearance of one of these two elements but rather the negation of their existing “positive relation.” As Marx concludes, “The historic process was the divorce of elements which up until then were bound together; its result is therefore not
that one of the elements disappears, but that each of them appears in a negative relation to the other—the (potentially) free worker on the one side, capital (potentially) on the other” (Marx 1993, p. 503).

The economic structure of a capitalist society was born from the economic structure of a feudal society. The dismantling of the latter liberated the elements necessary for the former. To describe the process of original accumulation is to describe the process whereby feudal society was dismantled. This process appeared for workers as a release from subjugation to feudal lords or the coercion of guilds. However, on the other hand, it was also a process of takeover of their primary means of survival, which had otherwise been allowed to them in exchange for their status as subordinates. This same process, for industrial capitalists, involved breaking down the privileges of feudal lords and guild masters so that industrial capitalists could gain the freedom to produce and exploit as was made possible in this process. The significant political achievements of modernization, such as civil enlightenment and political liberation, paralleled the process of establishing the capitalist production system.

Section 2: The Existence of Classes

For Marx, classes are derived from the formation of capital (the transformation of money into capital). He does not consider classes to be self-sufficient entities. Marx is more interested in how classes function and the historic conditions that give rise to them. Therefore, in addressing the question of class, it is first necessary to understand Marx’s analysis of the transformation of money into capital. To begin with, money is a form of wealth that assumes the circulation of commodities; without such circulation, the exchange value of money is nothing, and paper money and coins are worthless things. In this regard, Marx writes:

The accumulation of gold and silver, of money, is the first historic appearance of the gathering-together of capital and the first great means thereto; but, as such, it is not yet accumulation of capital. For that, the re-entry of what has been accumulated into circulation would itself have to be posited as the moment and the means of accumulation. (Marx 1993, p. 233)

Its [money’s] independence is a mere semblance; its independence of circulation exists only in view of circulation, exists as dependence on it. (Marx 1993, p. 234)

It is equally clear that the simple movement of exchange values, such as is present in pure circulation, can never realize capital. It can lead to the withdrawal and stockpiling of money, but as soon as money steps back into circulation, it dissolves itself in a series of exchange processes with commodities which are consumed; hence
it is lost as soon as its purchasing power is exhausted. (Marx 1993, p. 254)

Mere money, which is not capital, is wealth easily lost through the purchase of commodities; through the exchange of it for commodities by money-owners. If wealth is merely accumulated in dead storage and not used as capital, it can easily dissipate, as occurred with the House of Hapsburg, which accumulated great wealth through importing silver from the New World and losing it in huge expenditures. The circulation of commodities is not self-generating; its renewal and duration depend on exogenous factors:

The repetition of the process from either of the points, money or commodity, is not posited within the conditions of exchange itself. The act can be repeated only until it is completed, i.e. until the amount of the exchange value is exchanged away. It cannot ignite itself anew through its own resources. Circulation therefore does not carry within itself the principle of self-renewal. The moments of the latter are presupposed to it, not posited by it. (Marx 1993, pp. 254–255)

Its [circulation’s] immediate being is therefore pure semblance. It is the phenomenon of a process taking place behind it. It is now negated in every one of its moments: as a commodity-as money-and as a relation of the two, as simple exchange and circulation of both. While, originally, the act of social production appeared as the positing of exchange values and this, in its later development, as circulation-as completely developed reciprocal movement of exchange values-now, circulation itself returns back into the activity which posits or produces exchange values. (Marx 1993, p. 255)

When an exchange of surplus product is uncommon, the existence of the money is unstable; only the engagement of labor in commodity production permits sustained circulation.

It is commodities ... which form the presupposition of circulation ... their presupposition ... is both the production of commodities by labor and their production as exchange values. (Marx 1993, p. 255)

The exchange of the overflow is a traffic which posits exchange and exchange value. But it extends only to the overflow and plays an accessory role to production itself. But if the trading peoples who solicit exchange appear repeatedly, ... then the surplus of production must no longer be something accidental, occasionally present, but must be constantly repeated; and in this way domestic production itself takes on
a tendency towards circulation, towards the positing of exchange values. (Marx 1993, p. 256)

Money has a social existence premised on the system of exchange and division of labor. Therefore, it could be considered a form of money suicide just to accumulate it through hoarding it to enrich oneself. If everyone removed money from circulation and hoarded it to make a fortune, the system of exchange and division of labor would collapse immediately, and money would lose its value at the same time. The accumulation of money to make a fortune can only be a limited option that does not contradict the system of exchange and division of labor, since it is the capitalist mode of production that gives the greatest opportunities for such accumulation.

