The difficult labour of a theory of social value: metaphors and systematic dialectics at the beginning of Marx's *Capital*

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(Note. The current typescript is often easier to follow that the published text because the latter omitted the typescript’s section numbers and the cross references to the sections.)

Abstract

This paper scrutinises Marx’s theory of value as presented in the first chapter of volume I of *Capital*, focussing on Marx’s method. It is indicated that interpreting the type of abstractions that Marx uses is crucial to the examination of his value theory (section 2). Regarding the content of Marx’s value theory the paper focusses on the concepts of concrete labour and abstract labour. It is concluded that Marx presents an ‘abstract-labour embodied theory of value’ (section 3). Section 4 discusses contemporary rival interpretations and developments of Marx’s value theory, classified as ‘labour embodied’ (in two variants) and ‘abstract-labour’ theories of value. Although Marx provided the rudiments of a theory of social value (which nobody after him took any further) he was much enmeshed in the physical substance–embodiment metaphor inherited from Hegel (substance) and classical political economy (embodiment). The marxian tradition, rather than taking off from the core rudiments of Marx’s theory of social value, seems to have ‘fetishised’ the metaphor. As a result much of marxian theory has tended to theorise the economy in one-sided physical terms. Section 5 provides some elements of a methodological outline of how a social labour theory of value may be derived from Marx's theory by way of reconstructing that theory. The reconstruction is one along the lines of a systematic dialectic as briefly introduced in section 1.

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The difficult labour of a theory of social value: metaphors and systematic dialectics at the beginning of Marx's Capital

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Introduction

Although the science of nature, it seems, first got off the ground from a social scientific impetus,¹ eighteenth- and nineteenth-century social scientists felt constrained to cast their theoretical innovations in terms of metaphors borrowed from the natural sciences, in particular physics (see Mirowski 1990). The birth of Marxist social science in the nineteenth century is no exception in this respect. This is remarkable because Marx was very aware of the naturalism of classical political economy. Borrowing metaphors from physics, it is true, need not be naturalistic. Nevertheless metaphors may be dangerous (as Hegel observed) if perhaps unavoidable. Within Marxist social science, I will argue, the metaphor substance of value as introduced by Marx (1867|1976) has played a very dubious role. It seems that this metaphor came to be taken for a real embodiment – at least within one important strand of Marxism. Of course, because our thinking is so tied to our language, it is always difficult to disentangle metaphoric language from what we really think. It is, however, important to try to be conscious of the metaphors and their purport.

Although the metaphor substance of value was used by Marx (1867|1976), not without a Hegelian undertone, his linking it to embodiment seems to derive from classical political economy. I argue that the combination of (1) the substance metaphor and the classical embodiment remnant with (2) the only implicit method of Capital and, in particular, the unclarity as to the type of abstractions used by Marx gave rise to an extensive period of birth of a true theory of social value (a theory of value as a purely social institutional phenomenon). I take such a theory to be in the spirit of Marx's theory in Capital. Despite Marx's explicit rejection of classical naturalism, the actual content of Capital often seems to bear the remnants of such a naturalism, which can be explained from his lack of clarity as to the extent of the break with his predecessors (which is a common occurrence among path-breaking theoreticians).

I examine to what extent Marx's theory may indeed be considered a labour embodied theory of value and to what extent labour is seen to be a substance of value

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¹ Paolucci (1974, 108) indicates how Francis Bacon was inspired by Machiavelli, who had taken the laws of statecraft as statecraft really is, rather than as it ought to be. Cf. Mattick, Jr. 1986, 113, on the natural law metaphor taken from "the medieval Christian picture of God as lawgiving sovereign of creation."
Then I consider how this has affected current Marxist theory of value, especially in its varieties of the labour embodied and the abstract-labour theories of value. These theories contain, in my view, a number of defects that may be traced back to the substance of value view (section 4). Finally, I provide an outline of how these defects might be overcome (section 5). I hope to show that interpreting the type of abstractions that Marx uses is crucial to the examination of his value theory. Are these dialectical abstractions or some sort of analytical abstractions? An answer to this question is complicated by the fact that Marx is hardly explicit about his method. His attitude vis-a-vis Hegel's logic is an especially ambivalent one. First I briefly set out my view of this dialectical logic (section 1). This will be the vantage point for the examination of Marx's theory of value (section 2) as well for my view on a possible reconstruction of the labour theory of value (section 5). I also make a number of general remarks on Marx's method in Capital.

1. Systematic dialectic

That Marx's method remains only implicit in Capital has always complicated the discussion of the work both among and between supporters and opponents. There seems to be no way out of this dilemma apart from making one's own methodological inclinations explicit: Inasmuch as empirical observations are theory laden (Popper), theoretical evaluations will be methodologically laden. My own methodological inclinations, however – as inspired by Hegel's logic – are not totally farfetched with respect to Marx. Marx has repeatedly stressed his own indebtedness to this dialectical logic. (See, e.g., Arthur 1986, Echeverria 1978, Murray 1988, Smith 1990, and the contributions in the collection by Schmidt 1969.) The Introduction to the Grundrisse (Marx 1857|1973) provides a statement of a number of the characteristics of systematic dialectics. In other works, however, Marx often seems to distance himself from this approach. The brief outline of the method of systematic dialectic below may prove to be difficult when abstracting it from the content of the theory. In order to give a more complete picture, I include certain concepts that are less relevant for the issues discussed in the sections that follow (these paragraphs are starred [*] in case the reader wishes to skip them).

Systematic dialectic or conceptual dialectic refers to the dialectic as developed in Hegel's logic (Hegel 1817|1975), which is a logic of dialectical conceptual development. This dialectic should be distinguished definitely from a theory of dialectical historical development (as in Hegel's philosophy of history) or a theory of historical development of concepts (as introduced in Hegel's history of philosophy).2

The starting point of the presentation of the systematic-dialectical theory (Darstellung) is an abstract universal notion – an abstract all-embracing concept. This starting point itself is the result of a process of inquiry, of critical appropriation

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2 The remainder of this section draws on a section on method in Reuten 1988. An extensive discussion is in Reuten and Williams 1989, part 1.
of empirical perceptions and existing theories (of them). This abstract notion is the starting point of explicit theorization and its presentation (cf. Marx 1867|1976, 102; 1857|1973, 100). Thinking cannot conceivably make anything of such an abstract universal notion, other than by thinking its abstract negation and its abstract particularization. In both cases (negation and particularization), opposed concepts are applied to the same thing or notion, and in this specific sense these opposites are contradictions. In this sense also, to think these things and notions is to articulate their doubling that is, the universal doubles into the universal and an opposite universal, or into universal and particular. (The value–use-value opposition is an example of the former; the opposition of universal and particular labour – amplified upon below – or in simpler terms the animal–cat opposition, are examples of the latter.)

