

## An eleven-week study course on *Capital*

Some Capital study groups proceed line-by-line, or even by reading the text out aloud. That has its purpose. This course has a different aim: to help people discuss the main ideas of Capital within a relatively short time. It does that by organising discussion around selected passages from the book (sometimes not in the same order as in the book, and sometimes combining sentences from different pages). If this study course is your first reading of Capital, you will want to follow up by detailed individual study.

The quotes are taken from the Moore/ Aveling translation. References are given to other texts.

### **Week 1: Value and labour. Chapter 1 sections 1 and 2.**

1. *How would you define:*

- commodity
- use-value
- value
- exchange-value
- abstract labour, or average social labour?

2. *Why is average social labour the substance of value? What arguments against this theory do you know, and how would you answer them?*

3. *Can you think of any useful things which are products of human labour but not commodities?*

4. *What is 'the twofold nature of the labour embodied in commodities'? Why do you think Marx believed that this was 'the pivot on which a clear comprehension of political economy turns'?*

#### 1. Commodity and use-value

- MA 41 "At first sight a commodity presented itself to us as a complex of two things – use value and exchange value". P 131 R —
- MA 40 "A thing can be a use value, without having value. This is the case whenever its utility to man is not due to labour. Such are air, virgin soil, natural meadows, etc. A thing can be useful, and the product of human labour, without being a commodity. Whoever directly satisfies his wants with the produce of his own labour, creates, indeed, use values, but not commodities". P 131 R 15
- MA 36 "Use values... constitute the substance of all wealth, whatever may be the social form of that wealth. In the form of society we are about to P 126 R 13

consider, they are, in addition, the material depositories of exchange value”.

MA 35 “A commodity is, in the first place, an object outside us, a thing that by its properties satisfies human wants of some sort or another... The utility of a thing makes it a use value”. P 125 R 13

**2. Exchange-value and value**

MA 36 “Exchange value, at first sight, presents itself as a quantitative relation, as the proportion in which values in use of one sort are exchanged for those of another sort... [But] the valid exchange values of a given commodity express something equal...[and] exchange value, generally, is only the mode of expression, the phenomenal form, of something contained in it, yet distinguishable from it”. P 126 R 13

MA 38 “Along with the useful qualities of the products themselves, we put out of sight both the useful character of the various kinds of labour embodied in them, and the concrete forms of that labour; there is nothing left but what is common to them all; all are reduced to one and the same sort of labour, human labour in the abstract... The residue of each of these products... consists of the same... mere congelation of homogeneous human labour... When looked at as crystals of this social substance, common to them all, they are – Values”. P 128 R 14

**3. Labour and value**

MA 46 “All labour is, speaking physiologically, an expenditure of human labour power, and in its character of identical abstract human labour, it creates and forms the value of commodities. On the other hand, all labour is the expenditure of human labour power in a special form and with a definite aim, and in this, its character of concrete useful labour, it produces use values...”. P 137 R 17

MA 39 “The labour... that forms the substance of value, is homogeneous human labour, expenditure of one uniform labour power... A use value, or useful article... has value only because human labour in the abstract has been embodied or materialised in it”. P 129 R —

MA 41 “At first sight a commodity presented itself to us as a complex of two things – use value and exchange value. Later on, we saw also that labour, too, possesses the same two-fold nature... so far as it finds expression in value, it does not possess the same characteristics that P 131-2 R —

belong to it as a creator of use values... This point is the pivot on which a clear comprehension of political economy turns..."

### 4. The only expression of value

MA 38 "The progress of our investigation will show that exchange value is the P 128  
only form in which the value of commodities can manifest itself or be R —  
expressed..."

## Week 2: Commodity fetishism. Marx chapter 1 section 4.

1. Can you think of any examples of commodity fetishism in everyday speech?

2. How does commodity fetishism help to maintain a widespread acceptance of bourgeois ideas in the working class?

3. How does Marx's critical analysis of commodity fetishism contribute to communist politics?

### 1. The world appears as a society of commodities, not of people

MA 72 "In [a commodity] it the social character of men's labour appears to P 164-5  
them as an objective character stamped upon the product of that R 23  
labour... the relation of the producers to the sum total of their own  
labour is presented to them as a social relation, existing not between  
themselves, but between the products of their labour... An analogy... [In]  
the religious world... the productions of the human brain appear as  
independent beings endowed with life..."

