CHAPTER 8

Capital

§ 3   Capital

This chapter shows that value as substance (money) becomes subject (capital). In the pure dialectic of the value form I outlined, first I dealt with what it is to be a commodity; and concluded that to be a commodity is to have value intrinsic to it. Then I showed that such a presupposition is posited only with money; money is the actuality of value. Through this it is determined that value is a substance, capable of magnitude, incarnate in a monetary medium modelling the immanent quantitative characteristics of value present as an amount of itself.

Money gives value its proper measure. As its own measure a sum of money is equal to itself, and in this capacity it takes the measure of commodities, thereby positing the presupposition that a commodity has value. Moreover, this imputation effectively presupposes that, beyond its bodily shell, lies its true substance, value in some definite amount.

But this duality of value, as unitary form (money) and formed content (values of commodities) is itself sublated when the summing in money of a basket of commodities brings back the infinite unity of value to itself, when the notionally separate values merge. Thus these commodities are both immediately of specific value yet in principle subsumed by a unitary value substance. Below it is shown that capital is brought into being on the basis of the circulation of commodities and money such that value gains its unity with itself in practice, as self-valorising value.

§ 31 Price: Subjectivity of Value

§ 32 Exchange and Circulation: Objectivity of Value

§ 33 Capital as Concept and Idea.

§ 31   Price (Subjectivity of Value)

There are some difficult conceptual issues involved in the exposition of value as ‘the concept’. While unity is always to the fore, the determination of finitude must allow value to appear as discrete instances of itself. In the treatment of real measure, I kept such discreteness at a virtual level in that there the real presence of a piece of gold is not required; I merely give the notional measure of the commodity in a notional amount of money. This constitutive
function of money posits the presupposition that commodities are values. I shall show that it underlies the rationality of sale.

An offer to sell at a definite price is rooted in a judgement of worth. Such a judgement requires the practical application of the value concept to the real empirical manifold of commodities. Here the virtual measure of commodities must become phenomenally present in an alienable piece of gold or at least as a number equated in the accounts of traders. Value, as ‘the concept’ present ideally, must be applied in the real world. Or, conversely, commodity values must be brought under their concept. For this to be possible the value present in the monetary medium must really appear in finite form as a fixed amount of itself capable of being exchanged for a commodity.

The price list looks exactly the same as the substantial form of value (see Form vii above). The difference is that in the earlier treatment the point was to exhibit the function of money as real measure of the value of commodities. But the sum of money represented was to be taken ideally in its measure function. No actual money need be present for this function to allow for comparability of values. Now the price list is to be understood as an offer for sale. (So price requires undertaking a judgement of worth, with the claims about ‘worth’ being ‘subjective’ unless and until an agreement for purchase is concluded, we show below.) In this case there may well be several similar items for sale, which means that the money used to purchase them must likewise appear in plural form. To sell three hamburgers at a dollar a piece requires not the notional measure of ‘three dollars’ but three distinct dollar bills presented. Conversely to sell one hamburger for a dollar requires simply any of the numerous dollar bills in circulation (not a token only valid for one of my hamburgers). Price is logically ‘subjective’ because it may in principle be assigned prior to actual sales. As such it is a purely notional form of value. Only when price is agreed between the parties do commodities and money get on the dance floor, so to speak; this objective process of exchange and circulation embodies a new logic, which I shall treat in ‘the metamorphoses of commodities’.

The discussion of value in this chapter is somewhat difficult (but, nonetheless, important), because it relies on a distinction between ‘the Concept’ (with a definite article) and ordinary concepts. The Concept is a logical figure that may be abstracted from ordinary concepts; it comprises the moments: Universality, Particularity, and Singularity (UPS). It is the very truth of ordinary concepts, indeed of everything of which we form a concept. As such, determinate concepts (for example ‘dog’) may be viewed as determinations of The Concept. Consider the proposition ‘Fido is a white dog’. Here ‘Fido’ is singular, ‘dog’ universal, and ‘white’ particular.
**Remark:** Analytical philosophy has only a crude idea of the concept. It conflates particularity with singularity. Thus a typical dictionary of philosophy says that things are particulars and their qualities are universals, so that ‘redness’ is a universal predicated of all red objects. But things are not particulars, they are singulars and each red object is a particular shade of red. Presumably it will be replied that each shade is itself a narrower universal corraling its instances. But in this move their more universal character as simply ‘red’ is lost. The tripartite division of the concept is preferable because it adequately represents this complexity.

So far, so good. However, *value* is present at both these levels. Value-as-Concept comprises *ups*. But the determination of this all-embracing universality is nothing more than its *quantification*. Thus there are many ‘values’ present, each of which has ‘a’ finite magnitude (and may be brought to judgment accordingly), so is contrasted with the ‘infinity’ of the Concept.

Hegel’s term ‘*Begriff*’ used to be translated as ‘Notion’, but now is always rendered as ‘Concept’. This leaves Notion available for a special technical use in my system. I use it, in discussing price, to stand for what Hegel terms ‘the subjective or *formal* concept’ in the very first section of the Doctrine of the Concept. I think this is justified because in English ‘Notion’ carries such a subjective connotation; and a special term is required if we take seriously Hegel’s point that it is *merely* formal, in the same sense that is self-styled ‘formal logic’, namely devoid of all content. For Hegel, of course, the concept proper *does* comprehend its content. I shall come to that.

I now pass to a detailed presentation of value as Notion, *Judgement* (required for assigning price), and *Syllogism* (transitivity of price). In this I shall try to employ the following terms. Value as pure Notion divides into Universality, Particularity, and Singularity. Value as finite divides into universal, particular, and singular. These divisions are, so to speak, the particularity of the Notion itself. But notice this means the movement of Particularity is doubled: keeping within the immanence of the pure Notion, it determines itself to Singularity; while unfolded into a finite realm it determines the existence of a wealth of singulars. Thus I distinguish the *formal* moment of Singularity, which pertains to the Notion itself, from the *application of* the Notion to finite singulars, of which there are many. (To put the point another way, it is necessary to distinguish the ‘ontological’ dimension of Singularity from the ‘ontic’ realm of singulars.) A singular is made possible because the concept in its singularity determines itself to many singulars that are each some particularisation of the universal.

But Singularity, as a *moment of* the Notion, is that through which the concept asserts its *unity* with itself as a totality of form. This is distinct from the moment of Universality, which is the moment at which the Notion asserts its
self-sameness, in the sense that the moment of Particularity both negates the universal and yet is equally brought back to the universal. Yet if there is one Concept (here taken as logically distinct from the many concepts abstracted from the realm of finitude) the moment of Singularity is taken as characterising itself. It is that moment of selfhood which makes it possible to say that the concept is self-determining when the universal determines itself to the particular.

It is common to give the logical triad as Universality, Particularity, Individuality. However, my ‘third’ is Singularity; for I reserve the term ‘Individual’ for a special use later (for example § 33). (Note that Hegel’s third term here, ‘Einzelheit’, is more properly translated as ‘Singularity’ in any case.1)

Thus I give the English terms different roles. It is necessary, I believe, to introduce a distinction between two different senses of the projected third to universality and particularity. In the sense in which there is something to contrast with the other moments I prefer the term Singularity. But that there is a need for another term becomes apparent when it is understood that each moment of the triad is reflected into the others; so each is, for example, a particular moment of it. Crucial to my argument is that if we take the three moments in their unity a special term is required, for which I use ‘Individuality’. The concept posited ‘as totality’ is clearly different from the moment of singularity in which it is positively determined as one particularisation of the universal. For the totality of the Concept is characterised by the ‘negative unity’ of its moments.

As concrete, the unity of the concept is not present in the universal moment alone but in its unity with the other specific determinations. This, as distinct from them in its identity with itself, and taken as the totality of its moments, I term the Individuality of the Concept.

Remark: For Hegel, this part of the Doctrine of the Concept has relevance to the form of ‘constituted’ subjectivity, proleptically tracing the abstract moments of the activity of the real Individual. This sense of ‘subjectivity’ is not obviously present in price, which seems set externally. Nonetheless, the moments of the Notion treated here are precisely those through which money as capital in its own movement unfolds itself.

_The Price Form_ divides into the triad:

§ 31.1 Value as Notion,  
§ 31.2 Judgement of Worth,  
§ 31.3 Transitivity of Price.

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1 I endorse the trenchant remarks on this in the translators’ _Introduction to The Encyclopaedia_.

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§ 31.1 Value as Notion
Whereas the function of money as measure is purely formal, the price list (while generated by subjective judgement) notionally proposes a real transfer of value if two subjective judgements coincide such that a bargain is concluded. So then money must be really (not simply virtually) active. Value as Notion divides into:

§ 31.11 Infinite Value Notion
§ 31.12 Finite Value Notion
§ 31.13 Value Brought Back to the Infinite

§ 31.11 The Infinite Value Notion
In its Notion value as Universality is all-pervasive; as Particularity, it is present as its amount; and as Singularity as an amount. It is important here that the infinite value notion does not admit of singulars which ‘fall under’ their concept, in the same way as Fido is dog-like. Although there are particular amounts to which value determines itself these remain purely notionally different; for any such amount is indistinguishable from any other identical such amount; if A and B, singly, are each worth a dollar, then to present that fact does not require two distinct dollars; it is simply the very same notional dollar, deployable infinitely. (Singular dollars we treat under the finite notion.)

Moreover, the general claim that a commodity is valuable can only be made determinate, not as what kind of value it is, but only as how valuable it is. What kind of universal is it that has no determinable qualities? It is practically specifiable only in amounts of itself. It is not that we have a class of value bodies of which the universal would be ‘value as such’ in abstraction from them.

The Notion is the universal form that validates commodities as values. This is logically prior to the judgement of worth wherein the value of commodities is reflected in a determinate sum of money. Once we have such a notion of value the next problem is how exactly this posits itself in finite form, i.e. predicates a specific value to commodities.

The moments of the Infinite Value Notion are:

§ 31.11/1 Its Universality
§ 31.11/2 Its Particularity as Amount
§ 31.11/3 Its Singularity: An Amount

dia Logic; I further endorse their scathing comments on that tradition in English philosophy which speaks of singular entities as ‘particulars’; Hegel 1991, p. xix.
§ 31.11/1 The Infinite Value Notion in Its Universality

This is the simple pervasiveness of value across the whole conceptual space. It develops from the oneness of the value substance (incarnate in money) now explicitly put.

Here, under value as notion, we treat value as universal. Yet earlier in the systematic development we already introduced the idea of a ‘universal equivalent’. How do these two uses of the term ‘universal’ differ? Money as the universal equivalent gives the form of value to a contingent collection of heterogeneous commodities determining them as valuable. Value itself, however, in its notion has its own inner determinations, its moments, when reflected into itself, rather than against commodities. The earlier use of ‘universal’, at the level of essence, is that which is related to what it subsumes in form and posits as a content. But the ‘universal’ proper, at the level of the concept is internally self-specifying in amounts of itself. So if we use the term ‘universal’ when treating the general form of value we are not getting ahead of ourselves because it is not the universal of the self-identical notion but the ‘general commodity’, so to speak, defined by its exclusion from the array of specific commodities. Money gives the general form of value to commodities. But, as value in autonomous shape, it has its own determinations, those of the Notion. Another way of situating the issue is to note that the difference between the general form-determinations of essence, e.g. substance, are supplanted at the level of the concept by the explicitly universal that particularises itself ‘freely’ (proleptically). But as conceptually universal it has ups as its internal moments.

§ 31.11/2 The Infinite Value Notion in Its Particularity

In its pure Notion, value has no inner difference, so its only possible further determinateness is its quantity. This is that of amount, quantity as quality. As we saw under real measure a particular amount may be compared with others. But here we have particularity as such. Money as value in its particularity lies a priori behind the very possibility of such measure.

The poverty-stricken ontology of value modifies the Notion and its moments. What is problematic here is the moment of particularisation. This does not appear as species of a genus, but as a set of instances differing solely in magnitude, hence not essentially different from one another. Thus we shall say they are really unifiable ‘as One’, not merely as subsumed by their universal, perhaps a truly concrete universal albeit in a single register, that of amount.

Particularity has only one specific determination, namely amount, and hence its Singularity is an amount.
§ 31.11/3 The Infinite Value Notion in Its Singularity

This is an amount. Each such amount is conceptually indiscernible from any other identical amount and a certain sum of money meets any bill of that amount. Of course, there are many such amounts because particularity here is amount. But in value as pure Notion there is lacking the usual determinability in which amounts are genuinely plural, i.e. tokens of the type.

