CHAPTER 16

The Principle of Labour

There seems to be an ambivalence in Marx’s presentation of commodity circulation in the beginning of Capital. On the one hand, circulation as presented in Capital is an ‘outer surface’ [Oberfläche] under which the production of commodities and of surplus value is hidden. It is, however, the necessary starting point of the analysis from which the more developed determinations are derived.¹ The exchange of equivalents is the starting point of the transformation of money into capital:

The conversion of money into capital has to be explained on the basis of the laws that regulate the exchange of commodities, in such a way that the starting-point is the exchange of equivalents ... His development into a full-grown capitalist must take place, both within the sphere of circulation and without it.²

On the other hand, on several occasions Marx discussed the transformation of money into capital (and the development of commodity into money) as if he were describing a process of transformation from a historically preceding, simple exchange and circulation of commodities into a later, more developed one:

Production and circulation of commodities can take place, although the great mass of the objects produced are intended for the immediate requirements of their producers, are not turned into commodities, and consequently social production is not yet by a long way dominated in its length and breadth by exchange-value. The appearance of products as commodities pre-supposes such a development of the social division of labour, that the separation of use-value from exchange-value, a separation which first begins with barter, must already have been completed. But such a degree of development is common to many forms of society, which in other respects present the most varying historical features ...

Yet we know by experience that a circulation of commodities relatively primitive, suffices for the production of all these forms. Otherwise with capital.³

In Capital and the Grundrisse, Marx’s critical intention was to prove that the appropriation of surplus value and the accumulation of capital is completely possible following the rules of commodity circulation; the development of capitalist production follows from simple circulation of commodities according to its own immanent laws. The law of appropriation of simple commodity production is transformed into the law of capitalist appropriation, but the very rules of exchange of commodities remain the same in capitalism too:

To say that the intervention of wage labour adulterates commodity production is to say that commodity production must not develop if it is to remain unadulterated. To the extent that commodity production, in accordance with its own inherent laws, undergoes a further development, into capitalist production, the property laws of commodity production must undergo a dialectical inversion so that they become laws of capitalist appropriation.⁴

By analogy, while discussing the transformation of the values of commodities into product prices, Marx similarly referred to a historically preceding, less developed exchange of commodities, which takes place directly according to values. Value is, then, both theoretically and historically the ‘prius’, the primary determinor, of the capitalist mode of production. In Marx’s Capital, the capitalist commodity production was thus understood to have developed from a simple production of commodities characterised by the individual ownership of the means of production by every producer. In simple commodity production, appropriation of products was really based on one’s own labour and only labour could create a right to private property:

The exchange of commodities at their values, or approximately at their values, thus requires a much lower stage than their exchange at their prices of production, which requires a definite level of capitalist development ... Apart from the domination of prices and price movement by the law of value, it is quite appropriate to regard the values of commodities as

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