### 2. Only in a particular society is labour represented by value

MA80 "Political Economy has indeed analysed, however incompletely, value P 173-4  
-81 and its magnitude, and has discovered what lies beneath these forms. R —  
But it has never once asked the question why labour is represented by  
the value of its product and labour time by the magnitude of that value.  
These formulae... bear it stamped upon them in unmistakable letters  
that they belong to a state of society, in which the process of production  
has the mastery over man... Such formulæ appear to the bourgeois intel-  
lect to be as much a self-evident necessity imposed by Nature as pro-  
ductive labour itself."

## Week 3: Money and prices. Chapter 1 section 3 and chapters 2 and 3

1. Marx says that Aristotle came close to solving the riddle of value, but was prevented by 'the historical limitation of the society in which he lived'. What do

*you think Marx meant?*

2. List the forms of value that Marx analyses and give a short definition of each one.

3. How does money represent labour?

4. What's wrong with the usual economist's explanation of money as a mere convention to make exchange easier than it would be with pure barter?

**1. A particular labour as approximation of abstract labour in a single comparison**

MA 52 "In order to tell us that its own value is created by labour in its abstract character of human labour, [the linen] says that the coat, in so far as it is worth as much as the linen, and therefore is value, consists of the same labour as the linen..." P 143 R 19

MA 58 "In the expression of value of the linen, the utility of the [labour of] tailoring consists, not in making clothes, but in making an object, which we at once recognise to be Value, and therefore to be a congelation of labour, but of labour indistinguishable from that realised in the value of the linen... The labour of tailoring must reflect nothing besides its own abstract quality of being human labour generally". P 150 ~ R 20

**2. Abstract labour and abstract equality**

MA 59 "There was... an important fact which prevented Aristotle from seeing that, to attribute value to commodities, is merely a mode of expressing all labour as equal human labour... Greek society was founded upon slavery, and had, therefore, for its natural basis, the inequality of men and of their labour powers. The secret of the expression of value... cannot be deciphered, until the notion of human equality has already acquired the fixity of a popular prejudice. This, however, is possible only in a society in which the great mass of the produce of labour takes the form of commodities, in which, consequently, the dominant relation between man and man, is that of owners of commodities..." P 151-2 R —

**3. A particular labour as general social approximation of abstract labour**

MA 62-3 "[When] the value of a single commodity, the linen, for example, is now expressed in terms of numberless other elements of the world of commodities... Every other commodity now becomes a mirror of the linen's value... This value shows itself in its true light as a congelation of undifferentiated human labour... The labour that creates it now stands expressly revealed as labour that ranks equally with every other sort of P 155 ~ R 22

human labour, no matter what its form, whether tailoring, ploughing, mining..."

MA 68 This "gives to the world of commodities a general social relative form of P 161  
value, because, and in so far as, thereby all commodities, with the R 22  
exception of one, are excluded from the equivalent form. A single com-  
modity, the linen, appears therefore to have acquired the character of  
direct exchangeability..."

**4. The world of commodities splits into two parts. Money versus commodities**

MA 69 "The particular commodity, with whose bodily form the equivalent P 162  
form is thus socially identified, now becomes the money commodity, or ~ R 22  
serves as money... If, then... we replace the linen by gold, we get the  
Money-Form..."

MA 94 "Money as a measure of value, is the phenomenal form that must of P 188  
necessity be assumed by that measure of value which is immanent in R 29  
commodities, labour-time..."

MA 101-2 "Price is the money-name of the labour realised in a commodity... [But] P 195-6  
the possibility... of quantitative incongruity between price and magni- R 31-2  
tude of value, or the deviation of the former from the latter, is inherent  
in the price-form itself..."