If the Singularity of the Notion is an amount of money this may be a purely notional determination. However, Value-as-Notion comprehends an infinity of potential amounts. To determine the Singularity of the Notion to an actual amount requires the form of the Finite Value Notion. This brings the infinity of the Notion into relation with worldly commodities. Money is the immediacy of the Concept but commodities are posited as true singulars recognised as values by money. (True reciprocal determining of money and commodities gains proper recognition in its practical endorsement in purchase and sale.)

§ 31.12 Finite Value Notion

Value in its finite determination (schematised in money as ‘measure making’) is manifest in a price list. A sum of money here has a dual character: first, it represents the absolute Singularity of money in its notional form; second, as a singular item, a coin for example, it acts – not merely as a value equivalent ideally – but as practically exchangeable with commodities.

Money, as measure making, requires that (i) it models the pure notion – hence one universal money; (ii) it appears opposite to commodities in finite form complete with its own measure dimension; (iii) it is incarnate in singular shapes.

Of central importance to my account of value is that the Concept plays the same constitutive function in our ontology as the equivalent category does in Hegel’s logic. So it is wrong to speak of ‘the concept of value’ as if it were a finite concept; I speak of ‘value as Concept’; yet I show it must act as a finite concept in its relations with commodities. Only with finite concepts is it possible that each of them covers a range of singular instances. In our case value is the Concept, which applies itself to the range of commodities conceptualised by it (not us) as values. (We shall have more to say about such application when we reach the judgement of worth.) However, the phenomenal existence of pieces of gold makes it appear as if ‘value’ were simply a finite concept covering an indefinite number of such instances. Worse, it makes it look as if money is a value among values, different merely in functioning as numeraire.

The difference in unity of commodities and money must be a self-difference within value as concept. The Concept is a sort of blueprint for finite concepts, but for us money does double duty, for ideally value is posited as a self-identical
universal, but it acts in practice as if it were a finite concept abstractly opposed to its instances, just like ‘mass’ for example. So what is the relation between the money that is value as Notion, which forms commodities as values ontologically, and the finite amount of money which seems to equate itself, as a definite amount, with the value supposed to be borne by the commodity?

At the level of the Notion we observe, then, a contradiction in value between its being absolute Notion defining the monetary dimensions of the value space, and finite Notion existing as fixed amounts of money as if inhabiting an already given space.

What is to be grasped in this is the nature of the value concept; it is not like a universal of the analytical understanding, taking under review various values and abstracting the (finite) concept of value; value as the Concept transcends the whole commodity sphere and at the same time in-forms it with this determination. Hence its descent to finitude in ‘bits’ of money and commodity values contradicts the Concept because if makes it look as if value is a finite concept. Yet absolute ‘reason’ has to descend to the categories of non-dialectical ‘understanding’ when fixing equivalent exchange ratios, or when drawing up annual accounts as if capitalism were a natural system.

The great difficulty in making progress in the dialectical presentation at this point is to trace the twist whereby value descends to finitude, as it does in price, because, determined thus, value acts as a finite concept such that there are singular values. In order to ‘apply’ value as Notion to the realm of singular commodities so as to constitute them as values, a mediator is required which fuses the ideality of ‘the Concept’ with the empirically given manifold commodities. This is the peculiar service of money when it appears in phenomenal shape such as coin, alongside the commodities. The commodity manifold is incoherent unless it is informed with value. However, the presupposition that commodities are values cannot be posited except through money.

At first sight the commodity is thoroughly dualistic. On the one hand, as a material body it is destined for consumption. On the other hand, as an exchange-value it is posited simply as the bearer of an ideal substance, its value. But money presents the value of commodities to them in the shape of gold or some other material. What does it mean philosophically to say the material body of gold counts as value as such? Conversely, why must the ideality of value gain a quasi-material character?

Value exists a priori, as the pure transcendental form imposed on commodities in opposition to their empirical bodily shape. But for such a form to engage with commodities in actuality requires the presence of money. For in its sensuous material character it schematises the pure form of value in its implicitly quantitative nature. Only through the mediation of money are commodities
effectively inscribed in the value form. Between the pure transcendental form of value and the material commodities, presupposed to be of value, lies the mediator money, which schematises value in that it has a crucial sensuous characteristic of presenting measure in a phenomenal metric to the various commodities; it is countable in unit and number, whether coins or simply money of account.

What is required is that value does not float in its universality above the commodities, but that it has sufficient phenomenal reality to enter into real relations with them, such as buying and selling them. Although I deploy Kant’s term ‘schematisation’ it is important to my presentation that the context of use is not really the same as that of Kant. For our problematic is ontological, not epistemological. In the Kantian account of the application of the categories to the empirical world, a mediating role is given to the ‘transcendental schema’. Kant has a transcendental argument for situating his categories as *a priori* conditions of experience, and the problem which schematisation solves is that of their effective application in an empirical judgement. As *pure* categories they are unable to grasp any content. This *schema* has a dual character Kant says. On the one side it is homogenous with the category, and with the phenomenon on the other, and so makes the application of the former to the latter in a judgement possible.

In the development of the value form there is no question of a transcendental argument. Nor is value taken as given *a priori*. Rather the dialectic of the value form shows how it is *practically* presented in a dialectic of presupposition and posit. Nonetheless it is equally true that I cannot avoid the figure of schematisation here. This happens because, throughout, the pure form of value is borne by material commodities, which in their bodily substance provide a ‘shell’ for the value substance. Up to this point no serious problem arose from this fundamental duality. But here we have to bridge the gap between the Value Notion and finite judgements of worth on single commodities. This requires the singulars to be subsumed under their concept. Money achieves this for the same reasons as the demands on the schema advanced by Kant. On the one hand money is the categorial existence of value as infinite form. Yet, on the other, in order to unify effectively the commodity manifold it is present there in phenomenal shape as a finite existence, supporting empirical judgements. Value is *materially present* (as contrasted with the transcendental presupposition of the unity of commodities in the same value space) only as money.

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2 The Kant passage is noted by Patrick Murray in his attack on ‘third party logic’ (Murray 1988, p. 159 and p. 255n34).
If the heterogeneous commodity manifold requires the transcendental form of value to effect its synthesis a priori, this means that commodities, to be determined as fixed values in the space therewith constituted, require their mediation by their value concept. The reality of value, however, is given only in its finite application. Thus the self-pervasive infinite value space crystallises into finite 'masses of value', that is, 'bits' of money that present the Singularity of the concept to commodities, positing them as 'values', a plural domain, as if value were a finite concept abstracted from them. But in truth value is a sui generis form imposed on commodities.

Value is the transcendental unifier of the commodity manifold for which money counts as its phenomenal presence. As universal equivalent, money gathers together commodities and constitutes them as values. On the ideal side money must represent the universal while at the same time having the plural numerical identity that makes possible its transfer.

Another way of putting this is to say that money as the unitary value concept has Absolute Singularity, because a specific incarnation of a sum of it is merely notionally a singular instance of a dollar. A dollar is always the same dollar and an immediate plurality of such dollars is not notionally possible, for, when brought together, they collapse to a specific sum. So to descend to the finitude of commodity values requires money to act as if the value concept were simply the concept of value, a finite concept with instances such that dollars exist in numerically distinct shape as standardised 'bits', exchangeable with commodities as if 'exchangeables' in the same sense as they are. Our practice of such exchange posits the finitude of value.

Albeit we have coins, only their material may be collected as a class, but the collection plate contains just one amount of money. Money is always single, corresponding to the singularity of its office, not a class name like 'animal'. However, with money as the presence of 'value' alongside commodity values, it is as if 'the animal' materially existed as singular, apart from, and beside, the various animals.

Value as Concept has a very different status to the ordinary concepts which are always 'the concept of something'. For example, 'weight' is given in its instances prior to their conceptualisation as 'weight'. The universal is derived by abstraction from them.

But commodity value is not given. It is only posited as such by their concept as it is objectively 'schematised' in money price.

§ 31.13 Value Brought Back to the Infinite in the Fungibility of Money

Because there are no singulars in the Notion, the singularity of the Value Concept is simply immanent within it, rather than 'applied' (i.e. amounts are
notional merely). When finite sums of money act, these ‘singulars’ are hence not fully individuated but merely notional because they present the Notion ideally, not in their own material uniqueness.

The ideality of price is shown in the phenomenon of fungibility. Money is fungible in exchange and circulation, when used as means of purchase and payment. When equating the worth of a commodity to a dollar it does not matter which material coin is taken as its equivalent; any such coin serves indifferently. It is a question of what is acceptable in exchange i.e. coins as singulars are substitutable practically.

When money serves to price the value of a commodity it is a matter of indifference which ‘bit’ of money is employed for this purpose; such ‘bits’ of money are qualitatively indiscernible. All serve equally well to price the value of a commodity. Moreover, as is well known, the loan of a dollar is repayable by another dollar, taken as identical with the first; it is not required to return the self-same original dollar coin in order to settle the debt. The fungibility of money indicates already that money stands in infinite unity with itself in that any and all ‘bits’ may come into play to serve the same purpose. By extension, all commodity values collapse into this infinite identity of value with itself. Because all units of money, and all sums of money, are qualitatively of the same substance, and because numerical difference is ideal, albeit incarnate in the monetary medium, money as legal tender is perfectly fungible.

Money appears as a finite amount of itself that can be set equal to every commodity, as if it were one among them; as if price were just souped-up barter. But in the form of price all sorts of commodities worth three dollars are worth an identical three dollars, which shows that money is their concept, whereas commodities are the real-world instantiations of value, each separately worth three dollars, and all together they are worth a multiple of this (that is, another particular amount, not a class of separate amounts).

I reject the analytic opposition between the universal as wholly abstract and the singular as concrete. The more dialectical view is that the universal is no mere abstraction, no mere abstract commonality, it is a concrete universal that comprehends within itself its particularisations.

While the universal thought-form comprehends its particularisations in thought, the value form comprehends its particularisations through the objective relation in which such money stands to commodities. This is why a material bearer of the value concept is required alongside the commodities it comprehends as values. For the ‘inner nature’ of goods to be value requires that this presupposition be imposed on them through the commodity form, and more precisely through their objective relation to money. Through money all commodities are held within the concrete universality of value.
Thus money ‘conceptualises’ commodities under a universal form, namely the price form; in which it must come in particular amounts; and if it is to realise multiple prices it must be present in singular existents such as coin.

§ 31.2 The Value Judgement

The form of price now posited, within it money assumes its role of measure taking. For money makes practically possible the Judgement of Worth.

In the judgement of worth we take commodities as values because money has reflected value into them. Now the reflection of this reflection is the valuing of what has been posited as value. Money as measure making is at the same time money as measure taking. The former determination makes commodities into measurable values, while the latter determines their magnitude (in the sense of registering it, what determines the value a commodity has remains to be addressed). It acts as their ‘measure’, once a standard measuring ‘rod’ is socially selected.

It is our practice of using money on the presupposition that the commodities are values that posits the reality of this ideality. However, for the value of the commodity to be brought to judgement, it must be reflected in the price as if money simply takes its measure. This is a finite determination such that the Value Notion now determines itself to finitude in the Judgement that such and such a commodity is worth a definite amount of money.

The moments of the value judgement are:

§ 31.21 Price expresses the Judgement of Worth that ‘this C is worth $x’; thus I consider now taking the measure of value (contrasted with making it measurable);

§ 31.22 the measure requires to be concretised in a Standard of Price; (the realisation of price through sale is considered in § 32, but here I proleptically mention the qualities required for money to be alienable);

§ 31.23 the Unfolding of the Judgement of Worth.

§ 31.21 Judgement of Worth

The judgement of worth is exemplified by ‘this commodity is worth x dollars’; or ‘the value of this commodity is x dollars’; that is ‘the amount’ it is worth. Value as pure form unifies commodities but to be actual it must be capable of appearing in finite judgements of worth, for which the monetary medium is required to incarnate its metric. Money appears to be measuring the value already given in a commodity, but at a logically prior stage it constituted commodities as measurable values. So its dialectic moves from measure making to measure taking.
It is necessary that, at the level of determinacy, there are many singulars (not singularities). If value is the universal, how is it particularised? Given in the monetary medium, it is its amount. There are many possible amounts. For the further determination of these to Singularity we speak of ‘an amount’, contrastable with other such amounts. The next stage in determinacy is to apply these moments of the Concept to finitude, by registering the (singular) amount that this commodity is worth. So here we can make the judgement: the value of this commodity is ten dollars.