*Two further remarks concerning these oppositions should be made. First, it is precisely the purpose of the presentation to resolve the contradiction from which we start; it is this process of thought that should render comprehension of reality. "The essence of philosophy consists precisely in resolving the contradiction of the Understanding" (Hegel 1833|1985, 71). Second, to immediately subsume single empirical phenomena as particulars under universals provides only empty abstractions. One reason for this is that such subsumption may indicate what such phenomena have in common, but not what, if anything, unites them, how they are interconnected. Another is that it is the difference between phenomena that determines them; but this difference also does not say what, if anything, unites them. As long as we have provided no difference-in-unity we have provided no concrete determination. It is this double determination (difference-in-unity) that systematic dialectical thinking seeks. As Hegel expresses it: "The truth of the differentiated is its being in unity. And only through this movement is the unity truly concrete." Whereas at first, at the starting point: "difference is still sunk in the unity, not yet set forth as different" (Hegel 1833|1985, 83).

*The object of the presentation is to grasp the phenomena from which we start in our perception as concrete, that is, as the "concentration [Zusammenfassung] of many determinations, hence unity of the diverse" (Marx 1857|1973, 101). But that may only be possible to the extent that these are phenomena necessary to the existent, rather than contingent ones. (For example, if we have established monetary policy to be necessary to the existent, then credit restrictions or open market policy may be only contingent.) Contingent phenomena cannot be explained as codetermining the internal unity of many determinants – thus not as necessary – but only as an external determinant. (In this paper, however, I will not reach this stage of contingency of phenomena.)

A further characteristic of the method of systematic dialectic is that the argument is not based on rules of axiomatic deductive nomological systems. All axioms are eschewed. Rather, anything that is required to be assumed, or anything that is posited immediately (such as the starting point), must be grounded. But it should not be
grounded merely abstractly (i.e., giving the arguments in advance), because this always leads to regress. That which is posited must be ultimately grounded in the argument itself, in concretizing it. Therefore, the intrinsic merits of the presentation—and not some external criterion—have to convince the reader of the adequacy of the presentation. Thus the presentation moves forward by the transcendence of contradiction and by providing the ever more concrete grounds—the conditions of existence—of the earlier abstract determination. In this forward movement the conditions of existence of earlier abstract determination do not dissolve, but transcend the opposite moments (identity–difference, universal–particular) of the abstract determination. (A moment is an element considered in itself that can be conceptually isolated and analysed as such but that can have no isolated existence.)

*Thus the previous conceptualization of abstract determinations as moments is not negated, but rather transcended in the ground; or the ground provides the unity of the opposed moments. But at the same time it is a further, more concrete determination of the difference, a difference previously posited only in itself (an sich, potentially, implicitly), as it now appears. So the differences that were previously not set forth as such now come into (abstract) existence. The ground at this new level itself then gains momentum; it is itself an abstract existent showing the contradiction that it cannot exist for itself (für sich, actually). The presentation has to move on in order to ground it in its turn, so as to provide its conditions of existence (Hegel 1817|1975, 120-24; 1833|1985, 81-83). And so on, until the presentation claims to have reached the stage where it comprehends the existent as actual, as actuality (Wirklichkeit), in the sense that its conditions of existence have now been determined such that it is indeed actual, concrete, self-reproducing, or endogenous existence, which requires no external or exogenous determinants for its systematic reproduction.

The presentation then is one of conceptual reproduction of the concrete in successive steps (levels of abstraction); if successful, the presentation is able to grasp the concrete as mediated by the theory (that is, to theoretically reconstitute the empirical "facts", which were at the basis of the initial inquiry). Such a process of inquiry and reconstruction can of course never be posited as definitive and completed.

* Levels of abstraction may further be characterized by degree of necessity versus degree of contingency of the elements theorized. It is the purpose of the theory to single out which elements of the object of inquiry may be theorized as necessary to the object, and which elements are (merely) contingent. Of course the more the presentation moves toward lower levels of abstraction, the more (historically) contingent elements have to be incorporated.
2. Marx’s method in Capital

2.1. Kinds of interpretation

I have indicated that Marx is hardly explicit about the method he uses in Capital. The scarce explicit remarks, moreover, are open to different interpretations. Of course such interpretations are linked to the understanding of the content. In this respect the history of Marxism has resulted not only in various fashions (such as those led by Bernstein or Althusser) but also in specific research programs (linked to minor groups, e.g., around Lukács and Korsch or Gramsci).

In general, interpretations can be of three sorts, and one can find all three within the Marxist tradition. The first allots authority to, in this case, Capital and sticks in an exegetic way to the text. In terms of the development of a scientific program this is not very fruitful. The second is historiographic, and for this critical approach one cannot normally stick to a single text. The third type of interpretation is heuristic. Under the heuristic approach, Capital has proved to be a fruitful source. (Indeed, this is what makes a work a classical text.)

Aspects of these three approaches, in general, cannot be kept separate. The historiographer, for example, will at some point be faced with exegetic questions, and good theoretical history will end up with either heuristically interesting questions or heuristically interesting loose ends. My remarks in the remainder of this section and the next derive primarily from the heuristic interest.

2.2. Systematic dialectic in ‘Capital’?

Is Marx's method in Capital systematic dialectic? And if not, what kind of dialectic is it? Even if I were able to answer this question, this is not the place to do so in a well-balanced and well-documented way. (One need only consult the scholarly works of Murray 1988 and Smith 1990 to see that the issue is quite complicated.) In section 3 I consider, from a limited point of view, only one aspect of the question: How can we evaluate the very beginning of Capital, that is, the starting point, in terms of a systematic dialectic? However, these considerations do not provide an answer to the question of the systematic dialectical character of Capital as a whole. For several reasons, there cannot be a simple yes or no answer to this question.

Hegel's logic is not a philosophy of social science or of political economy in particular. It is propaedeutic to that philosophy, which needs to be developed on the basis of that logic. There are several ways to do this, and the choice is connected to one's view of the object realm of the science. However, the object realm is inseparable from the content of the science. Further, these ways are tied not only to the object realm but also to one's view (vision) of the state of the science in relation to the phenomena (although this is closely related to the object realm).³

³ If we are primarily interested in historiographic questions with respect to Marx's Capital, then the relevant phenomena are those of 1850.
It follows that the philosophy and methodology of a science cannot be developed in separation from the content of the science. Both Hegel and Marx seem to have been well aware of this point. (And I am very much aware of it from my own research experience.) Nevertheless, I believe that much of the trouble with Hegelian Marxism is due to an exaggerated puritanism in this respect. I want to make a plea for making the philosophy and methodology of systematic dialectical social science explicit. However, this can never be a once-and-for-all matter. It can never be more than a temporary state of the art since it is necessarily linked to (one's view of) the state of the science. Marx, for example, might have written such a treatise after the completion of the *Grundrisse* (i.e., more than the current Introduction) and a new one after the completion of Volume 1 of *Capital* and another new one after the completion of Volume 3 of *Capital*.