MA 113 "Circulation sweats money from every pore. Nothing can be more child- P 208-9  
ish than the dogma, that because every sale is a purchase, and every R 34  
purchase a sale, therefore the circulation of commodities necessarily  
implies an equilibrium of sales and purchases... No one can sell unless  
some one else purchases. But no one is forthwith bound to purchase,  
because he has just sold... If the split between the sale and the purchase  
become too pronounced, the intimate connexion between them, their  
oneness, asserts itself by producing – a crisis..."

MA 131 "With the possibility of holding and storing up exchange-value in the P 229  
shape of a particular commodity, arises also the greed for gold. Along R 37-8  
with the extension of circulation, increases the power of money, that  
absolutely social form of wealth ever ready for use..."

**Week 4: Capital, profit, and labour-power. Chapters 4 to 7.**

1. *What is the purpose of the circuit C-M-C?*
2. *What is the purpose of the circuit M-C-M'?*
3. *Where do profits come from?*
4. *What's wrong with the idea that profits come from the capitalist's 'abstinence' in investing his wealth in production rather than consuming it straight off?*
5. *Are workers paid a fair wage? If so, how can we talk about exploitation?*
6. *Why say labour-power is bought and sold, rather than just labour?*
7. *What is wrong with the academic economists' definition of capital? 'Capital, in sum, is any previously produced input or asset of a business firm or any other producer' (Baumol).*

**1. Money vs other commodities, M-C-M vs C-M-C**

MA 148 “In the circulation C-M-C, the money is in the end converted into a commodity, that serves as a use-value; it is spent once for all. In the inverted form, M-C-M, on the contrary, the buyer lays out money in order that, as a seller, he may recover money...” P 249 R 39

MA 149-50 “The circulation M-C-M... at first sight appears purposeless, because tautological... The character and tendency of the process M-C-M, is... not due to any qualitative difference between its extremes, both being money, but solely to... more money [being] withdrawn from circulation at the finish than was thrown into it at the start... The exact form of this process is therefore M-C-M', where M' =... the original sum advanced, plus an increment. This increment or excess over the original value I call 'surplus-value'.” P 250-1 R 40

MA 151-2 “The circulation of money as capital is... an end in itself, for the expansion of value takes place only within this constantly renewed movement. The circulation of capital has therefore no limits... Use-values must therefore never be looked upon as the real aim of the capitalist; neither must the profit on any single transaction. The restless never- P 253-4 R 40

ending process of profit-making alone is what he aims at..."

MA 153 "This boundless greed after riches, this passionate chase after exchange-value, is common to the capitalist and the miser; but while the miser is merely a capitalist gone mad, the capitalist is a rational miser..." P 254 R 40

**2. Where  $\Delta M$  comes from**

MA 165 "Surplus-value cannot be created by circulation, and, therefore, that in its formation, something must take place in the background, which is not apparent in the circulation itself..." P 268 R 40-1

MA 167 "In order to be able to extract value from the consumption of a commodity, our friend, Moneybags, must be so lucky as to find... in the market, a commodity, whose use-value possesses the peculiar property of being a source of value, whose actual consumption... is itself... a creation of value. The possessor of money does find on the market such a special commodity in capacity for labour or labour-power..." P 271 R 41

MA 171 "The value of labour-power is determined, as in the case of every other commodity, by the labour-time necessary for the production, and consequently also the reproduction, of this special article... In contradistinction... to the case of other commodities, there enters into the determination of the value of labour-power a historical and moral element..." P 274-5 R 41-2

**3. Surplus value comes not from "abstinence" but from the gap between labour-power and labour**

MA 191 [The capitalist says]: "Consider my abstinence; I might have played ducks and drakes with the 15 shillings; but instead of that I consumed it productively, and made yarn with it'. Very well, and by way of reward he is now in possession of good yarn instead of a bad conscience... [And] whatever may be the merit of his abstinence, there is nothing wherewith specially to remunerate it..." P 298-9 R 120