When we speak of a definite value, we use the definite article. But, if we generalise, we say: every commodity is worth a particular amount of money. Because then we have not limited ourselves to any singular amount, the indefinite article is appropriate. But to make a proper judgement on the worth of a certain commodity is precisely to delimit it.

§ 31.22 Standard of Price
Price presupposes that commodities are the bearers of value. I now consider, not the measure making role of gold, but its measure taking role, for which a standard of price is required. Thus if the monetary measure is gold, this still leaves the standard pound of gold to be determined. The index of magnitude of the standard then models the posited dimensionality of the immanent magnitude.

It is essential for systematic measurement that comparison of values is made according to the same standard. The provision of such a determinate standard of price, and the practice of its use, then generates the illusion that gold is just a numeraire. Money as a ‘piece’ of itself seems to be something that has value (which may be claimed of gold, just to confuse things) rather than being the necessary form of value. In price, money acts as if it were just a numeraire, and commodities acts as if they were inherently valuable. But in truth value achieves conceptual determinacy only through price.

The point here is not just that ‘standard’ is a more concrete notion than ‘measure’, but to grasp the dialectic of reflection whereby money is simultaneously active when making possible the status of the commodity as value, and passive when reflecting in price the value it is supposed to have; in this last respect money must have its own measure dimension, its standard of price, for which specific characteristics of the monetary medium are required. Money as making value measurable, and money as standard of price, are two different functions of money. Money as the real measure of value incarnates it in notional amounts of gold, as a homogenous material substance modelling the homogenous ideal substance. As the standard of price it gives gold its metric, e.g. weight not volume, pounds not grams. It is a measure of metal, so to speak,
not value. It is its function as standard of price that encourages the illusion that
gold is simply a numeraire; for what seems important is simply the metric space
it sets up; but this forgets that there is the prior issue of the constitutive role
that money fulfils at a more basic level in providing for commodities a space
of value in which they may be posited as intrinsic values. (But my retrogressive
logic means that the provision of a standard of price is not a mere convenience
but a further step in the process of constituting the actuality of value.)

It is not a decisive objection to commodity money that gold may itself vary
in value. Since two pounds is always twice one pound, it serves as a way of
comparing the values of other commodities. The standard is the measuring-
rod required by the act of measuring.

**Remark:** This function of valuation does not depend on any value its mater-
ial ‘has’, if any. Thus it is common for there to be a discrepancy between an
identical nominal, and variable real, value of metal coins; yet they continue to
function as a standard of price indifferently. (Abrasion, clipping and debase-
ment reduce the value of the gold content; but the ideality of money requires
its emancipation from such material problems.) Mined gold is of varying purity.
Social practice requires authoritative assaying and minting.

The fungibility of sums of money means that no specific material presence
is required, so money of account is a perfect substitute for most purposes.
Nothing more convincingly demonstrates the ideality of value than money of
account. It is not the matter of money that counts but its ideality as value
incarnate. Incarnating the ideality of the concept, money may be money of
account, which is still at the level of finitude, correlative with the commodit-
ies, notwithstanding its loss of materiality. The account is not merely a record of
money transactions. It is money in pure form because money is actually ideal.
Because money is fungible it is replaceable by money of account.

Strictly speaking, a discussion of money of account presupposes the pres-
ence of banks. It is too early in the exposition to develop this theme. However,
because it is important to comprehend fully the ideality of money, we are say-
ing something about it.

When we develop the notion of value as of the essence of commodities, it is
materially dimensionless, even though it is posited as a mass with magnitude.
This magnitude can only be actualised as pure Quantity.³ Hence the character
of the monetary medium, which supplies in its own ‘substance’, so to speak, a
definite metric, is materially irrelevant. This is obscured as long as something
material, like gold, serves. Ideally money has the function of making present

³ Cf. Reuten 2019, p. 103, on money as pure ‘quantifier’. 
the quantitative attribute of value simply as such. This simplicity is perfectly realised in money of account. The denomination concerned must be merely formal, for example that of Central Bank issue (as long as that institution is trusted). Moreover, the detachment of money from any material bearer means that normally it cannot be destroyed (as can commodity money and notes), as long as records of accounts are properly ‘backed-up’.

Remark: Money, in accord with the self-identity of the concept, is perfectly actualised in one, and only one, ‘world money’. Although we here abstract from the state, and the existence of many states, a world market requires a world money. This was gold in Marx’s day; but that was contingent upon the historical evolution of capitalism; in the twentieth century world money emerged as the US dollar, in which gold, oil, and other traded commodities, are priced, as are other national currencies. Note that it would be economically retrogressive to return to the gold standard for Central Bank money. However, this presentation is confined to the logic of form, in going from abstract to concrete; thus bank money, as a relatively concrete form, is not considered here until Chapter 15.

§ 31.23 Unfolding of the Judgement of Worth
Underlying price is the judgement of worth exemplified by ‘this commodity is worth $x$ dollars’. Money as measure taking presupposes a commodity belongs to the realm of measurables. This judgement is analysable as follows in the next paragraphs:

§ 31.23/1 Formal Judgement
§ 31.23/2 Categorical Judgement
§ 31.23/3 Judgement of the Notion.

This sequence progressively develops the character of judgement required in a perfected capitalist system.

§ 31.23/1 Formal Judgement
Qualitatively the judgement considers that something is inherently ‘valuable’. However, it is inadequate to the concept to rest content with the indeterminacy of ‘valuable’. Value is intrinsically quantitative here, so the supplementary question ‘how valuable?’ raises itself. A definite price has to be determined. The specific judgement is rooted in the measure taking relation earlier discussed. But as we have seen, only money constitutes commodities as measurable values. Formally, almost anything can be given a price; here, then, to say ‘this is valuable’ because it is priced is to make a claim that is simply contingent. Thus the empty character of the value form, even when concretised in the money form, leaves open the possibility that price may distort value, or even fail to express value.
Earlier I noted that the doubling in the form of value allows form to be inwardly related so as to be a content, but form also, as mere immediacy, may itself be an external existence indifferent to content, hence the form of value may be empty (e.g. when non-products take commodity form or the law of value is distorted).

§ 31.23/2 Categorical Judgement
A judgement of worth has to be concretely contextualised, in that the merely formal application of the notion might give value to rainbows; so there has to be presupposed a class of objects giving a categorial ‘fit’ between the valuation and what is valued; the latter must be capable of being properly predicated with value, namely commodities. Underlying this question implicitly is a judgement of reflection. We say this is a judgement of reflection because it reflects something intrinsic to the commodity that means it is rational to assign to it this value rather than that; it is worth one dollar rather than two, for example. This is so even if in practice a price results purely from haggling, and is hence contingent.

However, the possibility of a misapplication of the judgement is always there. What exactly counts as a proper commodity? (I exclude labour power, for instance, but this is not obvious.) So at this stage what is to be posited as a commodity with value is still open.

The categorical judgement of value asserts that the aforementioned prices are not to be taken as empty attributions haggled over, but that the item priced is indeed a commodity in the substantive sense, namely the bearer of value, or, in short, a value, hence a fitting complement for money. This is a concretisation of the qualitative judgement. The judgement of worth is a categorical judgement insofar as no category mistake occurs (as when something not a commodity is ‘valued’). In the categorical judgement both commodities and money qualitatively share the same substance. Money stands as genus, validating the specific values presented by the range of commodities. But since we are at the standpoint of finitude it is possible that a commodity may lose its value; but, if specific commodities do so, value itself survives in the shape of money.

§ 31.23/3 Judgement of the Notion
Even if the class of commodities is a determinate one, there still remains the question of the validity of a judgement of worth. It must be presupposed that, if value is actualised, every commodity has a value to be recognised in a valid judgement on it. However, this presupposition is here still far from posited. We have not yet elucidated the determinants of value and its magnitude. We are
still at the level of a nugatory ‘assurance’ that any such judgement is more than subjectively based, but is properly grounded.

If a price reflects the ‘true’ value of the commodities, it presupposes that there is a good reason for the setting of an accurate price; there is something about the very being of the commodity to be expressed in a ‘true’ price. However, at this level of our presentation such a judgement is merely aspirational, for as yet we have not considered how the magnitude of value is actually determined.

In the judgement of worth we see value doubled: on the one hand it appears as singular, as ‘a value’, in the commodity, but its measure presupposes that value is a universal particularised in a sum of money, as a notional unity embracing all such commodities. The mediating moment here is that of particularity; to say the commodity is worth a dollar is to raise it above its purely singular status to the rank of a particular value, and money descends from universality to appear in a dollar as the incarnation of that very same particular value. Through this the unity of the value Notion is restored; instead of a singular confronting the universal, they are grasped as complementary moments of value.

In this judgement of the notion the synthetical role, uniting money and commodities, is that of the particular. Notice that the moment of particularity is doubled in that universality is particularised to singularity (a sum of money) but also to a realm of singulars (many commodities). The distinctness of such values is secured only with the distinctness of the use-value bearer; but while the wealth of use-value supports singular values it is not that the use-value is itself a particularity of the concept. (We shall later see capital is doubly particularised in the same way.)

There are multiple similar coats of the same value, where there is only one coat price. In the coat, commodity value exists consubstantially with use-value as if, like use-value, it existed naturally in this material form. As tied to a material shell these values are numerically distinct and can be destroyed both materially and through revolutions in market conditions.

As for money: gold presents itself as the Absolute Singularity of value because it is not, like other commodities, a single locus of value among others; it is uniquely posited as incarnating in itself value as substance. In a sum of money the value universal hence appears as its own instance. The double movement of particularisation results in both the presence of money as an amount of itself and the presence of single commodities, which in virtue of the parallel particularisation contain an amount of value. These moments are explicitly reflected against one another when a commodity is worth such and such an amount of money.
The commodity as always materially singular seems opposed to value because of its immediacy as a natural body. Money as pure form of value appears opposed to commodities. However, the link exists in the judgement of worth. Here value has particularised itself to a definite amount of money. Conversely, commodities are raised above their status as material singulars to that of particular embodiments of value. But there is no immediate identity in these particular shapes of value, only a relation, because one side of the equation is the value in ideal shape, as a moment of a universal concept, and on the other value is posited in single material shapes. Thus, when money, as the tangible concept of value, appears as a particular sum, it is not therewith constituted as a singular, it remains a notional particularisation. Conversely the commodity is a singular because of its material difference from others, and it is ‘a value’ only because it is valued by a particular amount of money. However, as ‘a value’ the commodity cannot be itself immediately an instance of the universal, just because it is not value outside the mediation of the price form. Albeit it is implicitly value, its actual valuation requires money.

However, the application of this notion to measure the value of commodities is fraught with doubt because this comprehends the relation of money to commodities in a broken-backed fashion. This is because, in and for themselves, commodities are use-values, and their positing as values depends on the interpenetration of this materiality with the ideality of value. The bridge is supplied when in the judgement of worth the particular value of a commodity is registered in a particular amount of money. Its value is imputed to it when it is inscribed within the value form and is granted a price.

But the move from materiality to ideality is a ‘death-defying leap’ with a fragile result. Despite the best efforts of its producer, a commodity may turn out to be worthless. Moreover, even if it is initially recognised on the market as ‘of worth’, its ‘devaluation’ may be precipitated by market movements. Where there is commodity money the same bridge is present when a piece of metal ‘counts as’ the incarnation (in the real sense of this term) of value in autonomous shape; but it may become demonetised. The nickel-plated coin ‘counts as’ money because social practice imputes it thus. An antique counts as wealth because its putative value is realisable. The expression ‘count as’ is a sign of the impossibility of a commodity having a logical identity with value; money price ‘logicises’ it through the particularity of the judgement of worth; thus we can account for it in a notional valuation.

§ 31.3 Transitivity of Price
I now pass to the logic of the syllogism, in which we show how judgements of worth are combined to exhibit more concretely the unity of the concept.
Following the thought just indicated, all these syllogisms are mediated by the identity of a particular price. From judgements of worth may be derived judgements of relations in which commodities stand to each other. So I here expand the value concept by considering the relation of prices.