There are indeed several ways to proceed from Hegel's dialectical logic. For example, within an agreed movement from abstract to concrete categories, as well as an agreement that Hegel's *Begriff* logic cannot be applied or developed immediately to the social science of capitalism, Murray (1988) stresses general versus determinate abstractions and their development, Smith (1990) a triadic development, and Reuten and Williams (1989) systemic necessity versus contingency as well as negation and particularization. In their works these authors do not deny the importance of that which is stressed by the others; only the emphasis is different.

In *The Philosophy of Right*, originally published in 1821, Hegel does develop *Begriff* logic into social science (i.e., in his theory of the state). It is a social scientific work into which Hegel develops his own logic. Although *The Philosophy of Right* contains, in my view, a number of outstanding insights (especially in the Introduction), it does not live up to Hegel's logic. At least it can be highly criticized from the point of view of Hegel's logic. For example, it does not (cf. Smith 1990) follow a strict triadic movement even if the three parts do so, the movements within the parts definitely do not. Hegel leaves no room for the articulation of general versus determinate abstractions (cf. Murray 1988), and the articulation of the necessary versus the contingent is far from sound (cf. Reuten and Williams 1989).

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4 Note, however, that Reuten and Williams (1989) is not an interpretation of Marx, although it owes a lot to Marx.

5 In Murray's (1988) work, "contradiction" and its developmental powers are far less prominent than in either Smith (1990) or Reuten and Williams (1989). In both Murray and Smith the concept of form is treated differently than in Reuten and Williams. Form is at the very basis of Reuten and Williams; it is developed as expressions of form, whereas both Murray and Smith allow for forms of form. As an interpretation of Marx, forms of form is correct, though I think it is a confusing concept.

6 Two examples that spring to mind are Hegel's view on the male-female functions, divisions, and roles and the role of the monarch. Even if Hegel's views on these issues can be explained in terms of the culture of his time, and even if in his time (around 1800) his views were far from conservative, they are still inadmissible if we take his own logic seriously: The systemic necessity of the roles referred to is not developed in Hegel's *Philosophy of Right* (1821|1967).
I will not blame anyone for not seeing a systematic conceptual development in Marx's *Capital*. When I first read the work I knew little about dialectics and conceptual development, and my reading was a flat one. A later reading though – with some knowledge of dialectics – did not convey to me more than three broad levels of abstraction in line with the three volumes of *Capital*. Nevertheless, and perhaps paradoxically, certain moments in Marx's *Capital* contain a conceptual development. In general this applies to his concept of tendency and, in particular, that of the tendency of the rate of profit to fall. But in a recent reading of the first three chapters of Volume 1 (undertaken in writing this chapter), I once again found them very disappointing in terms of systematic conceptual development.

3. The starting point of Capital and the theory of value

3.1. A systematic starting point

The opening sentences of *Capital* are:

“The wealth of societies in which the capitalist mode of production prevails appears as an "immense collection of commodities" [quoted from Marx 1859|1971]; the individual [einzelne] commodity appears as its elementary form. Our investigation therefore begins with the analysis of the commodity.” (Marx 1867|1976, 125)

Is this the systematic starting point of a dialectical systematic presentation? It might be argued that the first section of Marx's chapter, as well as the very important second one on the double character, introduce a number of preparatory notions; therefore, the actual starting point would be the third section, which again starts off with the commodity (cf. Murray 1988, ch.12; see also Eldred and Roth 1978). But even so, is this, the commodity, the most abstract all-embracing concept for the capitalist mode of production? I doubt it. For example, does it embrace in itself a notion of the activity of creation of useful objects in capitalist form? The commodity is certainly a ubiquitous phenomenon. Marx certainly develops from it the form of capitalist production (from Chapter 4 onwards). Nevertheless, from a systematic dialectical point of view, this is not convincing.

I think that Marx does what he says he does (see the quotation above): analyse. In fact he repeats several times statements to that effect. What kind of analysis is this? It is certainly not the kind of axiomatic analysis that proceeds from definitions. Marx does not define. (At one place in the English translation the word occurs – "as it has just been defined" – but in German the word is bestimmt, i.e., determined.) What Marx seems to do, at least in Part 1, is conceptual analysis rather than dialectical conceptual development. Again, there is a process, but it seems to go from simple (rather than abstract) to complex concepts. Each time it seems to be the analysis of concepts that keeps the process moving. It is not an internal proceeding from contradictions and their transcendences (negation or particularization). (Note that the latter proceeding would not exclude the analysis of moments – but then moments would need to have been posited as such.)
I do not think that my interpretation in this respect is fundamentally different from either Smith's (1990) or Murray's (1988), although the emphases are somewhat different. Further, Marx's "Notes on Wagner" do not falsify such a reading. Smith quotes from this text:

“In the first place I [Marx] do not start out from ‘concepts’ hence do not start out from ‘the concept of value’ … What I start out from is that simplest social form in which the labour-product is presented in contemporary society, and this is the ‘commodity’." (Smith 1990, 23; cf. Murray 1988, xvii, 143)

In the next subsections I further consider Marx's conceptual analysis, especially focusing on the type of abstractions that are being used.

3.2. Abstract labour and value
In the first two sections of Chapter 1 of Capital Marx introduces the twin concepts of abstract labour and value. They seem to exist by way of a transformation whose character is hardly expanded upon.

A. Abstract labour
When the term abstract labour is introduced for the first time, Marx refers to a transformation:

“If then we disregard the use-value of commodities, only one property remains, that of being products of labour. But even the product of labour has already been transformed in our hands. [Jedoch ist uns auch das Arbeitsprodukt bereits in der Hand verwandelt.] If we make abstraction from its use-value, we abstract also from the material constituents and forms which make it a use-value. … The useful character of the kinds of labour embodied in them also disappears; this in turn entails the disappearance of the different concrete forms of labour. They can no longer be distinguished, but are altogether reduced to the same kind of labour, human labour in the abstract.” (Marx 1867|1976, 128)