MA 193 "The fact that half a day's labour is necessary to keep the labourer alive during 24 hours, does not in any way prevent him from working a whole day. Therefore, the value of labour-power, and the value which that labour-power creates in the labour-process, are two entirely different magnitudes; and this difference of the two values was what the capitalist had in view, when he was purchasing the labour-power..." P 300 R 45

MA 537 From chapter 19: "That which comes directly face to face with the possessor of money on the market, is in fact not labour, but the labourer." P 677 R 90

What the latter sells is his labour-power. As soon as his labour actually begins, it has already ceased to belong to him; it can therefore no longer be sold by him. Labour is the substance, and the immanent measure of value, but has itself no value”.

**Week 5: The working day. Chapters 8 to 11**

1. *During what period was the working day increased, and why?*

2. *During what period was the working day reduced, and why?*

3. *Marx's analysis depends on making a sharp distinction between human labour and the labour of other animals. If a farmer can produce more by e.g. using horses, Marx regards that as an increase in the productivity of the farmer's labour, rather than a surplus gained by the farmer exploiting the horses' labour. Why?*

4. *What are constant and variable capital? And why does Marx call them that?*

5. *Why can't machines and raw materials add more than their own value to the product?*

**1. The working day is set by class struggle**

MA 232 “The working day is... not a constant, but a variable quantity. One of its parts, certainly, is determined by the working-time required for the reproduction of the labour-power of the labourer himself. But its total amount varies with the duration of the surplus labour...” P 341 R 51-2

MA 235 “In the history of capitalist production, the determination of what is a working day, presents itself as the result of a struggle, a struggle between collective capital, i.e., the class of capitalists, and collective labour, i.e., the working-class...” P 344 R 53

**2. Legislation and the working day**

MA 270-1 “Compare... the English factory legislation of our time [mid 19th century] with the English labour statutes from the 14th century to well into the middle of the 18th. Whilst the modern Factory Acts compulsorily shortened the working day, the earlier statutes tried to lengthen it by compulsion...” P 382 R 55

“The English Factory Acts are the negative expression of the same

MA 238-9 greed. These acts curb the passion of capital for a limitless draining of labour-power, by forcibly limiting the working day by state regulations, made by a state that is ruled by capitalist and landlord. Apart from the working-class movement that daily grew more threatening, the limiting of factory labour was dictated by the same necessity which spread guano over the English fields..." P 348 R 55

**3. Constant and variable capital**

MA 209 "That part of capital then, which is represented by the means of production, by the raw material, auxiliary material and the instruments of labour does not, in the process of production, undergo any quantitative alteration of value. I therefore call it... constant capital..." P 317 R 48

MA 209 "That part of capital, represented by labour-power... both reproduces the equivalent of its own value, and also produces an excess, a surplus-value... I therefore call it... variable capital..." P 317 R 48

**4. Surplus value does not come from means of production**

MA 205 "However useful a given kind of raw material, or a machine, or other means of production may be... it cannot, under any circumstances, add to the value of the product more than [its own value]... In the labour-process it only serves as a mere use-value, a thing with useful properties, and could not, therefore, transfer any value to the product, unless it possessed such value previously..." P 314 R 48

**Week 6: Wages and profits. Read Marx's "Wages, Price, and Profit"**

1. *If workers win higher wages, what effect will that generally have on prices?*

2. *It's said that Marx predicted that capitalism would push workers into more and more absolute poverty and starvation. Did he really argue that?*

3. *What mechanism in capitalist society links wages to the value of labour-power?*

4. *What is the general guideline for Marxists active in trade unions?*

**1. Capitalists cannot generally push down wages to the absolute minimum**

"The will of the capitalist is certainly to take as much as possible. What we have to do is not to talk about his will, but to enquire into his power, the limits of that power, and the character of those limits..."

### 2. A general rise of wages produces a drop in profits, not a rise in prices

“A general rise in the rate of wages would... produce a rise in the demand for, and consequently in the market prices of necessaries... [For] those capitalists who do not produce necessaries... the rate of profit would fall... Capital and labour would be transferred from the less remunerative to the more remunerative branches... The general rise in the rate of wages would, therefore, after a temporary disturbance of market prices, only result in a general fall of the rate of profit without any permanent change in the prices of commodities”.