§ 31.31 Syllogism of Abstraction
Money supplies dimensionality to value. Commodities are put as equal in value because money says so, not because a commodity exchanges against another commodity in a mere barter. Indeed, it would be quite wrong to say commodities are already of equal worth before money made possible such an equivalence relation. In money value is equivalent to itself, whereas the commodity as value is not, because it requires an equivalent form outside it. When at the start I treat such relations I conclude that it is a condition of such a relation having sense that the commodities share a common essence. This presupposition is now itself posited in their common relation to money.

So if the worth of two commodities is measured at the same price, then, by the principle of abstraction, we may conclude that they are identical in worth, i.e. worth the same as each other: if A is worth $x, and B is worth $x, then A is worth what B is worth, thus they are of equal worth. (A = B).

§ 31.32 Syllogism of Equality
If the price of A equals the price of B; and the price of B equals the price of C; then the price of A equals the price of C. Price is transitive. This syllogism takes the result of the syllogism of abstraction (A = B) and expands it into three such relations. The relation between commodities of equal worth is reflexive, symmetrical, and transitive. If A is worth what B is worth, and B is worth what C is worth, then A is worth what C is worth, and they all have the same price. However, the transitivity of price is so only formally; actual exchangers may be ill-informed about prevailing prices; so a specific commodity may sell at different prices. However, this syllogism anticipates the objectivity of a unified market with no arbitrage possible. (We discuss arbitrage later under the Idea.)

In considering the forms of value earlier, I argue that reflexivity, symmetry, and transitivity, do not obtain, because to say commodity A is worth A is not an expression of value since the value of a commodity cannot be identified with its immediacy, but only as mediated through another commodity against which it is reflected. Likewise symmetry does not obtain because ‘the value of B is A’ is not the converse of ‘the value of A is B’, because the relation has a definite direction. For the same reason transitivity cannot get off the ground. Only with price do we have transitivity. If one idealises a barter system, such that a relationship of exchangeability is set up across the system, which is reflexive,
symmetrical, and transitive, then by abstraction one could say all these commodities have the same power of exchangeability. Although, strictly speaking, this is no more than an abstraction, the way is open to infer that such a system reflects an underlying ‘value’ given in the commodities by their very nature (e.g. simply in virtue of being products of labour). Money is then a numeraire selected from such products, just like a system of weights requires a standard gram. But this argument is fallacious. The network of dyadic barters would not realise the requirement of transitivity. Each ratio of barter would be contingent, occasional and vary in time unpredictably. A transitive order requires the imposition of a social form of systematisation. Money, as value in autonomous form, provides the necessary unity. Then the price system is in principle transitive, and posits the presupposition of community of value.

§ 31.33   Syllogism of Syllogisms
There also follows a syllogism of syllogisms, which permutates transitivity three more times to demonstrate that the whole system is ‘in form’ self-grounding. For, if the syllogism of equality has its premises and conclusion rotated, every relation of equality may serve as a premise or a conclusion; prices are systematically determined. The system is closed.

Syllogism of syllogisms:

if A = B, and B = C, then A = C
if C = A, and A = B, then C = B
if B = C, and C = A, then B = A

The triad of price registers the implicit conceptual unity of value, the proliferation of different price relations, and the systemic unity of all these relations. A self-sustaining system of truth is achieved when the premises of every syllogism are results of other syllogisms. This is obviously true if we shuffle the order of the syllogism of equality of price. Whatever two equalities are taken first, transitivity ensures the third. We have a consistent value space instead of a set of contingent prices, still less a mess of ad hoc barters. In the set of complementary prices, the concept of value is thus articulated as a unitary whole. It has universal range of reference, and singleness of form as the totality itself. Remark: Money has no price because there is no possibility of reversing the price-equivalent form of value: it would be idiotic to say commodities A, B, C, D etc. form prices of the money commodity. The illusion that money has a price is based on the fallacy that all value equivalents can function as prices of each other. But the whole point of price is that it is conceptually unitary, enabling
value to emerge as a homogeneous universal dimension of commodities. Only money is immediately exchangeable. It is for this reason that price expresses the value of a commodity (for instance a ton of iron) by asserting that a given quantity of the universal equivalent (for instance 2 ounces of gold) is directly exchangeable with iron. But it by no means asserts the reverse, that iron is directly exchangeable with gold. If the owner of the iron were to go to the owner of another commodity, and refer to the price of iron as proof that it was effectively money, they would get a dusty answer.

The culmination of the dialectic of price as a formal notion is the syllogism of syllogisms in which every relation serves as a support for every other. However, here we are still at the level of subjectivity. The syllogism is objectively realised by, or finds its truth in, the network of real exchange and circulation. Its elementary unit is the bargain.

In practice judgements may be discrepant, but if two judgements of worth agree then a bargain may be concluded between two exchangers. Clearly buyer and seller take the same price. This is, as it were, a practical syllogism. Price must be intersubjectively crystallised if exchange and circulation are to be possible. Prices remain contingently assigned until sufficient bargains are concluded to make a reality of an objective ‘going rate’. Thus, although pricing is a subjective matter, the objective movement of commodities realises intersubjective prices.

§ 32  Exchange and Circulation (Objectivity of Value)

Having established the logic of a system of prices I turn to the objective sphere in which value is realised in exchange and circulation. When judgements of worth coincide, they may result in an exchange. To begin with, simple exchange of commodities C–C′; then exchange of a commodity with money C–M, which is necessarily reflected in the complementary moment M–C; finally, sale and purchase result in ‘the metamorphoses of commodities and money’. Thus the divisions of value in objectivity are as follows.

§ 32.1 Immediate Exchange: C–C′
§ 32.2 Sale Is Purchase: (C–M) = (M–C)
§ 32.3 Metamorphoses of Commodities and of Money

§ 32.1  Immediate Exchange

I begin with the simple exchange of one commodity for another. The social instantiation in exchange and circulation of a homogeneous sphere of value is not secured if agents have discrepant judgements of worth because no objective principle is at work. The ‘action’ of giving commodity A for commodity B requires the ‘reaction’ of giving commodity B for commodity A. However, just
as logically correlated judgements allow a conclusion to be drawn, agreement in judgements of worth may allow a bargain to be concluded.

I underline that my use of ‘immediate exchange’ does not refer to barter but to a *notional* possibility of exchange of values on the assumption that the parties to it are able to grasp the judgement of worth of the commodities in money terms. Money is here the *ideal measure* of value but is not actually present in its own body, so to speak. Thus this exchange differs from barter, because here it is presupposed that, as true commodities, their exchange is mediated by their value. In the systematic bartering of goods there would eventually no transitivity of exchange. The *form of commensuration* is required for such a transitive ‘law’ of equal exchange to obtain.

Even if it is presupposed that both commodities are of identical value and thus share common ground, this virtual ‘attraction’ remains too implicit to have effect. For, without its actuality as money, value remains a mere immanence without a metric, as I argued earlier. Only given the presence of money as ‘value-for-itself’ is a principle of unity explicitly put; that buyer and seller accept the same valuation in money expresses the identity of value with itself objectively. Money is the implicit centre of gravity of the commodity world but here remains out of sight.

The formula C–C’ is thus misleading; for its existence is parasitic on a virtual reference to money price. Normally, then, a bargain is mediated by money in sale and purchase.

§ 32.2   Sale is Purchase
‘Sale is purchase’ is formalised as (C–M) = (M–C). Here money is the *realisation of value* for one exchanger and the *means of purchase* for the other. But it is the very same transaction. Sale and purchase are here identical because every sale requires a corresponding purchase. So only one price is present. Even though there are two different points of view on it, they have an *affinity in abstractly reducing* to the same thing. We have here a more refined, but similar, case of the unity of action and reaction previously discussed: the offer for sale must be met by an offer for purchase. But, while the agents engaged in immediate exchange act in the same way, here seller and purchaser engage in very different operations. The two opposed designations of the same event exist in the identity of their difference. Sale is Purchase.

§ 32.3   Metamorphoses of Commodities and Money
The dialectic here develops through the following stages:

§ 32.31 Sale and Purchase (C–M) + (M–C’)
§ 32.32 Metamorphoses of Commodities C–M–C’ (Finite Teleology)
§ 32.33 Metamorphoses of Money (Infinite Teleology)
§ 32.31  Sale and Purchase
Two opposite movements, sale and purchase, exist at the same time in every transaction. We may consider the money price to be the identical 'hinge' of a transaction, so to speak. But what if this monetary hinge is unfolded so there obtains a sale, followed by a purchase. This sequence I formalise as (C–M) + (M–C'). Instead of their identity, it is the explicit difference of Sale and Purchase.

§ 32.32  Metamorphoses of Commodities
While such sale and purchase may go on in an ad hoc manner, a new role for money presents itself if the very purpose of the sale is to acquire money for the succeeding purchase. Here an exchanger is looking for C' but in order to get it they must first secure the necessary money from the sale of their own commodity, C. This relation is formalised as C–M–C'.

Here a new logic, and a new function of money, emerge. The new logic is the unity (not identity) of sale and purchase. For the one transaction is the means towards the end of the second. Yet the two transactions gain sense only as one enterprise, mediated by money, with a definite aim. C–M–C' is a case of 'finite teleology' because the C–M serves as a means for M–C' which was the presupposed end now accomplished.

To be sure, the original sale may not have in view the subsequent acquisition of any specific commodity, but merely that of securing money for the sake of its immediate exchangeability when a new commodity is wanted. (As we know, that a sale need not be followed immediately by a purchase is an incipient cause of crisis.)

§ 32.33  The Metamorphoses of Money
If we consider what is implicit in C–M–C', then we see it must be taken together with the point made earlier that every sale is a purchase. So we combine the difference of sale and purchase with their identity. This means the agent engaging in C–M–C' must find a buyer for C and a seller of C'. In reality, there must exist a network of such transactions, as presented in the following diagram which shows successive exchanges; but while commodities arrive and depart money keeps on circulating.4

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4 The following two diagrams are inspired by those in Sekine 1997 (p. 59, p. 61), drawing on Uno 1980.
The metamorphoses of money

Exchanges of agent W: C–M–C′
Exchanges of agent X: C′–M–C″
Exchanges of agent Y: C″–M–C‴

A commodity moves from the sphere of production to that of consumption across the space of exchange. W sells C and uses the money to buy C′ from X who, in turn, uses that very same money to buy a different commodity from Y, and so on indefinitely. Money is here a means of circulation. The striking thing shown in the figure is that money circulates endlessly; as the mediator of commodity exchange it passes from hand to hand yet never drops out of circulation, except temporarily. Here value seems to achieve a permanent presence. (But it is not self-present.)

However, the figure is incomplete in that it does not show whence money came nor whither it goes, it is also incoherent because the exchanges considered cannot be infinite in number since the number of agents must be finite. Clearly the ‘bad infinity’ must close with itself in a large, but finite, number of interchanges with all agents as sellers and buyers, and all commodities sold and bought. The first figure must therefore be supplemented with one showing the system as a totality.

The simplest possible case is that of three agents as shown in the next figure (overleaf).

W sells a commodity and uses the money to buy another from X who uses that same money to buy one from Y who uses it again to buy a commodity from ... W! The second agent W is none other than the first agent W. The system is closed. (This factively corresponds to the closed syllogism of syllogisms above.)

Money circulates and returns to its starting point wherever the supposed starting point is taken to be. This system exhibits infinite purposiveness throughout, for the end of one agent’s transactions (M–C) is identical to the means of another’s (C–M). Once the series of such transactions is brought back to itself the whole becomes an organism, every moment supports every other; this may be termed infinite teleology.
The metamorphoses of money II

**circulation**

Exchanges of agent W: \( C \rightarrow M \rightarrow C' \)

Exchanges of agent X: \( C' \rightarrow M \rightarrow C'' \)

Exchanges of agent Y: \( C'' \rightarrow M \rightarrow C \)

Exchanges of agent W: \( C \rightarrow M \rightarrow C' \)

**production**

**consumption**

Remark: A single act in which means are used to an end may be termed an instance of ‘finite teleology’. If, however, the result is the reproduction of the agent, and the means, it may be considered an instance of infinite teleology even if the agent is not conscious of it. Thus the metamorphoses of commodities appears as a sequence of agents exchanging commodities. But if one ignores their aims, the system appears rather as one in which money circulates endlessly, implicitly therefore, it sustains infinite teleology. Insofar as money attracts commodities to exchange with it, money preserves itself in circulation as autonomous value.

