

Summary

Dieter Wolf

Critical Theory and Critique of Political Economy

Within the framework of dealing with Marx's scientific presentation of the first three chapters of *Capital*, the author attempts to answer the question to what extent the methodical procedure of *Capital* corresponds to the various methodological explanations Marx gave in the *Grundrisse*.

The comparisons between *Grundrisse* and *Capital* are an occasion for refuting the persistently proclaimed assumption that Marx would have reduced and disguised the dialectical method more and more in the course of his scientific career. The prejudiced opinion that, in contrast to the *Grundrisse*, the dialectical method descended in *Capital* to a miserable level is based on taking a few statements from the *Grundrisse* and the *Urtext*, which are made to serve as a model for what dialectical method should be.

The essential features of the scientific procedures Marx figured out by identifying and analysing capital as a socio-economic process possessing a contemporary history, producing and reproducing itself under certain already generated historical conditions.

These essential features, which are of great importance for the scientific character of *Capital*, are consequences of the fundamental methodological insight that the particular properties of the socio-economic world are expressed in certain particular properties of the dialectical method. Consequently its essence derives not from a general philosophical position but from the peculiar character of its object. Considering how this insight is constitutive for the scientific presentation of *Capital*, and especially for its first three chapters, attention should be drawn to some features presented exemplarily as follows.

The presentation in *Capital* starts with the sphere of circulation of commodities and money regarded under the aspect of a precondition of capitalist production by abstracting away (disregarding) that this sphere is at the same time the result of the capitalist production. Marx recognized this procedure during his work on the *Grundrisse* based on the knowledge that this is the only way to capture social labour in its historically specific social forms. As precondition and result commodity circulation is produced and reproduced. It must be explained by analysing what happens specifically within its contemporary history and not what happened in a certain way in its historical past. Therefore the scientific mode of presentation realized in *Capital* is characterized as logic-systematic and not as historical. The logic-systematic character of the dialectical method is demonstrated by examining the relations between the first three chapters of the *Capital*, especially by examining the particular role which the second chapter plays in comparison to the first.

Emphasizing the force of abstraction, Marx crystallized by means of abstractions the first three chapters of *Capital* as three steps of the logically systematic presentation in order to explain money and with it the circulation of commodities. To think change and interaction in an adequate way requires the process of abstraction. To explain money and commodities bearing a price Marx disregards price and money to find invisibly included in them less concrete forms, i. e. simpler forms consisting of commodities being units of use value and value. This can be described as moving from one structure to another structure, taking into consideration that the second one is invisibly included in the first one. The first structure is determined by the double-sided polar contrast of price-bearing commodities and money, and the second one by the simple contrast of commodities as units of use value and value. The second structure is disguised in the first one as well as the value of commodities is disguised in the price-bearing commodities and in money. The simplest and most abstract socio-economic situation of capitalist society is included in the sphere of commodity circulation and preconditioned as already historically generated. This situation, only accessible by means of abstraction, consists of products entered into relation with each other as commodities and the social actors who place themselves as owners of the commodities in relation

to one another. The structure of this socio-economic situation is characterized by simple commodities as simple units of use values and values. Taking into account that the socio-economic reality is created and shaped by humans, one has to consider this situation as the starting point of further development carried out by the social actors. This situation, analysed by Marx in the second chapter of *Capital*, is the starting point from which humans create and shape in the simplest way the first practical functioning part of socio-economic reality in the form of money-mediated exchange of commodities.

It is crucial to figure out what human beings do know about this specially structured situation and what they do not know. The result of their action is determined by the structure insofar as it lies beyond the scope of their consciousness. After having generated money in an unconscious way by a real action, they refer to money consciously, knowing that money is immediately exchangeable, that commodities must have a price expressed in the form of money. While aware of all this as the condition for carrying out exchange, they are not aware of what money and price really are, i. e. that price and money are developed forms of value appearing on the surface in forms which are the results of an invisible disguised mediation process. Prices of commodities, and money, are given to the human beings as somewhat different from what they are as the results of the mediation process. The action of the social actors consists of the mediation process between both the already characterized structures. The individuals are making a step from one structure to the other, a step from the less concrete structure to the much more concrete structure, not knowing what happens within their action concerning the development of value, not knowing that they are creating money as a more developed form of value.

The structure unknown to the social actors arises from the fact that the social actors are mediating their relations among themselves by social relations between the products of their different labours i. e. by social relations between things. The following particularities are important to understand why it is necessary to explain money by means of three chapters in *Capital* instead of only two chapters in *Zur Kritik*. The first particularity consists of the fact that the social actors do not know what happens inside the social relations between the commodities concerning the creation and developing of the different forms of values as historically specific forms of social labour. The socio-economic structure determined by the contrast of use value and value lies beyond the reach of the consciousness of the human beings. The second particularity consists of the fact that the socio-economic process, which is responsible for the creation and the developing of the socio-economic forms, exists in some respects separately and independently of human beings. Although products are, for the sake of their exchange, brought into social relations by the human beings, these social relations between things are different from the social relations between human beings. They have their own kind of existence, which depends in one respect upon the existence of things.

These considerations justify beginning with a chapter in which the scientist considers a structure given only to him, or, in the words of Marx, considering the relations of commodities as theoretical, being only in the mind of the scientist i. e. in one's mind's eye.

In the first chapter Marx is analysing all that happens unknown to the social actors in the social relations between products concerning the creation and developing of the different forms of values as historically specific forms of social labour.