### 3. Wages battles are an important part of working-class self-elevation

“The general tendency of capitalistic production is not to raise, but to sink the average standard of wages... If the [workers renounced their resistance], they would be degraded to one level mass of broken wretches past salvation... By cowardly giving way in their everyday conflict with capital, they would certainly disqualify themselves for the initiating of any larger movement”.

“The historical or social element, entering into the value of labour[  
power], may be expanded, or contracted...”

### 4. Socialism requires more than wage militancy

“The working class ought not... to be exclusively absorbed in these unavoidable guerilla fights incessantly springing up from the never ceasing encroachments of capital or changes of the market. They ought to understand that, with all the miseries it imposes upon them, the present system simultaneously engenders the material conditions and the social forms necessary for an economical reconstruction of society...”

## Week 7: Cooperation and workshop division of labour. Chapters 12 to 14

1. *After scattered handicraft production, Marx identifies two further stages of development of capitalist production prior to machine industry. How are each of these three stages defined?*

2. *Increased productivity of labour is, on the face of it, a good thing. Why is it not as simple as that for the workers?*

3. *Does capitalism promote or hinder routine large-scale cooperation in social production? Does that cooperation promote or hinder capitalism?*

4. *Why do the creative powers of the collective worker appear as the property of capital?*

5. *How can they come to appear as the workers' own property?*

**1. Cooperation**

MA 334-5 "Just as the social productive power of labour that is developed by co-operation, appears to be the productive power of capital, so co-operation itself, contrasted with the process of production carried on by isolated independent labourers, or even by small employers, appears to be a specific form of the capitalist process of production. It is the first change experienced by the actual labour-process, when subjected to capital..." P 453 R 65-6

**2. "Manufacture" - the workshop with a range of specialised detailed handworkers** P 468

MA 348-9 "The collective labourer, formed by the combination of a number of detail labourers [doing different detailed jobs], is the machinery specially characteristic of the manufacturing period [capitalist production based on working by hand, before the Industrial Revolution]..." R 70

**3. The increased productivity appears as a property of capital**

MA 360 "In manufacture, as well as in simple co-operation, the collective working organism is a form of existence of capital. The mechanism that is made up of numerous individual detail labourers belongs to the capitalist. Hence, the productive power resulting from a combination of labours appears to be the productive power of capital..." P 481 R 71

MA 364 [This division of cooperative labour into different detailed labours "increases the social productive power of labour, not only for the benefit of the capitalist instead of for that of the labourer, but it does this by crippling the individual labourers. It creates new conditions for the lordship of capital over labour. If, therefore, on the one hand, it presents itself historically as a progress and as a necessary phase in the economic development of society, on the other hand, it is a refined and civilised method of exploitation..." P 486 R 72

**Week 8: Fully-developed capitalist industry. Chapter 15**

1. *What is the difference between a tool and a machine?*

2. *In his analysis of 'manufacture', Marx argues that it creates a workforce of narrowly specialised workers. Does modern machine industry do the same?*

3. *How does modern machine industry make 'abstract labour' a social reality rather than just one way of looking at labour?*

4. *If machinery enables less labour to produce more products, how is it that machine industry also enables and drives capitalists to lengthen the working day (as we saw in week 5) and intensify it?*

5. *In any social order, new technologies would devalue old skills, and cause difficulties for the workers specialising in those skills. So what is so special about capital's use of new technologies that under it 'the instrument of labour strikes down the labourer?'*

6. *In chapter 14 (in a passage not included in Rühle) Marx writes sarcastically against free-market opponents of labour protection laws that: 'It is very characteristic that the enthusiastic apologists of the factory system have nothing more damning to urge against a general organisation of labour in society than that it would turn all society into one immense factory'. Does Marx himself want to turn all society into one immense factory?*