Insofar as it is an organic whole the system maintains itself by the interchanges of its moments, as if this were its inner purpose. But whose ‘life’ is it that is being prolonged here? Inspection of the diagram reveals that while commodities arrive and disappear, money continues to circulate as if immortal. The universal moment of the syllogism, incarnate in money, has autonomised itself. It is the predominant moment of the whole insofar as it links up every circuit.

Originally it looks as if money is a means for getting rid of, and acquiring, commodities; but as the true *product* of circulation money is effectively its result. Unlike consumable commodities it has a permanent use in circulation, and is therefore wanted on its own account, because it is not tied to some particular commodity exchange but effects any and all transfer of commodities, and it persists infinitely, not tied to a finite purpose. So it is conceptually ‘higher’ then commodities as a form of value. As the true product of the system it takes precedence over the extremes it mediates.

Money has its own use-value (that of immediate exchangeability) so later we see it could be the end of an exchange. \( C \rightarrow M \rightarrow C' \) is an example of *finite* teleology in that end and means are clearly distinguishable. *Infinite* teleology is a struc-
tecture of self-maintenance. It need not embody an explicit ‘in-order-to’ moment. Certainly in our case money is what emerges as the self-perpetuating ground and result of circulation, on the basis of, but in opposition to, the finite teleology characteristic of individual exchanges.

The aim explicit in the metamorphoses of commodities is still the acquisition of a use-value by every agent as in simple exchange, a case of finite teleology. But having served as means to an end money drops away. Or does it? In fact since every purchase is a sale the mediator money stays always in circulation, albeit further and further removed from the original purchase. But as simple monetary circulation it still appears as an emergent property of the exchange system; it does not direct it.

At this level the teleological drive appears to be coming from the commodities desired by the agents with money as their mediator. But this is true only for simple circulation. As we shall see later the circulation of capital is a different story.

If it recoils back on itself in the circuit M–C–M′, money becomes the origin and aim of its circuit. In this way the implicit unity of the ‘Concept’ of value is grounded in the objective intermediation of its moments. Buying in order to sell reverses the teleological positing of C–M–C′. The mediator takes over from the extremes. Money now displaces use-value in setting the aim of exchange as its own. A system structured in this way is centred on the valorisation of value. It has immanent teleology. Money develops into the very end of circulation.

Remark: It is necessary to be precise about the referent for ‘teleology’. While C–M–C′ is clearly a case of teleological positing, the relevant agent is the commodity owner in the marketplace. The key shift in our development of teleology is with M–C–M′, in which it appears as if the merchant, or some such, is the agent; but as we go deeper into the argument I shall develop the idea that capital as an ‘automatic subject’ becomes itself the driving force in the economy with the human agents reduced to its bearers.

In the discussion of monetary circulation I show it to be a case of infinite teleology, in that every moment, of sale and purchase, is both means and ends, that every moment contributes to, and is supported by, the stability of the whole system, and that the real product of it is money, in that this circulates permanently. However, for such a system to become one with an immanent teleological drive, requires the identification of such an explicit end. The question arises whether money becomes more than the eternal product of circulation but explicitly set as an end in itself.

Simple monetary circulation appears as epiphenomenal in the figure of C–M–C′. It could die away, perhaps. But, with M–C–M′ we shall see, money takes charge of circulation, directing it in accord with the immanent teleology of cap-
So the transition I now make to capital may be understood as another case of the retrospective argument in that capital *grounds* the rationality of monetary circulation.

**Remark:** In order to get the point of the next sections it is important to bear in mind that a systematic dialectic of value tries to develop what is immanent in the concept itself, with as little reference to external conditions as possible. I have just shown that money, as immediately exchangeable, serves circulation for the purpose of ensuring commodities are exchangeable through its means. At this point it is tempting to say, peremptorily, ‘what if some crazy people decided to take money as their end, while trading in commodities as the means?’ In this way the notion of ‘capital’ is established, once we add that this is pointless without a profit. This move is defective, just insofar as the transition depends upon an external intervention into circulation. For a systematic dialectic of value, it is necessary to show that there is something about value itself that rationalises this advance. Money has to be characterisable as the sort of entity that could properly take on the form of the subject of circulation, as its own end, giving an immanent account of the reversed teleological positing.

This means that the next section to be presented is the dialectic of capital. In this I make a transition to Hegel’s category of ‘Life’, the homology of which we develop in the next section, with its *immanent* teleology, where an agent undertakes the business of throwing and withdrawing money into the system of exchange for the very purpose of accumulating more money.

(It is true that commodity owners seek to have means of payment on hand, as a fund, but such a money reserve is still in the service of the acquisition of commodities, albeit here money is significant as value in autonomous shape.)

The infinite teleology characteristic of the permanent presence of money in circulation passes to the immanent teleology in which money is not merely preserved but is used specifically to maintain and expand itself. So, in the next section (the ‘life’ of value) we combine the ‘subjectivity’ of the value notion with the ‘objectivity’ of circulation to show how value achieves an independent life, and is thrown into circulation so as to secure more money. Paradoxically this first requires that money assert itself *as money* against the circulation of commodities.

This relation of money and commodities is now to be further developed to capital-as-concept, which in principle opens the way to capital-as-subject if the determinations of the concept carry the import of *self*-determination.

**Remark:** Even the level of the (formal) Notion does not yet overcome the static dualism of Essence with its failure to fully unify immediacy (money) and mediation (commodities posited as values by money). The self-determining unity of
the Concept is achieved only when value unifies them in practice as it moves in
and through them. Then it is no longer, as at the start, merely a logical transition
from one commodity to another in order to express the value of one com-
modity in another commodity, but a relation of substantial identity in which
value is in truth notionally divided into the substance of various commodities,
implicitly therefore capable of sustaining the reciprocal action of each on each.
So the inadequacy of Essence is sublated when value is brought into motion
in a sequence of exchanges which are ideally exchanges of value with itself;
exchange of one for the other retains value in our hands. (This is the fluidity
of the Value Concept.)

§ 33  

**Capital as Concept and Idea**

The upshot of the previous section, on the metamorphoses of money, is that
the category of ‘teleology’, exemplified when a commodity is sold for money
with a view to acquiring a different commodity, is an example of finite teleology
with the moments (means, activity, end) externally related to one another. In
clear contrast to that is the infinite teleology of money itself as the continu-
ing presupposition and result of the movement of circulation. I now consider
the practice of using money to make more money; this end is internal to the
nature of the form considered; as an end in itself such capital is characterised
by immanent teleology.

Money as capital has the form: M–C–M′, where M is money, C is the com-
modity bought, and M′ is the money realised in its sale. Immanent teleology
thus uses M as means to M′. This transition to this from C–M–C′ is vindicated
in terms of our method because value in that is simply a transitory effect of the
movement of use-value. Value is more securely grounded if it is made the very
aim of circulation.

However, we must not jump too quickly. What is it that is to set itself as its
own aim? For money to be its own aim requires that it be posited ‘for itself’
rather than as mediator. This also points to money’s functions as means of pay-
ment and store of value, for which its real presence is required. In this form
money is separated from commodities and counterposes itself to their circu-
lation. (But, of course, no moment of the concept can subsist on its own. The
miser thinks he accumulates wealth but his hoard is just a metal dump apart
from circulation.)

So I proceed one step at a time, by first developing the category ‘value as
individuated’ where money is taken no longer as merely a mediator in the circu-
lation of commodities but is considered simply as itself, as money, i.e. posited
against commodities, so potentially as an end in itself. Then I show how money
as capital gives value ‘life’.
At this point in the presentation there is a notable shift in our categories. It will be recalled that earlier I gave the moments of the Notion as Universality, Particularity, and Singularity. However, I also noted that the category of *Individuality* I reserved for a more concrete form than mere abstract singularity. This is the place to introduce the category of ‘living individual’ as money takes on a life of its own so to speak. *Negatively* related to the generality of commodities it posits itself as self-identical rather than entangled with these ‘others’. As thus individuated money as money is conceptually complex enough to contain the ‘subjectivity’ characteristic of the Notion.

Capital as ‘Concept’ divides into:

§ 33.1 Money as Money; § 33.2 Money as Capital; § 33.3 The Idea of Capital.

§ 33.1 Money as Money

The first moment of the Capital Concept is that in which value is individuated, taken in itself apart from its function of mediating commodity circulation. Before it is possible to discover the form under which money acts as capital it is first necessary to establish that money exists *as money*, that is to say on its own account. In the dialectic of this form of value, the individuality of value, *money as money* has three distinct moments: money as end of exchange; money as means of payment; and money as funds.

*Remark:* The first two of these are taken from Marx, the third replaces his category ‘world money’. I do not include the category of world money because I deal with a purely conceptual account of capital. In such an account, there can only be one money because it incarnates the universality of value; a good case can be made that today the dollar is world money; but I abstract from problems caused by national currencies. Likewise I do not discuss bi-metalism. Experience shows a ratio of silver and gold has to be artificially set because the logic of money is unitary and such systems break down because of continual changes in the true value ratio.

Earlier we characterised an amount of money as the presence of the singularity of value. This was merely a formal notion; but to go through the objective exchange with commodities this singularity is concretised as the *presence* of finite sums of money distinguished from each other. In this manner the unity of the notion is present for itself as a sum of money, taken not as a vanishing mediator but as existing on its own account, as a bit of the value substance, value embodied, distinct from its role as value measure. This is not just a notional amount but has objectivity, ‘this’ amount is ‘out there’. Taken for itself in this way it is value as *individuated*.

‘Money as money’ refers to the status of money as it is opposed to commodities, as having itself as its object rather than them. (Nonetheless it still...
enters into relations with them we shall see.) It is distinguished from money as measure, where it may be merely notional, and from money as medium of circulation, when it may be replaced by a representative. Money as money is the only adequate incarnation of value in the face of the other commodities, which have value.

It divides into three moments.

1) C–M, End of exchange, where the object is to secure, not a useful commodity, but value in autonomous shape.

2) M–C, Means of payment in which it must be present in order to make possible the acquisition of a commodity, especially in the case in which the latter is supplied in advance; this means of payment may come from the selling of another commodity; or it may be already present in the shape of a fund.

3) A Fund of money, a store of value built up so as to be available whenever payments fall due.

This dialectic of money as money is as follows. If one considers C–M, then, for the party concerned, M is the aim of the exchange with the sale of C in its service. For the other party, engaged in M–C, C is the aim with M as a means of payment in its service. (Thus the origin of credit money lies in the possibility that instead of regular means of payment a seller will accept an IOU in its stead, and then further circulate such an IOU.)

The Fund combines these two in that it is a potential means of all payment, yet, leaving aside newly-mined gold, it requires building up through previous sales. The purpose of a fund is to be a universal means, so to speak. Because such a store of value is perfectly universal it may be deployed for many reasons, not just to settle an IOU for goods bought, it can be used for rent, tax, or, crucially we shall see, as capital, when it becomes itself its own end. If the fund is simply a means to finite ends then it too may be satisfactory as a finite sum. To become capital, it must be taken infinitely, as an end-in-itself. The first point I shall consider, then, is the question: what exactly is it that is accumulated, when the aim of building up a store of value is present? As Aristotle first noticed, this object is very different from that of a store of use-value. Use-value is inherently limited, not just by spoilage considerations, but by the limits of need. One can only eat so much food a day. (We leave aside pathological cases such as Kane, with his artworks he doesn’t even unpack.)

It is clear that all three of the functions of money as money are closely related. Money as the end of exchange may be destined to meet an urgent payment, or hoarded, while a fund of money is different from a miser’s hoard only if the money resting there is intended for future circulation. These moments of money form a sort of syllogism in that ‘end of exchange’ is universality, because
the ‘end’ is autonomous value in immediacy; means of ‘payment’ by contrast exhibits particularity for the bill to pay is necessarily of a specific amount; the ‘fund’ brings to the fore the moment of individuality because it is a notionally unlimited amount ready to be laid out on any finite end.

