around the earth, he noted, 'scientific truth is always paradox, if judged by everyday experience, which catches only the delusive appearance of things'.22

It was the work of 'science', then, to go beyond appearances, 'to resolve the visible, merely external movement into the true intrinsic movement'. To follow Marx along this path, of course, requires that we acknowledge that there is a difference between the extrinsic and the intrinsic: 'all science would be superfluous if the outward appearance and the essence of things directly coincided'.23 Further, it is necessary to recognise that, in political economy as elsewhere, the understanding of essence must come first:

A scientific analysis of competition is possible only if we can grasp the inner nature of capital, just as the apparent motions of the heavenly bodies are intelligible only to someone who is acquainted with their real motions, which are not perceptible to the senses.24

Clearly, for Marx, understanding the concept of value must precede an analysis of its components. Just as the segments of a line 'are limited in advance by the limits of the line of which they are parts', so, too, the sum of value logically precedes its subdivisions.25 Yet, the focus on individual capitals in competition (characteristic of vulgar economics) yields a quite different picture. It appears that wages, profit and rent are the original constituents of price – an order precisely the opposite to the inner analysis; 'in short, here all determinants appear in a position which is the inverse of their position in capital in general'.26

Especially frustrating in this respect for Marx was Adam Smith because he traced both 'the intrinsic connection existing between economic categories or the obscure structure of the bourgeois economic system' and also 'the connection as it appears in the phenomena of competition and thus as it presents itself to the unscientific observer...'. Having initially grasped that inner connection, Smith then became 'obsessed ... with the connection, as it appears in competition, and in competition everything always appears in inverted form, always standing on its head'.27

For Marx, Smith thereby was abandoning the perspective of the scientific analyst and accepting the way things appear to the actual participants in economic activity. Whereas the former considers the system as a whole and employs abstract thought (deduction) in order to grasp the system's necessary conditions for reproduction, individual capitals are concerned only with their own conditions of existence – their costs and the possibilities for profit:

Historical Materialism

In the competition of individual capitalists among themselves as well as in the competition on the world-market, it is the given and assumed magnitudes of wages, interest and rent which enter into the calculation as constant and regulating magnitudes ... Here, then, experience shows theoretically, and the self-interested calculation of the capitalist shows practically, that the prices of commodities are determined by wages, interest and rent, by the price of labour, capital and land, and that these elements of price are indeed the regulating constituent factors of price.28

Why exactly does this reversal occur? What individual capitals see as the premise of their activity Marx, in contrast, grasped as result. The problem here is not unique. Permeating, indeed, the political economy which begins from individual capitals in competition is that 'the pattern of the process of reproduction is not understood — how it appears not from the standpoint of individual capital, but rather from that of total capital...'.29 Since individual actors do not concern themselves with the necessary conditions for the whole, the real premise is to be determined logically, rather than accepting the order of causation as it appears to competing capitals. On few matters was Marx more consistent than in his understanding that reasoning from the forms of daily existence is an abandonment of science and a falsification of the inner relations:

*Thus, everything appears reversed in competition. The final pattern of economic relations as seen on the surface, in their real existence and consequently in the conceptions by which the bearers and agents of these relations seek to understand them, is very much different from, and indeed quite the reverse of, the inner but concealed essential pattern and the conception corresponding to it.*30

This brings us, then, to Brenner’s reversal. As might be predicted from his focus on the competition of individual capitals to explain the dynamics of capitalism, Brenner reverses the order of Marx’s explanation: whereas, for Brenner, it is the intensified competition of capitals that leads to overcapacity, for Marx, the inherent tendency for overcapacity leads to the intensified competition of capitals. For Marx, rather than a cause, intense competition is itself a result:

The rate of profit would not fall under the effect of competition due to over-production of capital. It would rather be the reverse; it would be the competitive struggle which would begin because the fallen rate of profit and overproduction of capital originate from the same conditions.31

31 Marx 1966, p. 252.