7. *Of modern industry Marx writes that: 'By maturing the material conditions, and the combination on a social scale of the processes of production, it matures the contradictions and antagonisms of the capitalist form of production, and thereby provides, along with the elements for the formation of a new society, the forces for exploding the old one'. Which elements? which forces?*

**1. A production process where machines define what workers do**

MA 386 "In [capitalist production by hand-working with differentiated tools], the organisation of the social labour-process is purely subjective; it is a combination of detail labourers; in its machinery system, modern industry has a productive organism that is purely objective, in which the labourer becomes a mere appendage to an already existing material condition of production..." P 508 R 74

**2. Machinery as a means to increase labour**

MA 403 "If machinery be the most powerful means for increasing the productivity of labour – i.e., for shortening the working-time required in the production of a commodity, it becomes in the hands of capital the most powerful means, in those industries first invaded by it, for lengthening the working day beyond all bounds set by human nature..." P 526 R 77

**3. And once the working day is limited, to intensify labour**

MA 409 "The immoderate lengthening of the working day, produced by machinery in the hands of capital, leads to a reaction on the part of society, the very sources of whose life are menaced; and, thence, to a normal working day whose length is fixed by law. Thenceforth... the intensification of labour develops into great importance..." P 533  
R 79

MA 432, "It took both time and experience before the workpeople learnt to distinguish between machinery and its employment by capital, and to 559  
429 direct their attacks, not against the material instruments of production, R 81  
but against the mode in which they are used... The instrument of labour strikes down the labourer..." P 554-5,

**4. Industry with machinery changes the make-up of the working class**

MA 445-6 "Entirely new branches of production, creating new fields of labour, are P 573-4  
also formed, as the direct result either of machinery or of the general R 82-3  
industrial changes brought about by it... [Also] the extraordinary productiveness of modern industry, accompanied as it is by both a more extensive and a more intense exploitation of labour-power in all other spheres of production, allows of the unproductive employment of a larger and larger part of the working-class, and the consequent reproduction, on a constantly extending scale, of the ancient domestic slaves under the name of a servant class, including men-servants, women-servants, lackeys, etc...."

MA 487-8 "Modern industry... dispels all fixity and security in the situation of the P 617-8  
labourer; how it constantly threatens, by taking away the instruments of R 121  
labour, to snatch from his hands his means of subsistence... [causes] the most reckless squandering of labour-power and... the devastation caused by a social anarchy which turns every economic progress into a social calamity... [But] modern industry, on the other hand, through its catastrophes imposes the necessity of recognising, as a fundamental law of production, variation of work, consequently fitness of the labourer for varied work, consequently the greatest possible development of his varied aptitudes..."

MA 503 "By maturing the material conditions, and the combination on a social P 635  
scale of the processes of production, [modern industry] matures the con-R 86  
traditions and antagonisms of the capitalist form of production, and thereby provides, along with the elements for the formation of a new society, the forces for exploding the old one..."

**Week 9: Wages; productive and unproductive labour; the reproduction of capitalist class society; unemployment; socialist revolution. Chapters 16 to 25 and 32.**

In order to make more time in this course to study difficult and basic parts of *Capital*, a lot of material is telescoped into this week.

1. *How does Marx define productive and unproductive labour? (See start of part 14, or chapter 16).*

2. *Which are unproductive?*

a) *A nurse in an NHS hospital; b) A nurse in a private hospital; c) A station supervisor on the London Underground; d) A bank clerk.*

3. *What is the value of labour? (See start of chapter 19).*

4. *In Capital (a passage not included in Rühle), Marx writes:*

*'Hence we may understand the decisive importance of the transformation of value and price of labour-power into the form of wages, or into the value and price of labour itself. This phenomenal form, which makes the actual relation invisible, and, indeed, shows the direct opposite of that relation, forms the basis of all the juridical notions of both labourer and capitalist, of all the mystifications of the capitalist mode of production, of all its illusions as to liberty, of all the apologetic shifts of the vulgar economists'.* (See chapter 19).