Gold, as a Fund, is taken in the presentation as always already there, flowing to or from the fund as required by the needs of circulation. But what about newly mined gold? How does it enter the system (when gold is money)? Money is never sold, it buys. Commodities are sold and do not buy. New gold is produced like any other commodity; so it should enter by sale; but it does not need to realise the value it ‘has’ because it is value incarnate. For what could it be sold? Itself? The only other way it could enter is by barter. But the other barterer is in truth selling because they do not want an ornament, they want gold for its purchasing power. For this function, new gold is fine. It seems then that new gold is already money, albeit not coined. It buys. Ideally an agent gets money – the social form of wealth – only through selling something he has produced privately. But the miner has refused that mediation and he has gained money immediately (although of course gold-prospecting is a risky business). Gold both has value (as a commodity), and is value, having been specially excluded from other commodities to be such.

Key is that in a perfected value system value must be excluded from commodities and exist as pure form; in this way it form-determines commodities as values if they are saleable. What happened with gold is that this ideal process of excluding value from commodities is achieved by excluding one commodity from others such that it counts as the immediate form of value regardless of its being also of value. This means it is the only commodity that cannot realise its value in a price form because it is precisely the instantiation of price. Indeed it has no value form at all as money. Money is the form of value so cannot have a form of value.

The problem is that a commodity should not be money because this means it embodies a sort of incoherence of form. For thousands of years people lived with that. It is simply a demand of theory that all commodities be sold so as to realise their value, so a money commodity is a surd in the system because as money it should be simply value incarnate. It follows that inconvertible paper is not a denaturing of money but the perfection of money because then gold can be sold. It is a contradiction that the value universal incarnate in money, opposed then to specific commodities and applied to them, is itself a commodity. But this defect cannot be overcome until credit money, with banks, are introduced to the presentation later. Then the universal liberates itself from the specificity of gold, to be realised in its purity. Thus newly-mined gold enters the economy as a fund (abstracting here from issues of minting) not originating in a previous sale.
The necessity of money to the actuality of value remains present throughout the presentation albeit that more restrictive conditions on its incarnation are introduced later. But the illusions surrounding gold are dissipated once the presentation develops purer forms of money, more adequate to its concept. In general, all dialectical transitions preserve the truth so far won, while discarding as inadequate its existing defective form. So a dialectical presentation does not build positively on truth, but moves negatively through correcting mistakes. In the present case, it is clearly an imperfection of the concept of value that there is within the system a produced commodity that is not sold. This is another very good reason for regarding credit money as superior to commodity money, but it is too early in our exposition to develop that.

Money as money is available, as such, for many deployments; it is therefore possible for it to be used as capital. But for it to be necessary that it develops to money as capital requires that it be inherently an end in itself, not merely that it be taken in the service of some external purpose. Money as a fund entails a tendency for agents to build it up; but this aim is limited if it is for contingently required means of payment. Even in the case in which money is preserved by investing savings in vehicles providing a hedge against inflation, this limited ambition means the money is not yet acting as capital. Money as capital has no limit in view.

The fund is indifferent to its potential uses, and thus it is here isolable as individuated value. This individuation thus acts as the presupposition of its embarkation on its own ‘life’, setting itself as its aim, not the circulation of commodities. Moreover, only if it becomes an infinite end-in-itself does it become truly ‘Individual’, rather than sinking back into a medium of circulation temporarily stored. Circulation acquires an end intrinsic to it when the point is to throw money into circulation in hope of drawing more money out of it. In the order of presentation of the value categories, originally money is wanted as money opposed to commodities. This is what we just treated. We now turn to the relation of money to commodities at a higher level when we consider money as capital. Thus the transition from ‘money as money’ to ‘money as capital’ is the next turn in our exposition of the value form.

§ 33.2  Money as Capital
Here we trace the ‘Life’ of Capital, so to speak. The categories of ‘Life’ divide into:

§ 33.21 Money as Its Own End;
§ 33.22 Life Process of Capital, in Its General Formula;
§ 33.23 Capital Entails the Generation of New Value: M–C–(M + m).
§ 33.21  Money as Its Own End

When I discussed the category of teleology I showed that this is implicit in the selling of one commodity in order to gain means of circulation to buy one destined for use. It was further showed that money as this mediator of commodity exchange stays always in circulation. If such money were to be taken as an end in itself, money as money, not means of exchange, then circulation could support another aim, namely that of the acquisition of money itself.

This ‘qualitative’ point is now developed by addressing the ‘quantitative’ aspects characteristic of money as a fund, namely that as an end of exchange it has no inherent limit; for it may simply accumulate as a fund of means of payment indefinitely. However, I wish to advance the stronger claim: that value, as an end, must aim beyond any present limit. (This is of course true only of money as an end, not of money as measure or medium.) For money to set itself as its own end it must become different from itself while remaining itself, through expanding. Since the only quality of value is quantity, the sole possible aim is that of increase. In its process, money returns to itself but with an increment.

The key point is conceptual. If value is to become its own end it must realise itself as Concept. It will be recalled that value-as-Concept is present only through its incarnation, money, which must determine itself to an amount. It is as ‘an amount’ that it is present to circulation; but the Concept is distinct from any instance for it is their negative unity. The contradiction of infinity and finitude is that if a Concept is set as its own aim it has to unite each putative amount with different amounts. But the resolution is that in movement the contradiction is given room to subsist as two determinations in unity, when money increases from one transient amount to another. In this way the value Concept presents itself. The static opposition of amounts, and their universal concept, is resolved only as money practically unites these amounts in changing from one amount to another. This is the realisation of the self-determination of value as Concept.

I deal here with the Concept, and its determination as amount. Ideally the aim of increase in amount is endless; for there is no other determination in play that might introduce a limit, such as there may well be when someone is saving ‘for a rainy day’. Such a target is certainly indeterminate but it would be neurotic to make saving unlimited. Moreover, the fact that empirically all sorts of limits to accumulation may obtain is irrelevant when we consider the pure concept.

The Concept cannot stand aloof from finitude because it exists only in some finite determination, i.e. negation, of the pure infinity which is the Concept. The Concept sums things up only in their negative unity, that which they are...
not. (Hegel’s favourite example is that men, as finite beings, die, but the concept ‘Man’ does not.) So here money takes finite form as ‘an amount’ but this negates the infinity of the value Concept.

If someone accumulates lengths of wood, they are not thereby accumulating length as such, not even if these lengths of wood are rulers functioning as a standard of length. Some hoarder who claimed to have accumulated length would be thought mad. Likewise if one collects weighty things one can measure how much they weigh together in terms of a numeraire. But one cannot collect ‘weight’ as such because ‘weight’ has no weight itself, albeit it provides the dimension in which some things have weight. ‘Weight’ is existent only as weighty things. To say that ‘I have put on weight’ is simply a metonymic figure expressing the fact of getting heavier.

Just so, it seems, one collects valuable things, but one cannot collect ‘value’ as such because value has no value. But one can! All of us accept the saving of money as normal. The predicate ‘of value’ becomes, through money, the substance ‘value’ of which commodities are merely the shell, as we showed earlier. To be actual, value must be objectively autonomised in money, the incarnation of value-as-concept, and it can be acquired.

This absurdity is obscured by the use of a money commodity which makes it look as if it is merely a numeraire such that each piece of gold has value, whereas the monetary function presupposes that gold is value-as-concept regardless of its materiality. However, even with non-commodity money, the fundamental problem remains insofar as the monetary unit, a dollar say, presents value in finite form, in order to be the equivalent of the value of commodities of varying value. But this quantitative existence of value in numerically distinct dollars contradicts its qualitative character as abstract wealth, as simply value-as-concept to be applied to commodities, but not to itself so to speak, albeit one dollar is equal to itself, as we argued is required for money to be the real measure of value.

What happens then if money is set as an end-in-itself? Money as money can be stored for a future means of payment for commodities, an external end. But now we consider an end immanent to its deployment. This means any fixed amount, which measures itself only for the purpose of measuring commodity values, is not autonomous; but value-as-concept is measureless, only descending to finitude as money measure. For money to be its own aim is to retain value on the ground of the measureless infinite. But it really exists only as finite sums of money. This is the contradiction between its limitless quality and its limited quantity.

As we said, the concept is the whole of all possible instances, but it is at the same time their negative unity, just as they are all determinate negations of the
concept. The Concept collects finite things together by ‘eternally’ positing and
negating this content. How can money, value-as-concept, do this? – By positing
finite sums only to negate them. How can it do that? – Only by setting every
fixed sum aside in favour of another, as soon as it is posited.

The static relation of infinite concept and finite instance is dynamised. Capital runs through in succession its own instances, M, M’, etc., not resting in
any. This is how value-as-concept realises itself in finitude while at the same
time asserting the hegemony of its infinity. It is always in the process of self-
transcendence.

Money as money, value individuated, becomes money as capital, an individual that lives only as it overturns every fixed incarnation. Value achieves
concrete universality, uniting its finite determinations in its movement through
them. As absolute form capital dynamically unites its form with the content it
gives itself.

Money is the actually existent concept of wealth, distinct from any stock of
use-value, which might fall under the concept of wealth. As material wealth
such a stock is always limited; but not, therefore, in contradiction with its
concept. We argue that, as abstract wealth, it is, as a quantity, in contradiction
with its concept.

The ‘contradiction’ between the quantitative limitation and the qualitative
lack of limitation of money means there is no inherent stop to the aim of accumu-
lation. No amount of money can be anything more than a finite amount.
To try to realise the concept itself hence involves an infinite process, it seems
realisable only in an infinite sum, beyond therefore all real endeavours. This
contradiction remains fundamental to capital accumulation. To accumulate
value as such seems impossible because it is only a notion but of course accumu-
lating things of value is possible.

The contradiction is sublated when capital simply defines itself in its move-
ment across transient quantities; hence it is never really fixed. (To say a partic-
ular sum contradicts the concept of (abstract) wealth does not mean money of
itself tends to expand; but if money (as wealth) is set as the aim then a partic-
ular sum always falls short because money is conceptually infinite.)

Thus the significance of this contradiction remains latent until money is set
as the aim of exchange. Because the Value Concept is not adequately realised in
any finite sum, one absurdly imagines it could transcend such limitation in an
infinitely large sum. But such a notion of measurelessness is the finite infinite,
not the true terrain of infinity i.e. self-reference. To realise value as an end-in-
itself the finite must go beyond itself.

Yet it is possible to realise value in its concept if its purely quantitative
determination is raised to a higher power, so to speak, when the circular move-
ment of money in process is abstracted from fixity in finitude. Now the aim is to realise the concept in the movement from one sum to a greater.

To be sure, at any given moment the sum is finite, but, as referred to another such sum as itself, it passes dynamically through its finite determinations without being tied down. Money as capital can never be at rest (thus collapsing to money as money).

For capital to aim at a fixed sum is contradictory to the capital concept; for capital to be capital must always transcend itself. Capital as money in motion is contradicted by ‘an amount’, because it is at the same time not that amount but a new one. It is not a question of realising an infinite amount but of being in the infinite process of becoming, negating every amount thus far realised.

Capital is always in the endless process of becoming what it has in it to be. Money as its own end must develop itself to its end from itself as origin. So, to become something other than what it already is, while remaining itself, money-as-capital must not merely be preserved but increased. Aiming always at ‘more’ is strange in human terms but is the logic proper (and peculiar) to capital. To be money as capital is to live through, while negating, its own shapes of existence, as it determines itself to these shapes in succession.

To preserve itself from shrinking away it aims at infinite increase, but the true infinity is its independence from fixity. For value to be its own end in money as capital it must do more than preserve itself as money as money but develop itself to be something more than it originally is; hence to aim at a monetary increment establishes money as capital, i.e. a living individual, not just an entombed store of value. This is an adequate transition within the systematic dialectic, giving sense to the notion that money must become an end-in-itself if the value concept is to be actual.

§ 33.22 The Life Process of Capital: The General Formula for Capital

Money as a ‘living individual’ is that which enters on its life process. If money is to preserve itself as value, not as an inert heap of gold, mere use-value, it must act as value. But in order to so act it must be capable of entering into exchange with commodities as a finite instantiation of value, just as they are presupposed to be, i.e. as a ‘bit’ of money in finite singular shape. It lives only in its movement from one amount to another. But it achieves this not by standing aloof from commodities, but by assimilating them to its ends. In its objective intercourse with commodities money sustains itself when set as the purpose of circulation. Although the bearer of value changes through the process of circulation, value in its concept preserves itself.