Here abstract labour is not posited as universal labour in contradiction with particular labour (the universal–particular contradiction referred to above). Rather, the particular labour appears to be abstracted away. We have a transformation that seems to be established via a reductive abstraction: The disregarding of use-values, the abstraction from use-value, and the disappearance of the useful character of labour give rise to the reduction to abstract labour. I propose to call this (reductive) abstract labour \( \Lambda \). This abstraction is conveyed by way of a (metaphorical) reference to a transformation in the sense of a transubstantiation (the phrase "transformed in the hand" undoubtedly stresses the connotation of the German term Verwandlung when signifying the change of the eucharistic elements at their consecration in the Mass – in the priest's hand).
Anticipating the discussion of the current abstract-labour theory of value in section 4 below, it may be observed that at this point there is no reference to the market – thus no reference to a real abstraction or an abstraction in practice.\(^7\)

However, from the middle of the second section of Chapter 1 onward, abstract labour is (also) treated as a *simplifying abstraction* (or a simplifying assumption):

“In the interests of simplification, we shall henceforth view every form [Art, i.e., kind] of labour-power directly as simple labour-power; by this we shall simply be saving ourselves the trouble of making the reduction.” (Marx 1867|1976, 135)

The extent to which this is important depends not only on how much of a labour embodied theory one wants to read in Marx (see below) but also whether at some stage one would want to apply the theory empirically. I think that within a labour embodied theory this simplification precludes the adding up of labour-time before settling the trouble of making the reduction. (However, actually settling the trouble would then take one into Smithian (1776|1933) labour-commanded waters, or the realm of Keynes's, 1936, wage unit.) Indeed, I believe that this simplifying abstraction (assumption) makes a quantitative procedure at the empirical level of adding up concrete premarket hours of labour very dubious.

If \(i\) and \(j\) are particular (concrete) kinds of labour, and if we consider that labour only under the aspect of being particulars, then their respective labour hours (\(L_i\) and \(L_j\)) cannot be added up. (For reasons of simplicity all my equations below are restricted to two kinds of labour, \(i\) and \(j\). Of course they hold for the set of all kinds of labour.)

If \(\alpha_i\) and \(\alpha_j\) are discounting coefficients and if \(\Lambda\) is (reductive) abstract labour as indicated above, then we may write \(\alpha_i L_i + \alpha_j L_j = \Lambda\). Next we may make the simplifying assumption \(\alpha_i = \alpha_j (=1)\), but this does not get us to the concrete empirical level.\(^8\) For that we need a procedure to quantify the discounting coefficients. It is hard to see how this could be done prior to the market.

(In section 5 I show how, because of the dialectical contradiction of particular labour being universal labour at the same time, the labour-time \(i\) and \(j\) can in principle be added up as labour hours in the abstract (\(l\)): \(l_i + l_j = l\), even though we

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\(^7\) Later on there is such a reference: “But the act of equating tailoring with weaving reduces the former in fact to what is really equal in the two kinds of labour, to the characteristic they have in common of being human labour” (Marx 1867|1976, 142). However, if one wishes to read an abstract-labour theory of value in the first chapter of *Capital*, it might then be argued that a real abstraction is implicit in the transformation referred to in Marx 1867|1976, 128. Indeed the concept of commodity is clearly connected to the market and exchange: ”In order to produce the latter [commodities], he must not only produce use-values, but use-values for others, social use-values.” (Marx 1867|1976, 131)

\(^8\) Musgrave (1981) distinguishes three kinds of assumptions: negligibility, domain, and heuristic. The simplification at hand does not say that the theory applies only to cases where \(\alpha_i = \alpha_j\) (domain assumption). I assume that it also does not say that we can neglect the differences between the concrete labours because they have a negligible effect with respect to the problematic the theory addresses (negligibility assumption). Thus the simplification at hand might be a heuristic assumption, one that plays a role in one stage of a theory but must then be dropped in a later stage (as in the method of successive approximation).
cannot add them up as particulars L. This may be done on the basis of a dialectical abstraction rather than on the basis of a (Marxian) reductive abstraction.)

B. Value

Is value an entity that exists prior to exchange? (This question is discussed again when I examine current Marxist theories of value.) I think that Marx takes it as such, although there are a number of texts that would refute this view. This is how ‘value’ is introduced for the first time. Abstract labour is further specified as:

“merely congealed quantities of homogeneous human labour, i.e., of human labour-power expended without regard to the form of its expenditure. All these things now tell us that human labour-power has been expended to produce them, human labour is accumulated in them. As crystals of this social substance, which is common to them all, they are values – commodity values [Warenwerte].”

Marx 1867|1976, 128

And somewhat further on:

“How is the magnitude of this value to be measured? By means of the quantity of the ‘value-forming [bildenden, i.e., constituting] substance’, the labour contained in the article. This quantity is measured by its duration, and the labour-time is itself measured on the particular scale of hours, days, etc.” (Marx 1867|1976, 129)

From this and other passages there seems hardly any doubt that there is some kind of labour embodied view of value (see below) and that it is seen to exist prior to exchange. Nevertheless, although value exists prior to exchange, it is always objectified:

“Human labour-power in its fluid state, or human labour, creates value, but is not itself value. It becomes value in its coagulated state, in objective form.” (Marx 1867|1976, 142)

Thus value is identified with the (reduced) abstract labour $\mathcal{L}$, insofar as it is objectified or expended. Quite another issue is that exchange-value (the forms of exchange-value) is the only mode of expression or form of appearance of value (which is the subject of section 3, Chapter 1 of Capital).

The problem with this concept of value is that it relies on an abstract entity, the reduced abstract labour, but it is also given – already at this level – a fairly concrete meaning, especially because of what is added on measurement. It is not made clear, however, how we can undertake this measurement ("on the particular scale of hours, days, etc.") prior to the market because we are left in doubt about the actual discounting to simple labour.

3.3. Embodiment: more than a metaphor?

What do we make of all the natural-physical references that Marx uses in order to explain what he means by abstract labour and value, such as "crystals of this social substance", "congealed quantities of … labour", and indeed the notion of "labour embodied" itself? (All these appear for the first time in Marx 1867|1976, 128, but are
Are they merely metaphors? The following quotation seems to point at a "merely" interpretation:

“Not an atom of matter enters into the objectivity of commodities as values; in this it is the direct opposite of the coarsely sensuous objectivity of commodities as physical objects … However, let us remember that commodities possess an objective character as values only insofar as they are all expressions of an identical social substance, human labour, that their objective character as values is therefore purely social.” (Marx 1867|1976, 138-39)

The least we can say is that – apart from in this quotation and a few other places – the metaphors have somewhat taken over the presentation.