5. *Which is better for the worker, time-wages or piece-wages? (See chapters 20 and 21).*

6. *What does the process of capitalist production, repeated week after week, year after year, yield for the workers? And for the capitalists? (See chapter 23).*

7. *Why does capitalism have a constant tendency towards mass unemployment? (See part 23, chapter 25).*

8. *How does capitalism pave the way for socialist revolution? (See chapter 32).*

**1. "Productive labour" in capitalism**

MA 509 "That labourer alone is productive [in capitalist terms], who produces surplus-value for the capitalist, and thus works for the self-expansion of capital. If we may take an example from outside the sphere of produc-

P 644  
R 122-3

tion of material objects, a schoolmaster is a productive labourer when, in addition to belabouring the heads of his scholars, he works like a horse to enrich the school proprietor..."

**2. Labour versus labour-power (again)**

MA 537 "That which comes directly face to face with the possessor of money on the market, is in fact not labour, but the labourer. What the latter sells is his labour-power. As soon as his labour actually begins, it has already ceased to belong to him; it can therefore no longer be sold by him. Labour is the substance, and the immanent measure of value, but has itself no value".

P 677  
R 90

(cf week 4)

**3. Time wages, piece wages, wages in more developed countries**

MA 551, 556 "Wages by the piece are nothing else than a converted form of wages by time, just as wages by time are a converted form of the value or price of labour-power... piece-wage is the form of wages most in harmony with the capitalist mode of production..."

P 692, 697-8  
R 93, 94

MA 561 "Comparative statistics [show] that in spite of lower wages and much longer working-time, [European] continental labour is, in proportion to the product, dearer than English...' [England then being the more capitalistically developed country].

P 703  
R 95

**4. Capitalist production also produces... capitalism**

MA 578 "Capitalist production, therefore, under its aspect of a continuous connected process, of a process of reproduction, produces not only commodities, not only surplus-value, but it also produces and reproduces the capitalist relation; on the one side the capitalist, on the other the wage labourer..."

P 724  
R 98

**5. Why supply-and-demand doesn't create full employment**

MA 640 "The demand for labour is not identical with increase of capital, nor supply of labour with increase of the working class. It is not a case of two independent forces working on one another. [The dice are biased]. Capital works on both sides at the same time. If its accumulation, on the one hand, increases the demand for labour, it increases on the other the supply of labourers by the 'setting free' of them, whilst at the same time the pressure of the unemployed compels those that are employed to furnish more labour, and therefore makes the supply of labour, to a certain extent, independent of the supply of labourers. The action of the law of supply and demand of labour on this basis completes the despotism of capital..."

P 793  
R 105

MA 763 "Along with the constantly diminishing number of the magnates of capital, who usurp and monopolise all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working class, a class always increasing in numbers, and disciplined, united, organised by the very mechanism of the process of capitalist production itself... Centralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with their capitalist integument..." P 929  
R 118

**Week 10: How capitalism got going. Capital chapters 26 to 32**

1. *Compared to the feudal serf, the wage worker is more free in a straightforward sense. How? And also more free in a sarcastic or ironic sense. How?*

2. *Marx argues that the rise of the capitalist farmer and of the industrial capitalist involve different stages and factors. Which different stages and factors?*

3. *Why is it only half-true to present the rise of bourgeois society as a battle for liberty against feudal and guild restrictions?*

4. *When did capitalism first appear? In what ways was it then not fully-fledged?*

5. *Were there capitalists and capital before capitalism?*

**1. The beginnings of capitalism**

MA 715 "Although we come across the first beginnings of capitalist production as early as the 14th or 15th century, sporadically, in certain towns of the Mediterranean, the capitalistic era dates from the 16th century. P 976  
R 109  
Wherever it appears, the abolition of serfdom has been long effected, and the highest development of the middle ages, the existence of sovereign towns, has been long on the wane..."

MA 715 "The historical movement which changes the producers into wage-workers, appears, on the one hand, as their emancipation from serfdom and from the fetters of the guilds, and this side alone exists for our bourgeois historians. But, on the other hand, these new freedmen became sellers of themselves only after they had been robbed of all their own means of production, and of all the guarantees of existence afford- P 975  
R 108-9

ed by the old feudal arrangements...”