This contradiction in money (of the finite and the infinite) is effectively latent until money is set as the permanent end of exchange when the absurdity
of such a motive (as the infinitising drive) becomes explicit. The transition to capital comes when the fund is set on a self-expanding mission. The original opportunity for this, logically speaking, lies in the possibility that prices are not everywhere, or at all times, the same; thus using a fund to buy cheap and sell dear is to use the fund as a capital. The classical miser may well view such chrematistic endeavours with suspicion: purchase of commodities is not problematic, but the re-conversion of the commodities to the favoured form of value, money, takes the risk that the ‘death defying’ leap in this part of the metamorphosis may not come off.

The category of money-as-money is prior to that of the life of capital in which this individual is considered as sustaining itself, precisely in its objective relations with commodities, as assimilating them to its life process and generating a monetary increment through that process of circulation. But it is an individual sum of money that embarks on this life process, opposing and composing itself with its world and even generating an offspring.

Now we consider money brought into motion and assimilating commodities to its process through them. In the circuit \( M-C-M' \), the original \( M \) is a capital value that becomes a commodity only for the purpose of becoming capital once more. The individual capital in this process is intended to generate a monetary increment, ‘\( m \)’. So \( M' = (M + m) \).

**Remark:** A concretisation of the ‘life of capital’ is found in the circuit of industrial capital. Here in \( M-C-M' \) money assimilates a commodity only to spit it out again; but there in the circuit of capital proper the purchased means of production are materially assimilated and an entirely new commodity is thrown on the market.\(^5\)

§ 33.23 *’Generation’ of New Value*

Thus the life process of capital is required to issue in the generation of new value. This is summed up by Marx in his ‘general formula’ for capital, \( M-C-(M + m) \).\(^6\)

The distinction between a ‘formula’ and a ‘form’ is that the former has an overly general reference capable of accommodating a wide range of profitable transactions; but only when it takes responsibility for developing its content is it right to speak of a ‘form’. This we will see when we come to capitalist industry.

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\(^5\) This second context of ‘assimilation’ is deployed by Rebecca Carson in a discussion of the life process of capital in a draft doctoral dissertation.

\(^6\) It is interesting that Marx’s German term for this is *Die Allgemeine Formel des Kapitals*. German distinguishes *Formel* from *Formal*; the former does not carry the sense of a form with an adequate content, as does the latter. One could say in English it is purely formular.
In M–C–M′ value is referred to itself, particularising itself from money to a single commodity and then recovering its universal form through realising the particular value of that commodity. The self-reference of money in the circuit constitutes a new form of value, namely capital, which realises itself through the metamorphoses of money and commodities. Ideally, in this circuit the value realised at the end, M′, is larger than M, because an increment, m, has appeared.

*Remark:* At this stage in the dialectic of concepts I simply presuppose that ‘m’ is formally possible. Here we simply characterise the logic of M–C–M′ as such. We do not explain how, if there is exchange of equivalents, a monetary increment arises; we shall turn to the capital relation to illuminate that. So this is a form of value as yet entirely ungrounded.

The superiority of the capitalist over the miser is that he accumulates by throwing his money again and again into circulation. This iteration is absolutely necessary if the movement of M–C–M′ is to realise capital, the truly infinite as against the finitude of the world of commodities. Posited as the totality of its determinations, capital takes commodities and money as its own. Commodities and money continue to act as commodities and money, but are further determined as capital, money in search of money. In fine, Capital has become ‘Idea’.

§ 33.3 Capital as Idea
The Idea is the culminating value form of capital. It has three moments. The first (§ 33.31) is accumulation, i.e. the transformation of the monetary increment into capital, and the drive of accumulation for the sake of accumulation. The second (§ 33.32) is formal determination by capital of the reality it shapes. Finally (§ 33.33) the idea of capital, as self-valorising, is realisable as yet only in contradiction with its own presupposition, namely exchange at value.

I take capital as substance but now also as subject. What is the difference? Substance is capable of taking many shapes but is not self-determined. Thus one may say that value is substance insofar as it appears in the shape of various commodities, formed as values through their recognition by money. Capital passes through the shapes of money and commodities, but exists only as their negative unity when the reference back of the circuit to its origin is achieved: on the one hand, capital is money, capital is commodities, yet on the other hand capital is not money, not commodities, but it is what persists through them in its movement and makes the circuit an individual whole. If value is one substance incarnated in money, this applies just as much to capital and its ‘product’, an increment of money. As this increment is of the same substance as the principal it is easily brought back to the universal, brought into capital as an expanded capital.
However, neither commodities nor money are subject. It is only with the general formula for capital, $M\rightarrow C\rightarrow M'$ that the bare bones of subjectivity are present insofar as the formula is self-reflexive, whereby capital measures itself against itself, and incorporates the aim of an increment of money to give it sense. What makes $M\rightarrow C\rightarrow M'$ self-determining is not exactly that money as value lays itself out on specific commodities but that this is done with a view to bringing the particular increment of money arising in the circuit up into the universal again. The concept of capital is therefore posited by itself in its real movement. It is Subject.

I treated value first as a relation between commodities; then as a substance in money, which in price predicates value of commodities; finally value becomes subject as money in process, as capital. This internal relation of capital is one of subject and substance. As substance, it is money sustaining the commodity manifold. As subject, it is money in motion commensurating itself in the circuit of money capital. Capital-as-subject sinks into its substance in the money and commodities in which it trades; but it asserts itself as subject over against every such moment by sublating them in its process of self-valorisation. Although my presentation developed the subject (capital) out of the substance (money), the grounding relation is the reverse, that subject produces substance out of itself. It is the dynamic of Capital-as-subject that accumulates wealth measured in money. Yet the subject must descend to its substance in order to know itself when taking its measure of itself. Thus absolute ‘reason’ (rooted in ‘the fluidity of the Concept’) has to descend to the categories of ‘understanding’ (which deals in fixed definitions) when fixing equivalent exchange ratios or when drawing up annual accounts as if capitalism were like a natural system.

§ 33.31 Accumulation

When capital incorporates an increment, it gathers itself up for a new cycle, thus resulting in both the renewal of its elements, money and commodities, and renewing capital bent on accumulation. Accumulation has three moments:

- § 33.31/1 Transformation of the Monetary Increment into Capital;
- § 33.31/2 Rate of Accumulation Is the Measure of Capital by Itself for Itself;
- § 33.31/3 The Infinity of Capital.

§ 33.31/1 The Transformation of the Monetary Increment into Capital

Consider ‘$M\rightarrow C\rightarrow (M + m)$’. If a capital, ‘$M$’, throws off a monetary increment, ‘$m$’, and simply repeats this process, it is not yet fully functioning as capital. The removal of $m$ is an irrational external parasitism on the value concept. The requirement that capital be ‘for itself’ requires the transformation of that newly arisen ‘$m$’ into capital by merging it with the original capital such that it is...
simply an incremental addition to 'M'. In this manner, we have a larger capital, \( M' \). In a formula: \( M' = (M + m) \). But this is qualitatively the same sort of thing as 'M', albeit larger. Thus (other things being equal) a good reason to valorise the original capital, is an equally good reason to valorise the newly accumulated capital. So a spiral of accumulation is set in train.

What is important about all this from the point of view of identifying the logical complexity of this category is that there is concrete reflexivity in the cycle ‘M–C–M’, where ‘M’ comes from the merging of ‘M’ and ‘m’; since both poles of the cycle are qualitatively identical. In this way, capital makes itself present to itself as valorised value, rather than simply a sum of money saved from other sources. Now it is, as it were, virtually the result of always already accumulated capital. So capital (‘K’) at the start is not just an ‘M’ but ‘K’ because it is presupposed to be itself valorised value in the process of further valorisation.

Capital is here the negative unity of the cycle M–C–M’, because both Ms, and the C, are united as the movement of capital, each of them becomes capital in turn, so to speak; yet they are present immediately as M and as C with the corresponding functions. To make them capital requires their determinate negation in their transformation into each other. Capital achieves its identity only as this process. It is qualitatively the same capital behind its transient shapes. The quantitative increase is sublated in the restoration of the qualitative identity of capital: K–K’.

§ 33.31/2 The Rate of Accumulation

Because capital is in continuous movement it seems to lack measure. Any attempt to fix its amount contradicts its concept. It is always in the absolute process of becoming, one might say. So at any given point it seems one simply has a measure of a stock of monetised value, a measure therefore of money as money, not money as capital which aims at the infinite, a sort of practical ‘measurelessness’. Because the circle of self-referring shapes of capital is in the service of the endlessness of capital accumulation, within the framework of the form of capital there is no reason to say a limit is now reached. It is unable to reach closure. Certainly, money as capital cannot be measured in money as money. But is its concept then quantitatively indeterminate? What is the measure of capital?

There is in truth a proper measure of capital. Capital measures itself against itself in its rate of accumulation, ‘m/M’. Once the money measure, already present in the spiral of accumulation, is taken reflexively as a rate, we have the proper measure of capital. The rate of accumulation is capital’s true measure of itself in which its qualitative identity and its quantitative difference are
united in ‘m/M’, this is how the performance of capitals is assessed. This measure will be concretised when Time is brought forward as an intrinsic dimension of value. Here is employed an abstract logical sense of time, namely that one quantity is present after another in an order of succession. So the measure as simple rate certainly presupposes ‘M’ is after ‘M’; but the quantitative dimension of time is treated when we return to accumulation in the next chapter.

§ 33.31/3 The Infinity of Capital

The form of capital accumulation is powered by the absolute negativity of capital. Never content to remain what it is, it negates itself to become other than itself in its increment, but then returns to itself ever anew by adding the increment to the principal endlessly. As a process of absolute negativity, it is impossible to pin down. If this is attempted, a double definition necessarily arises. Consider ‘M’. Analytically, in its arising, this comprises ‘M + m’, it is valorised value; but that is only half the story; synthetically developed as the universal that it is, in its own movement it unfolds itself to M’ + m, through valorising itself.

In order to be true to itself, capital must become ever larger. Yet this accumulation is conceptually open ended. No accumulated capital achieves the final realisation of the concept of capital but has to be thrown once again into circulation. Thus, capital is engaged in an endless treadmill of accumulation; ‘more’ is never ‘enough’. However, the capital concept just is the drive to accumulate, refusing to be defined by what it is now; thus a definite amount of money-as-capital contradicts its concept, albeit accumulation exists in successive amounts.

If we recall the categories of ‘infinity’ here, a paradoxical result emerges. Earlier we distinguished between the spurious infinity and the genuine infinity. The first has a paradigm in the straight line; at any point it is a finite length but in principle can always be further extended. The process is endless in a bad way because it is never complete. The genuine infinity has its paradigm in the circle; to go around in a circle is also infinitely repeated but the circle is complete in itself, and at every point returns to itself. In concrete examples, Hegel takes this process to result also in a deepening of the content as it is endlessly restored.

The paradigm relevant to capital is that of the spiral of accumulation, which combines the two axes of incremental advance in accumulation and self-reference in the circuits of capital. At first sight therefore, capital seems to combine the genuine and spurious infinity. Capital returns always to itself ever larger, in its cycle of accumulation; but this expansion is in itself endless, in the sense of a false infinity. Nonetheless capital does achieve being-for-itself in its
circuit. In a nutshell, *it has made the falsely infinite its very truth*, setting as its own goal the infinite task of realising absolute 'wealth'. Looking more closely at the matter, the circuit of capital, although borne by qualitatively different avatars is in reality purely a matter of a quantitative sum of capital in a process which returns to itself enriched only in the most mundane sense, as larger in amount. With capital, the deepening of the content is the absolute poverty of mere increase.

In a sense capital is the genuinely infinite in that the end of one circuit constitutes the beginning of another. Yet this means the truth of the genuine infinite (self-reference) turns out to be in the service of the false infinite (endless repetition of the same movement of accumulation). Capital has the reflexivity characteristic of Being-for-Self but the Self therein realised is the most poverty-stricken imaginable, mere empty increase, increase in emptiness. Capital is a falsely true Infinite.

*Remark*: When I say that capital accumulation is increase in emptiness, this is so formally. In reality capital has a double existence, because, as well as its self-referring form, it can accumulate only through securing for itself an adequate 'content' in the economic metabolism. Hence the spiral of accumulation generates a wealth of new material content, e.g. new productive forces, more extensive commodification, and so forth.