The first three chapters Marx brought together as three steps of abstraction in a certain sequence necessary for grasping the connection between structure and practical social action. Marx explains that this connection is determined by the connection between the socio-economic forms of labour, the social relations and the forms of thinking. Marx further explains that this connection possesses, because of the unconsciously given structure and the social action unconsciously carried out, a character similar to organic deterministic processes in nature. At long last Marx explains what is conscious, and what is unconscious, for the people creating and shaping their own socio-economic reality.

One crucial result of the investigation made in this treatise is that the sequence of the first three chapters of *Capital* mirrors the highest level of a scientific method which has solved the fundamental problem of how to reconstruct mentally in a certain sequence of different steps of abstraction a socio-economic reality characterized by a certain relationship of structure and practical social action, and which possesses a systematic structure, determined by interacting

processes mutually dependent on, and influencing, each other.¹ The methodological procedure Marx pursued through the first three chapters of *Capital* runs totally contrary to such an assumption as that the methodological level of *Capital* would be the miserable result of a scientific development in which Marx had continually reduced and disguised the dialectical method.

The methodological reflections outlined in the above explanation are the subject of the first part of this treatise. This part provides the methodological framework of both the other parts, dealing with ways in which the theorists Helmut Reichelt and Hans-Georg Backhaus interpret *Capital*. It not only argues against typical interpretations of *Capital* but discusses in a rigorous, reliable way, and in terms of content, the essential features of the socio-economic reality primarily consisting of money-mediated circulation of commodities as the above specified abstract sphere of capitalist society.

There will be treated, for example, the importance of the twofold character of labour for comprehending social labour as the fundamental mediating process between nature and human beings, by explaining in great detail what abstract labour is as the historically particular social form of all the different single labours creating useful things, i.e. use values.

Many theorists interpret abstract labour by dissolving it into its opposite, namely use-value producing labour, i.e. concrete useful labour, so that one changes abstract labour into concrete useful labour, or generates a mixture of abstract labour and concrete useful labour at the cost of the first.

The consequence of nearly all misinterpretations of *Capital* is to destroy the twofold character of social labour, to destroy the socio-economic dimension of value, to dissolve value in a result of mental movements separated from labour, to conflate the different levels of the chapters of *Capital* as methodological required steps of abstraction, to confuse everyday mental processes with scientific mental processes, to mix up both mental processes with happenings in the socio-economic reality etc. Because of these procedures the theorists are more or less consciously forced to construct a poor substitute for social labour, i. e. a poor substitute for all that happens within social labour as a socio-economic process which is the basis of the mediation process between nature and human beings. This substitute for social labour takes the form of philosophical speculations mixing Kantian and Hegelian philosophical reflections characterized by the contrasts of “nature” and “spirit”, of “matter” and “reason”, of “body” and “soul” etc.

¹ „One important theoretical issue that would have to be examined is the relationship of structure and action.” Moishe Postone: *Time, labor, and social domination. A reinterpretation of Marx’ s critical theory*, Cambridge 2003, p. 395.

Heinz Paragenings

Value and Price of Production – a Necessary Debate

Contrary to the predominantly quantitative value-price theories, the relationship between value and price of production is conceptualized here as value which changes its form. The article presents a quantitative analysis based upon the qualitatively determined categories of Marx' economic theory. How the "embryonic form" of value is transformed by the production process proper into a higher developed form consisting of capital advance and costprice is discussed at length. This irrational form of value has been severed from living labour. The price of production and the general rate of profit are already present, but still hidden in this form. Whatever its level might be, such a general rate is already included in the value of capital – both as a result and a prerequisite of the overall movement of capital. Hence, for the sake of the quantitative analysis a general rate of profit is supposed. Its level is not fixed but should be the same for all capitals in all spheres and distinct from their respective rate profit in value terms.

First, the analysis of the transformation of the form of value into the form of production price is concerned with a single sphere of investment only. Profit as well as costprice are covered. When the analysis is extended to all spheres of investment it becomes possible to determine the level of the general rate of profit. A comparison with Marx' model in volume III of *Capital* shows that this model can be accepted as a somewhat simplified approximation. This manner of calculation does not pose a problem here but it does lead to the elimination of any concept of a qualitative "genesis" of the price of production.

Following this, the author deals with the logical structure of individual prices of production, with extra profits as transformed forms of extra surplus values which play a central part in the competition between capitals. The concluding remarks of the essay are devoted to the function of competition with respect to the magnitudes of value as determined by labour and of the prices of production as determined by capital.

Dieter Wolf nimmt eine ausführliche Kritik an der von Helmut Reichelt und Hans-Georg Backhaus entwickelten Wertinterpretation vor. Um den Doppelcharakter der Arbeit anders zu begreifen als die beiden, kommt es Wolf auf den Unterschied zwischen der konkret nützlichen und der abstrakt menschlichen Arbeit bzw. auf den Unterschied zwischen der stofflichen und der historisch gesellschaftlichen Seite der Arbeit an.

Heinz Paragenings analysiert auf der Grundlage qualitativer Bestimmungen der Kategorien der Marxschen Werttheorie die Verwandlung der „Embryonalform“ des Werts als Resultat des unmittelbaren Produktionsprozesses in die weiterentwickelte Form des Produktionspreises in dessen Verbindung mit dem Profit und Kostpreis.

Mit der Publikation sollen Impulse für die weitere Diskussion gegeben werden, insbesondere nach der Ende 2003 erfolgten Edition von Marx' und Engels' Manuskripten und redaktionellen Texten zum dritten Buch des Kapitals von 1871 bis 1895 im MEGA²-Band II/14.