In sum, I think we can safely say that Marx presents an abstract-labour *embodied* theory of value. This term may seem confusing with respect to the labour embodied versus abstract-labour debate. My reason for introducing it is not to arrive at a synthesis. The point is that, on the one hand, Marx does not propose to add up concrete labour hours $L_i + L_j$ into an $L$ that is taken for the sum of these concrete labour hours (= concrete-labour embodied). Instead he starts off from abstract entities ("crystals of social substance"):

$$\Lambda_i + \Lambda_j = \Lambda$$  \hspace{1cm} (1)

In objectified form these are values. The abstract entities $\Lambda_i$ and $\Lambda_j$ are homogenous. These seem to be equivalent to:

$$\alpha_i L_i + \alpha_j L_j = \Lambda$$  \hspace{1cm} (2)

The $L_i$ and $L_j$ are not homogenous. Thus from (1) and (2) we have:

$$\alpha_i = \Lambda_i / L_i$$  \hspace{1cm} (3)

which is the value productivity of concrete particular labour $i$. (Thus when Marx says value is labour he means presumably that value is simple labour.) By simplifying assumption, equation (2) reduces to:

$$L_i + L_j = \Lambda$$  \hspace{1cm} (4)

(The simplifying assumption does not say $L_i + L_j = L$.) Thus on the one hand we have a reductive abstraction coupled with a simplifying assumption: By way of reductive abstraction we got to abstract entities ($\Lambda$); concrete entities ($L_i$) may actually be discounted to the abstract entities (or the other way around). On the other hand, these entities are taken to be premarket entities, which come into existence in production. As objectified they are values, and this constitutes value as an embodiment. It is a secondary question if the discounting will be seen to be possible prior to exchange. Whatever the answer is, this will not affect the embodied character of the abstract entities.
3.4. Value-form and value form

Marx goes to great lengths to develop the form of appearance of value from the simple form to the money form (section 3 of Chapter 1 of Capital I). The upshot of this is the demonstration that Ricardian value (L, L) does not appear immediately, and that the "whole mystery of the form of value lies hidden in this [the simple] form" (Marx 1867|1976, 139), not in the money form. (The latter point bears political importance also, in relation to Marx's polemic against Proudhon.) Although I do not wish to dispute the importance of these issues, the stress on these (also in terms of mere length of text) has underrated the importance of the value-form itself. This may sound cryptic. The point is that value form has two meanings (which I distinguish by hyphenating one of the meanings as explained below). Let me say first that the two meanings have led to different interpretations of Marx as well as to certain political practices evolving from it. Consider, for example, the following quotations:

IA: “Therefore they [commodities] only appear as commodities, or have the form of commodities, insofar as they possess a double form, i.e., natural form and value form.” (Marx 1867|1976, 138)

IB: “The price or money-form of commodities is, like their form of value generally, quite distinct from their palpable and real bodily form; it is therefore a purely ideal or notional form.” (Marx 1867|1976, 189)

II: “Hence, in the value-relation, in which the coat is the equivalent of the linen, the form of the coat counts as the form of value.” (Marx 1867|1976, 143)

Let us say, for the sake of argument – I do not agree with it – that value is a genus and that exchange value is its species. In quotations IA and IB it is clear that value form refers to the genus value. This is clear from the context, and in IB it says so explicitly: "value generally". Thus we are referred to value as a form itself. In quotation II, "form of value" refers to the species. Although in these quotations the context helps us out, this is often not the case. (The formulations in German do not shed light here; Marx always uses the term Wertform. ) I am not sure that Marx was aware of this problem with the term value form. (But perhaps I say so only because I myself have struggled with it so much.) Anyway, I propose to write value-form for meaning I and value form for meaning II.9

9 In order to emphasize the possible confusions, I give a few more examples:

A. "Human activity takes on the form of value" = "Human activity takes on the value-form." An abstract (activity) takes on a particular – historically specific – form (the value-form).

B. Were value assumed to be a trans-historical (which I do not so assume), only then might one speak of "the form value" = "the value form", as in: "The capitalist form of value is money" = "The capitalist value form is money".

C. "The money-form and the capital-form are [particular] value forms", or, "The form of is a [particular] form of value".

12
Two final remarks. First, it seems that in much of Marxist writing the problems of the value form have been stressed at the expense of the problems of the value-form. Second, a related issue that I have not been able to analyse properly is Marx's usage of the terms form, expression, and appearance. He just seems to treat them as synonyms.

4. Labour embodied versus abstract-labour theory of value: some current controversies

4.1. Interpretations of Marx's theory of value

Although the first chapter of Capital, discussed in the previous section, is value theoretical, it is not Marx's complete theory of value. The theory extends throughout the three volumes. Much debate has been centred around the consequences of the introduction of the general rate of profit in Volume 3 (the so-called transformation problem). I will not concentrate on this part of the debate but rather proceed to the scope of the transformation alluded to in Chapter 1 of Volume 1 (i.e., the introduction of the concept of abstract labour as identified with value) and the related methodological questions of abstraction. Indeed there are many transformations in Capital, each located at particular levels of abstraction. All those are important, though not every one of them is equally easy, or difficult, to grasp. In this respect I agree with Tony Smith when he writes:

"Most Marxist and non-Marxist accounts [of the Volume 3 transformation] have concentrated exclusively on the problems involved in establishing the quantitative identity of values and prices, surplus value and profits.

It is true enough that Marx himself directed considerable attention to these equations. But there is much in his theory that points away from granting them a place of absolute centrality. Consider, for example, the relationship between "expanded accumulation" and "simple reproduction". No Marxist has ever claimed to prove that the sum total of values accumulated in expanded accumulation equals the sum total reproduced in simple reproduction. No non-Marxist has ever claimed to refute Marx based on a proof of the non-equivalence of these magnitudes. Indeed the question of the mathematical relationship between the two magnitudes hardly makes sense. (Smith 1990, 171)

There are two main accepted interpretations of Marx's theory of value: a labour embodied theory of value and an abstract-labour theory of value. It is shown in the following sub-sections that these may usefully be subdivided. The differences between them are much obscured by the fact that the same terms are attributed different meanings in each of them. After expounding some problems with each of these interpretations in the remainder of this section 4, I then indicate in section 5

D. "Money is a form value' is very confusing, because it can be read as in (B) or (C). The same goes for: "The money form of value" (i. e., "the money-form of value', or, "the money form-of-value").
how a Marxist labour theory of value might be reconstructed along systematic-dialectical lines.

4.2. Labour embodied theories of value

4.2.A. Concrete-labour embodied. Marx's text in Capital opens up the way to a concrete-labour embodied theory of value: \( L_i + L_j = \Lambda \). Marx's simplifying assumption, \( \alpha_i = \alpha_j \), is then taken for a negligibility assumption and not for a heuristic assumption (in Musgrave's, 1981, sense, see note 8). It is then only a small step to get to the immediately empirical observable \( L_i + L_j = L \), where \( L_i \) and \( L \) are taken to be values (so-called 'labour values', measured in concrete labour-time).