Capital must always be in the process of infinite *becoming*, of making itself present, but always equally vanishing in a new determinate negation, as an increment of money is no sooner thrown off, than added to capital, and sent again into a new revolution of the circuit. The Idea of capital is 'K' – K" – K"\(...' Its movement is that of capital's presentation of itself through its negativity, but the content resultant is not separable from the process of its generation.

Commodities have a finite life circulating as values, but, in contrast, money, value incarnate, circulates endlessly and eventually becomes its own end in capital's self-reflexivity. In capital's spiral of accumulation, each fixed amount is superseded by a greater. Moreover, as a system, capital is the negative unity of its instances; each and every capital might go under while capital itself marches ahead.

Through its drive to accumulate, capital achieves the unity of its form and content. As content, it is the *series* of capital amounts (K' – K" – K"\(\ldots\)), but it is precisely as *infinite form* that, in its very concept, capital must ensure the continual process of adding new capital to the old. In the Absolute Idea form finally actually determines itself as content. ‘K'–K"–K"\(\ldots\)’ is a *movement of pure form* in which the content is only itself as it is treated notionally as distinct from the process of negativity which it is.
We have now reached the point at which capital is posited as subject. Since the presentation is restricted to the logical form of capital, its presentation as subject draws primarily on the logic of the concept. Thus I do not treat such themes as consciousness and personality, only the fundamental logic of subjectivity. There are three levels of the Concept to be considered: Notion; Teleology; and Life.

Logically the category of subject can hardly be distinguished from that of the ‘self-acting Concept’, which determines itself from universality to singularity. We see such a dialectic incarnate in the ‘I’. I choose from an indeterminately large number of options when considering what I want to become. Even if my particular choice is ‘philosopher’, for example, in order to avoid ‘bad faith’ I must not take this as foreclosed, but be aware I could change course at any time. This level of the concept is that of the ‘subjective’ or ‘formal Notion’.

Next comes the consideration that in order to actively assert itself the subject must engage with the realm of objectivity. Here it selects and manipulates materials that may serve as means towards realising its projects. It engages in ‘teleological positing’.

Finally, the form of ‘life’ unites these first two moments when the subject takes itself as its own project. The subject is self-developing.

All this applies to capital as we have seen. The universality of a fund is capable of being determined to many different investments. The only point is to aim at an increment of itself. The infinity of accumulation registers its immanent self-development.

§ 33.32  Formal Determination by Capital of Its Real-World Existence
Despite the formal definition of capital as self-created, there remains over against it the given realm of commodities. The capital form must determine these as its own in a material sense which goes deeper than merely inscribing them within its movement of form. The unification of the form with that which is formed I term ‘formal determination’, meaning the manner in which that reality is formed as value.

Formal determination comprises practical Idea, and theoretical Idea. In the first place, the immanent purpose of capital must bring under itself the material metabolism. So the practical Idea is ‘subsumption’ (§ 33.32/1). In the second place, commodities reaching the market have to be valued, so the theoretical Idea is ‘valuation’ (§ 33.32/2). Their unity is the ‘realised Idea’ (§ 33.33).
§ 33.32/1 Subsumption
In the formal determination of economic processes, the moment of subsumption registers how the purposes of capital are imposed on the reality confronting it. As a result of such subsumption, the material metabolism becomes informed with the purposes of capital. In order for there to be commodities to be valued, products, or whatever, must first be subsumed under the value-form (‘commodification’).

§ 33.32/2 Valuation
‘Valuation’ pertains to the cognition of the real world under its adequate logical description. Every commodity, formally determined as a value, simply to qualify as such, must, potentially at least, be valued. It must be determined what its value amounts to. This occurs in the real world of the market, here taken very abstractly as a process of fixing its price through practical commensuration. The valuation of commodities presented to exchange is a form-determination, but as pure form it is not evident what determines the magnitude at which any commodity is valued. A full theory of value is required to explain that. However, it is important that this form is presupposed to economic activity and regulates the expectation of agents. For example, a new entrant to a field will be conscious of the need to meet, or beat, the established price. In this sense, we can speak of formal determination of what is within the value form.

One crucial aspect of this is that, other things being equal, arbitrage will tend to ensure consistent valuation. The commodity exists in finitude as a co-present set of putatively identical commodities seeking sale under competitive conditions within a single market. Customers comparing prices soon effect their convergence on value. But a capitalist may intervene between seller and final purchaser to make profit on arbitrage. (Here this is pure arbitrage rooted simply in the contingencies of trade. Only when we come to merchant capital is it relevant to discuss the linking up of spatially distant markets.)

§ 33.33 Capital Realised in Contradiction
The complementary unity of subsumption and valuation asserts that there eventuates the positing of value as a reality in the world. Capital is the realised Idea. Notice that the previous section, that on formal determination, contained only the two moments of practical Idea and theoretical Idea. There appears no unifying triadic complement to them. However, this unity we term the realised Idea. But it is raised to the status of its own paragraph because, in addition to unifying the sides of formal determination, it unifies also the larger triad of the Idea that presented capital in its ‘subjective’ aspect (the pure form of accumulation) and capital in its ‘objective’ aspect (the trading of commodities ‘at value’).
But at the level of its immediacy this Idea turns out to be realisable only in contradiction with itself. (So it is not, after all ‘Absolute’.)

There are two problems with capital in its concept trying to make itself absolute Idea of Capital through the formal determination of reality.

1. **Subsumption** insofar as commodities are just given to the concept this is fuel to the fire that isn't really subsumed by capital, as it is when it produces the commodities; for example, ‘found objects’ do not count as values we shall argue. How does it happen that commodities imputed with the determinants of value appear on the market in the first place? Moreover, if commodities are presupposed to bear value then the ground of the latter remains unresolved.

2. **Valuation** Thus far, valuation seems only possible as an unintended result of arbitrage. But the eventual result of such activity, carried through systematically, is that every commodity appears on the market at its value, in accordance with the theoretical principle of valuation, namely that all examples of a commodity have the same price. There follows the contradiction that the realisation of the principle of valuation, exchange of commodities at value, leaves no room for the valorisation of capital, which does not seem possible on the basis of equivalent exchange.

The transition from the logic of the value form to its appropriation of the real economy is required in order to discover a ground for the monetary increment definitional of capital. For the tightly structured unity of the value forms means that capital is identical with itself as form; yet there is articulated also its difference from itself (in its increment). It is a contradiction in form therefore. The needed ground for this increment can only be found in its difference from itself, as materially embodied. This difference is real in two ways. First the successive moments M and M′ must be different temporally so that the increment may really emerge. Second this new value must be created in the material sphere, albeit idealised.

It becomes necessary then to look outside the pure logic of value to solve the contradiction between the principle of identity and non-identity; the real content regulated by the form must provide the solution to the contradiction. Thus far the material content of the commodity has been treated as a mere bearer of the form; and the latter has thus far been developed in indifference to the specificity of its material support (albeit that the material of every commodity has a specific usefulness, and that commodity selected as money must have the material properties required for this use e.g. imperishability). The logic of the value form, developed from the commodity form to the money form to the capital form, was premised on the absolute negativity of the movement of exchange insofar as all difference of use-value that gave sense to this was neglected, i.e. ‘negated’, in the interests of following through the logic of identity.
arising from the common character of commodities as exchangeables. Now we reach a crucial turning point which requires the exposition to take notice of the sphere of use-values, for all exchange in its logic yet rests on a use-value sphere.

The culmination of the logic of the value form is that, so far from its achievement of logical perfection, it collapses into outright contradiction. When commodities are valued, they are to be found standing in relations of equivalence according to their law, yet they must contain non-equivalence to realise capital in its concept. The problem of how commodity circulation can result in both identity and non-identity is to be resolved in turning to what is itself both identical and non-identical with it, namely commodity production by capital. Turning to production, in order to ground a monetary increment, is to appeal to an important condition of existence of capital, which capital subsumes in its circuit but which always retains an irreducible material basis.

In this, the formal determination of production itself, by the demands of valorisation, results in the subsumption of it to capital. However, in truth, at this stage, this still has to be shown as accomplished.

Capital seeks self-valorisation against the opposition of nature and labour. Only if it can be shown capital controls all the conditions of existence of the production of commodities does it know its own ground and hence becomes absolute. It knows itself when the commodities are the result of its own production process.

But the mere concept of capital is clearly not absolute until it appropriates the material world and finds a source of a monetary increment therein. For capital to become real, not merely a logical formula, it must embody itself in the economic material. Even then, it is not absolute if this material is simply its condition of existence. An Absolute is unconditioned. So capital must appropriate (in the first place) and reproduce (as result of its movement) all of its conditions of existence.

Remark: The culmination of Hegel’s logic is claimed to be Absolute Idea. There seems, then, to be a disanalogy in our programme of seeking homologies between the value form and the logic. For a discussion of this see the Commentary on Hegel in the Appendices below.

In the following chapters two more important moments are addressed.

First, to be active in the world the capital subject must take it into its possession, and shape it into its own world. This it does when producing itself on the basis of the labour, and production, processes. (Division II)

Second, the capital subject becomes fully rounded only through ‘intersubjectivity’, not only as capitals competing with each other, but also acting complementarily to create a self-reproducing system (Division III).
Summary

In this chapter value as ‘the Concept’ is first discussed formally, in its ‘Notion’, as I term it. The moments of the concept are Universality, Particularity, and Singularity. Money makes these moments present, first as a general form, then as amount, and finally as an amount. It is precisely this articulation of the Value Concept in amounts of money that enables commodities to be valued, the particular value of a commodity being measured by a particular amount of money. This relation expresses a ‘judgement of worth’, once a standard of price is made available, such as a dollar. Two commodities both worth a dollar are, by the principle of abstraction, equal in worth. This relation of equality makes price transitive.

When two parties agree on a judgement of worth, a bargain may be concluded; with this we move to value as it appears in ‘objectivity’ (whereas price itself is a feature of its ‘subjectivity’). An important form now developed is that of teleology. The sequence C–M–C’ is an instance of ‘finite teleology’; the exchange M–C is undertaken for the purpose of exchanging M–C’. This is finite in the sense that means and ends are clearly distinguishable. However, every sale is at the same time a purchase from the perspective of the other party to the transaction. It is easy to see diagrammatically (§32.33) that a sequence of such exchanges shows commodities arriving and leaving circulation while money remains in it as an emergent result. This presistent movement of money is characterised as ‘infinite teleology’.

In the metamorphoses of money, M–C–M’, we see an immanent teleology; for the only purpose of it is to sustain and expand the moment of money. But for money to be its own aim, it must first take form as individuated. It is money as money; as such it is negatively related to commodities in that it takes itself as its object, not them; taken apart from commodities money exists as a store of value, as a fund available for many different uses, a general means of payment. This function is different from those of measure or medium.

It is notable that with gold money there is a contradiction in that money, as value in autonomous form, stands opposed to commodities. Yet gold is a commodity. But, because it is money, it cannot be sold, as commodities are destined to be. This contradiction is sublated with ex nihilo credit money. But we cannot treat that until later.

For money to be its own end it must be capable of becoming larger while remaining itself. In this process of self-transcendence it is the form of capital, a potentially infinite process of accumulation. It is important that money as capital can never be at rest, for then it collapses to a fixed sum, namely money as money. In the general formula for capital, M–C–M’, capital particularises
itself to commodities and money, only to move on; it is their negative unity, living through them but transcending them. Capital as Idea unites the monetary increment, arising from its circuit, with the original capital, thus making of itself a (logical) subject. Substance (money as money) becomes subject (money as capital). Accumulation of capital combines the genuinely infinite (self-reference) with the spurious infinite (endlessness). What we have here is a unique form in which capital posits its end precisely in ever becoming larger.

The last section of the chapter introduces the hinge of the presentation between the logic of pure form and the informing of the real world with it. This is its formal determination of its world, first in subsuming commodities, then in valuing them on the market. However, the realisation of the abstract Idea falls into contradiction because, if all commodity exchange is that of equivalent values, there seems no ground for the emergence of a monetary increment. The conditions of existence of such an increase we turn to in the next Division.

The truth of the formal Notion of capital is posited only under its objective determination in exchange and circulation. It is better grounded in M–C–M′ than it is in C–M–C′. Nonetheless the appearance of a monetary increment is not only here presupposed without argument, it is formally speaking even excluded by the rule of equivalent exchange. Hence the presentation has next to give an account of the production of new value.