In the process of the reproduction of labor, the laborer, who has no means of production and who is forced to sell his/her labor to obtain money in exchange for labor, then buys commodities, that is, the means to live. The laborer consumes his/her money and loses it. Therefore, the laborer must sell his/her labor again to continue reproducing himself/herself again and again.

On the other hand, in the process of the reproduction of capital, the capitalist buys labor, and uses it to produce labor product, obtains labor product, and sells it as a commodity on the market and obtains money again. The capitalist can increase his/her money in this process.

These two reproduction processes are continuous, because the sold labor does not

**Figure 3  Two Reproduction Cycles**

Reproduction of Labor: Labor -> Money (wage) -> Commodity (means to live) -> Labor
belong to the laborer but to the capitalist and the labor product does not belong to the laborer but to the capitalist, so the laborer must sell his/her labor and buy his/her means to live using money. A student who takes on a part-time job at a fast-food outlet selling hamburgers commits theft if he/she eats a hamburger he/she made at the outlet. This is an example of the “disjunction of labor and property” or the “alienation of labor (laborer) from product” and Marx considered this to be the essence of private property. According to Marx, the economic purpose of private property was to perpetuate the capitalist mode of production precisely through this “disjunction of labor and property” or the “alienation of labor (laborer) from product.”

The capitalist mode of production, which instigated the historical separation of producer and production, perpetuates itself through continuously reproducing this separation. Thus, according to Marx,

The separation of labor from its product, of subjective labor power from the objective conditions of labor, was therefore the real foundation in fact, and the starting-point of capitalist production.

But that which at first was but a starting-point, becomes, by the mere continuity of the process, by simple reproduction, the peculiar result, constantly renewed and perpetuated, of capitalist production. On the one hand, the process of production incessantly converts material wealth into capital, into means of creating more wealth and means of enjoyment for the capitalist. On the other hand, the laborer, on quitting the process, is what he was on entering it, a source of wealth, but devoid of all means of making that wealth his own. (Marx 1996, p. 570)

The reproduction process of capital perpetually ensures the continuation of capitalist social relations, that is, those involving a separation between producers and their products.

Section 3: Class Consciousness

Despite Marx’s views on how class functions, most Marxists have emphasized class consciousness in defining classes. The proletariat has been considered initially to be a class that does not know its interests as a class but develops to become a class for itself as capitalism develops and contradictions within it increase. The proletariat, as a class conscious of itself and which can understand its class interests and historical mission, undertakes the task of social renovation as a driving force. In the context of capitalism, only the class consciousness of such a proletariat can be considered a true class consciousness. The views of three significant Marxists are examined to show what the class consciousness of the proletariat involves in practice.

According to Lukacs, in the pre-capitalist period, class consciousness was hidden
behind the power of the estates and could only be deduced “by the methods of historical materialism” (Lukacs 1971, p. 58). “In pre-capitalist periods man could never become conscious ... of the ‘true driving forces which stand behind the motives of human actions in history’. They remained hidden behind motives and were in truth the blind forces of history” (Lukacs 1971, p. 58). Class consciousness could not be detached from a given historical reality without the interpretative help of historical materialism.

In contrast, in capitalist society, the estates were abolished (at least legally) and classes came to constitute historical reality more directly. Classes appeared to be more readily observable.

With capitalism, with the abolition of the feudal estates and with the creation of a society with a purely economic articulation, class consciousness arrived at the point where it could become conscious. From then on social conflict was reflected in an ideological struggle for consciousness and for the veiling or the exposure of the class character of society. (Lukacs 1971, p. 59)

Marxist theorists gave laborers the prestigious status of being the proletariat and tended to regard Marxist leaders as their ideological guides. Such theorists assumed that the proletariat was the product of highly developed capitalism and that Marxism provided the blueprint for revolution in developed nations. However, Marxism rarely became dominant in the core countries of the capitalist world system, and that system continues to determine developments in the modern world.

Marxists have only succeeded in gaining political power in underdeveloped nations and never in developed nations. Despite Marx's theorizing, the laborers in the core capitalist regions never became a revolutionary proletariat. However, those in semi-peripheral and peripheral regions of the world capitalist system were trained and disciplined to become a proletariat-like force by revolutionary parties and to became revolutionary actors, which made the regimes of revolutionary parties possible.