Simple as it is, there are three problems related to this theory: (1) It is not clear exactly how this is a theory of capitalism (rather than a trans-historically universal theory); (2) as an interpretation of Marx it is not clear how this theory is different from Ricardo's (it is indeed near to a Sraffian theory, where instead of the force of theoretical abstractions we have the force of just adding up: vectors); and (3) it is not obvious how this theory can be developed so as to be sufficiently explanatory.

4.2.B. Abstract-labour embodied. As I have indicated in section 3.3, an interpretation of abstract-labour embodied seems near to what Marx was getting at. But I believe that there are too many problems to stick with it. The problem is not so much that of the reductive abstraction \( \Lambda_i + \Lambda_j = \Lambda \) (although I do have methodological objections to it). This need not prevent it from being developed into a consistent and applicable theory. The difficulty, however, is that the \( \Lambda \) is taken to be value, and that value is taken to be a premarket entity. It is not clear how we can ever make this theory operational. If we say, with Marx, that the former equation may be transformed into \( \alpha_i L_i + \alpha_j L_j = \Lambda \), where the dimensions are so-called simple labour, then this seems an acceptable link from the abstract to the concrete level. At an abstract level of the development of this theory it is, of course, permissible (within this methodological approach) to assume the discounting coefficients to be one: \( L_i + L_j = \Lambda \). That is by way of successive approximation. But one clearly cannot stick to this. If one does stick to it, the theory reduces to the concrete-labour embodied theory. Thus at some stage a procedure has to be developed for getting to the discounting coefficients. It has not been shown how this can be done prior to the market. Indeed, if we need the market to get to the coefficients, then we can no longer hold that value (\( \Lambda \)) is a premarket entity.

4.2.C. Substance of value in the labour embodied theories

I believe that the labour substance metaphor has much bedeviled the Marxist theory of value, and as I have indicated, the metaphor originates with Marx. (Of course in this respect he was a child of his times.) Apart from anything else, both the concrete- and abstract-labour approaches will have to deal at some point with the transformation problem (i.e., the problem related to the introduction of the general
rate of profit). The point is that within the labour embodied approach one has labour embodied at the abstract beginning and at the concrete end (in whatever way the end is the result of "redistribution"). Labour embodied thus seems to be "conserved" within the modifications proposed by the theory – modifications proposed either to capture real processes or to be a stage in, for example, successive approximation. This bears a resemblance to the classical physics conservation principle from which, according to Mirowski (1990), classical political economy borrowed. Thus we seem to have a substance theory of value together with a notion of conservation of this substance that is carried over from the one (analytical) level of abstraction to the next. Thus there is a particular ontology of conservation (of labour embodied "value") behind this theory. Moving from one level to the other does not involve a transformation in the sense of a "transubstantiation" (cf. Marx 1867|1976, 128, quoted in section 3.2). Thus although the transformation relates to the move to a specific level of abstraction – the concrete appearances – this does not involve a transformation of substance.

What reason would this labour embodied strand of Marxism have for sticking to the substance metaphor? Clearly the effect of it has been the theory's focus on physical entities rather than the social form of those in capitalism (or rather than a focus on entities having a double form – usevalue and value, physical and social – as the dialectical value-form theory would have it). The substance-embodied metaphor seems very much a "negative heuristic" (Lakatos 1974), which should save the priority Marxists give to production. Indeed, the stress on production is in my view one of the strong points of the Marxist paradigm. However, as I will show, it seems possible to theorize production and to give it a central place even if we cut loose the substance-embodied part of the theory. This would open the way for a truly social labour theory of value, which may be said to originate in outline with Marx, but which he did not complete (and which Marxists neglected to complete).

4.3. The abstract-labour theory of value: abstraction in practice

In one variety of the abstract-labour theory of value there is a shift in the status of the abstractions used in the theory. The theoretical abstractions are themselves taken to be a kind of mirror of the abstractions that people make in everyday life. Such a view would of course fit a materialist philosophy, but it is not restricted to it. The theory of value of this approach seems to have certain roots in Marx's theory in *Capital*, though I am inclined to see it more as a development from it. There is some question about the unity of this approach, and it is certainly not a fully developed theory (see, e.g., De Vroey 1982; Gleicher 1983, 1985; Eldred 1984; and Bellofiore 1989, who

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10 On redistribution, see Fine and Harris (1979), as well as the critique (on the manuscript) by Himmelweit and Mohun (1978). Note that within the usual algorithms the concrete-labour embodied theory is formally equivalent to a technical coefficients framework (see Gerstein 1976). This is also the point of the Steedman (1977) "Marx after Sraffa" critique.
expand on this question). I think that with my distinction between concrete- and abstract-labour embodied I have clarified the differences between them. However, the result is that what is called the abstract-labour theory of value is now even more obscure and even less of a fully constructed theory.

In this approach, the concept abstract labour (also) refers to an "abstraction in practice" (cf. Marx 1859|1971, 30) or a "real abstraction" (Himmelweit and Mohun 1978, 75) or a "concrete abstraction". Thus it is argued that in the market, concrete labour (the labour of a carpenter or an information worker) actually takes the form of abstract labour expressed in money. Thus the actual abstraction in the market is that concrete labour is reduced to homogenous money; this is so at the input side of the production process (wages) as well as at the output side. The products of concrete labour are homogenized into money when concrete labour is commensurated as or converted into abstract labour.

Abstract-labour embodied theoreticians (§4.2B) may not disagree with the argument so far, but the point is – further expanded upon below – that this view also entails a shift in the very concept of value. Within the abstraction-in-practice view, value is bound to be established in the market (hence a market concept) rather than having existence prior to it. This does not necessarily imply that this theory underrates the importance of production. Theoreticians within this approach will say that the defect of Sraffian or neo-Ricardian economics is its reduction of production to technical coefficients, that is, to techniques. They say that the production process is of primary importance. It is not clear, however, how this statement fits the importance they allot to exchange and the market.

4.4. Substance and the measure of time: real abstractions

One determination of the concept of the abstraction labour and abstract labour is the question of whether it is a trans-historical or general abstraction, as opposed to a determinate abstraction particular to capitalism or, more generally, commodity-producing modes of production (cf. Murray 1988, ch.10; and Arthur 1986, 11-12 on first-order and second-order mediations). Arthur (1986, 12-19, cf. 47) points out how Marx in the Economic and Philosophic Manuscripts of 1844 – in contradistinction to Capital – uses the term labour in a determinate sense. I would prefer to conceptualize labour as a determinate abstraction particular to capitalism, for example.

If we say that labour is needed to produce commodities, this is not very telling. It is more telling if we say that a certain amount of labour is needed to produce a

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11 References to the germinal literature of this approach are given by these authors as well as by Reuten and Williams 1989, 64. Although most adherents of a Hegelian-Marxist dialectic incorporate elements of this theory in theirs (e. g., Arthur, Backhaus, Eldred, Hanlon, Kleiber, Roth, Reuten and Williams), it is surely not the case that most abstract-labour theoreticians adhere to a Hegelian-Marxist dialectic. Conversely, not all of the later seem to take the nonembodied abstract-labour view.
commodity. Labour under the aspect of time is certainly a determinate abstraction. There are numerous cultures in which the aspect of time is of no importance in connection with the activity of labour. Anyway, there are good reasons to believe that labour under the aspect of time is at least determinate to a commodity-producing society if not just a capitalist society. (Cf. Mirowski 1990, 1991, on all kinds of standardization with the emergence of the market – pounds of apples, etc.) Mirowski's argument could be extended to argue that labour under the aspect of time is equally a standardization that emerged with the institutionalization of the labour market. If this makes sense, then stories such as Adam Smith's (1776|1933, vol.1, 41-42) on beaver and deer hunters of the "early and rude state of society" for whom "the quantities of labour necessary for acquiring different objects seems to be the only circumstance which can afford any rule for exchanging them for one another" are merely part of a method of theoretical history – as Skinner (1985, 29) suggests.12

It is now tempting to say that labour under the aspect of time, that is, labour-time, is a real capitalist abstraction (and perhaps also a real abstraction in other commodity-producing societies). However, there may be a problem of logical order here. Why would labour-time be a real social abstraction? Not for its own sake. Pounds of apples (apples are never identical) have become a real social abstraction because apples are sold on the institutional market (i.e., they take the value-form). Similarly, I would argue, labour-time is a real social abstraction because labour (labour-power) is sold on the market (i.e., because labour has taken the value-form). Therefore the concept of value is prior to that of labour-time.

Thus we have two real social abstractions. First, human activity takes the value-form. (Within the history of capitalism up to now, certain activities have been excluded; increasingly, however, household and leisure-time activities are at least being calculated in terms of value.) Second, because human activity takes the value-form, that activity is considered to be labour under the aspect of time, that is, labour-time.13

But what does it mean to say that labour-time is "embodied" in a commodity? Or that labour is the "substance" of value? Clearly labour-time is not some stuff that we find in the commodity (or even "beyond" it: I consider that even within a classical essence-appearance model at least some stuff/substance is not meant to be the

12 Cf. also Marx (1867|1976, 164): "In all situations, the labour-time it costs to produce the means of subsistence must necessarily concern mankind, although not to the same degree at different stages of development." In a footnote he adds that among the ancient Germans the size of a piece of land was measured according to the labour of a day. However, such were accidental personal not standardized measures; cf. Mirowski 1991.
13 Therefore we can, as a representation of these real abstractions, formally write \( ml \) (where \( m \) is the monetary expression of labour, and \( l \) is labour). This is further explained in section 5. (The argument in Reuten and Williams 1989, ch.2, §16, for writing \( ml \) is somewhat obscure. I thank Alexander van Altena for pointing this out to me.)
essence). Thus *embodiment* and *substance* seem to be metaphors. In general there is nothing wrong with using metaphors to get an idea across. However, the metaphor may be misleading and go on to live a life of its own. In this case I think that within much of Marxism these metaphors have been taken literally. (Of course Marx’s language gave rise to this. He took distance from the classical presentation in this respect, but he kept on using the metaphor.)

The point is that the real abstractions referred to are *social* issues.

5. **Reconstructing abstract labour within a systematic dialectical view**

This section provides some elements of a methodological outline of how a social labour theory of value may be derived from Marx’s theory by way of reconstructing that theory. It is not an interpretation of Marx’s theory. The reconstruction is one along the lines of a systematic dialectic as briefly introduced in section 1. I confine myself to a few stages of such a theory. The systematic context is set out in Reuten and Williams (1989, ch.1); my remarks expand on the concepts of abstract labour and value set out in that work.

In section 3 I indicated how Marx derives the concept of abstract labour. He does this on the basis of a reductive abstraction, not a dialectical logical abstraction. Marx arrives at his concept of abstract labour in abstraction from particular and concrete labour: The latter is reduced to elements making up human labour in the abstract, metaphorically referred to as crystals of social substance. As this objectified social substance, they are value(s) ($\Lambda$ in the notation introduced in section 3.2).

It was also indicated that the concrete labour $L_i$ and $L_j$ cannot be added up as particulars. However, because of the dialectical contradiction of particular labour being simultaneously universal labour, the labour-time $i$ and $j$ can in principle be added up as labour hours in the abstract ($l$): $l_i + l_j = l$, even though we cannot add them up as particulars $L$. Similarly we can add up acres of land even if we know their qualities to be different; the same goes for pieces of fruit. But this is a dialectical logical abstraction and not a simplification. Within an approach of dialectical conceptual development, $l_i$ and $l_j$ may have abstract existence as $l$. But this very approach purports to concretize this abstract existence to the level of concrete and phenomenal existence. At the abstract level it is not impossible to quantify, but any such quantification will have only abstract meaning – and sometimes makes hardly any sense. To take an example: The abstract "animal" has concrete existence as my cat Mitzy or as the fly she is catching; it is not impossible to think of them as two animals and to add them up as such. But we cannot add them up as particulars. Also, many mathematical operations make no sense: Half a cat plus half a fly do not make...

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14 Reuten and Williams (1989) aim to show how the abstract category $l$ develops, via the existence of the market and the complex of market relations, into the more concrete category of $ml$. 

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one animal. The dialectical contradiction is that Mitzy is a cat and an animal at the same time. A fly and a cat cannot be added up as particulars, but only in the abstract.

Thus we have the dialectical contradiction $L_i \times L$ (where $\times$ indicates dialectical contradiction).\(^{15}\) At this level, $l_i + l_j = l$ is fairly empty; it is indeed an abstract statement, a statement at the abstract level of theory. (Though the statement is true and remains true even if we move to concrete levels of the theory: In fact we do speak in practice of U.S. labour expended.) In the market, people do not reckon in terms of the abstract $l$. Nor do they reckon in terms of concrete $L_i$'s because these cannot be added up. Because production inputs and outputs diverge (and because in capitalist production such divergence itself is not the aim, it is production for others) they have to be reduced to a common denominator, which is value. Value is thus constituted as universal as opposed to the particularity of the physical inputs and outputs. (Note that in this view, labour, even $l$ or $L$ objectified, is not value. Here the theory clearly diverges from Marx's.) In the market, value actually gets shape in its expression in terms of money. If we restrict ourselves to the output, and to the value-added component, we may write $m$ for the monetary expression of labour, as it is actually realized in the market. Thus $m$ is also the value productivity of labour. In the market then, the contradiction $L_i \times L$ is transcended at a more concrete level into what I provisionally call $mL_i$ (but should call $ml_i$ as indicated below). $mL_i$ is a sum of money (in terms of dollars, for example, though this belongs to an even more concrete level of the theory). In the market, labour actually takes the value-form. Thus labour is actually converted (transformed) into an abstract entity. It is actual and capitalist abstract labour, which is capitalist value. (This opens up an enormous terminological confusion, because here and in the abstract-labour embodied theory the same words are used to denote different concepts. This is, however, inevitable if one wants to keep in touch with everyday language.)