Russian Marxists, such as Lenin, initially emphasized that it was not the peasantry but rather the proletariat who would be revolutionary actors and strove with the Narodniki to further opportunities for revolution, although the laboring classes were much smaller than those in Germany. Lenin subsequently developed the concept of the “rural poor” to identify those living within Russian farming villages, where collective social structures were markedly persistent, as also forming part of the proletariat. This approach enabled Lenin to claim that class struggle and the logic of Marx's Capital also applied among the peasantry living in Russian farming villages. Lenin classified the peasants in rural areas according to their ownership of horses:

let us see whether there are many peasants who are rich or poor in horses. ... the
whole point is that some of them—a few—own many horses, while others—very many—own no horses, or very few. There are at least three million peasants, who own no horses, and about three and a half million own one horse each. All these are either utterly ruined or very poor peasants. We call these the rural poor. They number six and a half million out of a total of ten million, that is to say, almost two-thirds! (Lenin 1961, p. 383)

But the rural poor could not rise up successfully and change the political order as they were an ill-informed and politically unconscious mass. They needed leaders and organizers.

To be successful an insurrection must have a conscious political aim; preparations must be made for it in advance; it must spread throughout the whole of Russia and be in alliance with the urban workers. And every step in the struggle of the urban workers, every Social-Democratic pamphlet or newspaper, every speech made by a class-conscious worker to the rural proletarians will bring nearer the time when the insurrection will be repeated and end in victory. (Lenin 1961, p. 426)

Mao Tse-Tung studied the class structure of Chinese society and assessed the attitudes of each class in relation to the impending national liberation revolution, which would also be a liberation from European and American influences. He classified the Chinese population into five classes.

*The landlord class and the comprador class.*... The big landlord and big comprador classes in particular always side with imperialism and constitute an extreme counterrevolutionary group....

*The middle bourgeoisie.*... The middle bourgeoisie, by which is meant chiefly the national bourgeoisie ... they feel the need for revolution and favour the revolutionary movement against imperialism ... but they become suspicious of the revolution when they sense that, with the militant participation of the proletariat at home and the active support of the international proletariat abroad, the revolution is threatening the hope of their class to attain the status of a big bourgeoisie.

*The petty bourgeoisie.* Included in this category are the owner-peasants, the master handicraftsmen, the lower levels of the intellectuals—students, primary and secondary school teachers, lower government functionaries, office clerks, small lawyers—and the small traders.... when the tide of the revolution runs high and the dawn of victory is in sight, not only will the left-wing of the petty bourgeoisie join the revolution, but the middle section too may join, and even right-wingers, swept
forward by the great revolutionary tide of the proletariat and of the left-wing of the petty bourgeoisie, will have to go along with the “evolution.”

The semi-proletariat. What is here called the semi-proletariat consists of five categories: (1) the overwhelming majority of the semi-owner peasants, (2) the poor peasants, (3) the small handicraftsmen, (4) the shop assistants and (5) the pedlars. ... they need a revolution to change the existing state of affairs.

The proletariat. The modern industrial proletariat numbers about two million.... By rural proletariat we mean farm labourers hired by the year, the month, or the day. Having neither land, farm implements nor funds, they can live only by selling their labour power. (Mao 1965, pp. 13–18)

Mao found his supporters among classes ranging from the middle bourgeoisie to the proletariat, and identified only the landlord and comprador classes as obstacles to the revolution that was also intended to liberate China from European and American colonial powers. Mao’s Marxist party needed to distinguish potential allies from enemies to ensure it could play the key role in the forthcoming revolution.

To sum up, it can be seen that our enemies are all those in league with imperialism—the warlords, the bureaucrats, the comprador class, the big landlord class, and the reactionary section of the intelligentsia attached to them. The leading force in our revolution is the industrial proletariat. Our closest friends are the entire semiproletariat and petty bourgeoisie. As for the vacillating middle bourgeoisie, their right-wing may become our enemy and their left-wing may become our friend. (Mao 1965, p. 19)

Marxists in Russia and China changed and inflated Marx’s concept of the proletariat and emphasized the role of revolutionary parties. They brought together those working against imperialism and those seeking revolution to bring down capitalism, to legitimate the role of Marxists parties, to empower a new privileged class of leading Marxists, and to export revolution.

References


(Professor, Faculty of Economics, Chuo University, Dr. of Economics)