Perhaps a somewhat subtle differentiation (that is, for the current purposes) is that in the market the $L_i \times L$ contradiction is transcended by way of positing it, more concretely, in the abstract moment ($l$) of the contradiction. Thus we should write $ml_i$.

At a somewhat more concrete level we may have diverging monetary expressions of labour, whence we have $mL_i$. (In Reuten and Williams 1989, ch.2, it is explained how this expression bears on the aggregate income $Y = ml = \Sigma ml_i$.)

In comparison with the abstract- labour embodied theory, the upshot of all this is that the simple labour discounting that bedevils the theory pertains to a process that actually takes place in the market ($m_i; m_j$). Of course the current theory maintains that value has no existence prior to the market. But this is far from saying that it does not affect production. In Reuten and Williams (1989, 66-68)\(^{16}\) it is explained how the

\(^{15}\) We can look at this contradiction both as particular labour $L_i$ under the aspect of universal labour $l$, i.e. $l(L_i)$, and as universal labour under the aspect of particular labour, i.e. $L_i(l)$. Using this notation we may write: $l(L_i) + l(L_j) = l$. However, $L_i(l) + L_j(l) = L$ makes no sense.

\(^{16}\) See also Reuten 1988, 53-55.
commensuration in the market \((ml_i)\) is anticipated by capital and so gives rise to what we have called an ideal pre-commensuration in production (properly written \(m_i'L_i\)). Thus the labour process is in fact calculated in terms of value (i.e., money).

Let me summarize the different views in terms of the symbols that have been used.

**A. The systematic dialectical reconstruction states:**

\[
i_i + i_j = l
\]

Equation (5) makes sense to the extent labour is considered as universal. The expression is rather empty and in that sense is an abstract statement (of universal labour in the abstract). In this view the following equation make no sense.

\[
L_i + L_j = L
\]

Equation (6) makes no sense in this view because we cannot add up different labour as particular labour. The following equation is considerably more concrete than equation (5):

\[
m_i l_i + m_j l_j = ml
\]

Equation (7) represents the expression for real abstract labour. It is also the expression for value (in terms of money).

**B. The concrete-labour embodied view states:**

\[
L_i + L_j = \Lambda
\]

or alternatively

\[
L_i + L_j = L
\]

If there is a concept of abstract labour at all in this view, then this is \(\Lambda\). All the quantities in equations (8) and (9) are in terms of value, measured in hours.

**C. The abstract-labour embodied view states:**

\[
\Lambda_i + \Lambda_j = \Lambda
\]

Equation (10) is the expression for abstract labour = value (abstract labour is the result of a reductive abstraction). Equation (10) is equivalent to or may be transformed into:

\[
\alpha_i L_i + \alpha_j L_j = \Lambda
\]

where the dimensions are simple labour = value, measured in hours. Only by simplifying (heuristic) assumption does (11) reduce to (8).

**Conclusions**

It is somewhat grandiose to say that *Capital* was an effort at developing systematic dialectics for social science – beginning with political economy – in confrontation with Hegel's work. (But then the qualifications in this respect as set out by Murray, 1988, and Smith, 1990, seem plausible.) I have shown that a reconsideration of the first chapter of *Capital* reveals that Marx embarked on a different track from Hegel's logic. Marx felt that this method would have to be developed in the practice of
research (cf. Murray 1988). However, as with all founders of new paradigms, Marx's exact break with the previous paradigm(s) is unclear, and here this applies to both the method and the content. Therefore there is room for several interpretations as well as lines of research developing from Capital. And for the time being this does no harm: I sympathize with Feyerabend's anarchistic view even if I myself have rather definite inclinations as to the way in which the paradigm might fruitfully develop.

Systematic dialectical interpretations of Marx have always been in a minority. The majority of the Marxist tradition indeed took the dialectic for Hegelian claptrap. Heuristically the question of how far Marx reached in developing systematic dialectics is not very important – though it is interesting from a historiographic point of view. What is important is that from it a systematic dialectical social science may be (further) developed. If we take this project seriously, then one of its targets should be a critical study of Capital from that perspective. The critique of Capital in this chapter then has been a critique of Marx with (as far as I am concerned) Marx.

A systematic dialectical study of current society would have to be a four-stage project. These stages are those that I consider the stages of a systematic dialectical methodology.

The first step is a critical phenomenal analysis, which would need to concentrate on phenomena as reported in newspapers and everyday conversations rather than their filtered reports in books and journal articles. It is not obvious, for example, that labour–capital class or exploitation issues are the phenomena that require explanation rather than the phenomena, for example, of third-world catastrophes, oppression of women, unemployment, racism, the ecological environment, unequal distribution of income, and authoritarian relations. I am not saying in advance that the latter phenomena cannot be grasped in terms of the capital relation. I am saying that we need to step back regularly in order to think over our theory.

The second step is to reanalyse the analyses of those phenomena, as well as the existing systematic outlines in books and journal articles. This includes a critical study of philosophy and social science in perspective of the analysis carried out in the first step. The abstract determination should result from this.

Third is the reproduction of the concrete from the abstract determination in the second step.

And the fourth step is the critique of the analyses done in the second step.

All this may sound familiar, but it has to be carried out as an ongoing project. We cannot – ever – just take for granted what has been accomplished yesterday. In this chapter I have picked out some value theoretical issues of the second step mentioned. I have suggested that although Marx provided the rudiments of a theory of social value (which nobody after him took any further), he was enmeshed in the physical substance–embodiment metaphor inherited from Hegel (substance) and classical political economy (embodiment). The Marxist tradition, rather than taking off from Marx in this respect, seems to have "fetishized" the metaphor (which is remarkable in the face of the antinaturalism that is one of the main characteristics of
the Marxist tradition). This seems related to the priority Marxists give to the theorization of production. Indeed this is the strong point of the Marxist paradigm in comparison with any other. However, with it Marxism has tended to theorize the economy in one-sided physical terms. I believe that the metaphor has prohibited the breakthrough to a true theory of social value. It may be added that no other paradigm in economics has been able to undertake this breakthrough. I have indicated how the ground may be cleared for developing a social labour theory of value. Within such an approach it seems possible to dispense with the metaphor and the related concept of value without, however, cutting loose from the theorization of production.

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