**2. Origins of the capitalist farmer and the industrialist**

MA 742 “In England the first form of the farmer is the bailiff, himself a serf... P 904  
R 112 During the second half of the 14th century he is replaced by a farmer, whom the landlord provided with seed, cattle and implements... Soon he becomes a métayer, a half-farmer... This form quickly disappears in England, to give the place to the farmer proper, who makes his own capital breed by employing wage labourers, and pays a part of the surplus-product, in money or in kind, to the landlord as rent...”

MA 751 “The money capital formed by means of usury and commerce was pre- P 905  
vented from turning into industrial capital, in the country by the feudal R 112-3 constitution, in the towns by the guild organisation. These fetters vanished with the dissolution of feudal society, with the expropriation and partial eviction of the country population. The new manufactures were established at sea-ports, or at inland points beyond the control of the old municipalities and their guilds...”

**3. Force in capitalist development**

MA 751 “In England at the end of the 17th century, they arrive at a systematical P 915-6  
R 113 combination, embracing the colonies, the national debt, the modern mode of taxation, and the protectionist system. These methods depend in part on brute force, e.g., the colonial system. But, they all employ the power of the State, the concentrated and organised force of society, to hasten, hot-house fashion, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition. Force is the midwife of every old society pregnant with a new one. It is itself an economic power...”

**4. Merchants and moneylenders**

MA 163 [Chapter 4]: “In analysing the standard form of capital, the form under P 266  
R — which it determines the economic organisation of modern society, we entirely left out of consideration its... so to say, antediluvian forms, merchants’ capital and money-lenders’ capital...”

**Week 11. Marxism vs bourgeois alternatives and criticisms**

Below are three propositions argued by an early advocate of modern orthodox economics, Stanley Jevons, in contrast to Marx’s views. For each of the three, summarise the alternative Marxist view, and examine the arguments on both sides.

1. Value is decided by marginal utility (the utility of the last extra bit of a commodity consumed), not by labour-time. In fact, this is the same as saying that it is decided by supply and demand.

Although Jevons does not use the word 'marginal' in the excerpt given, that is what he means, and he was in fact one of the pioneers of the concept. In reply to the objection that diamonds are much more valuable than apples or loaves or shirts, though apples or loaves or shirts are much more useful, Jevons would point out that diamonds are bought only when people, having few or none of them, decide that one more diamond is worth more to them than extra of the apples and loaves and shirts of which they already have lots. People can make that comparison, and, in fact, having limited budgets, constantly do make that comparison.

The more apples (or diamonds) are produced, the more people get to the point where they really would prefer lots of other things to more apples (or diamonds), and the lower the average 'marginal utility' of apples falls. When it falls as low as the cost of production, then supply equals demand, and marginal utility equals cost of production equals price.

2. The production of wealth needs land, labour and capital, not just labour.

3. The owner of each factor of production — land, labour, or capital — must be paid for his factor's contribution to production. How much they are paid is determined by supply and demand, not by any process of exploitation.

Jevons: [archive.workersliberty.org/wlmags/capital/ex10a.htm](http://archive.workersliberty.org/wlmags/capital/ex10a.htm)

Notes and extra reading:  
[archive.workersliberty.org/wlmags/capital/course.htm](http://archive.workersliberty.org/wlmags/capital/course.htm)

## Further reading

More on the 11-part course — [bit.ly/capital-awl](http://bit.ly/capital-awl)

Further notes and resources on all three volumes of *Capital*, including critical notes on David Harvey's lectures on volume 1 — [bit.ly/3-vols](http://bit.ly/3-vols)

Marx's Capital: 150 years of decoding capitalism — [bit.lyj/cap-150y](http://bit.lyj/cap-150y)

David Harvey on volume 1 — [davidharvey.org/reading-capital/](http://davidharvey.org/reading-capital/)

David Harvey on volume 2 — [davidharvey.org/2012/01/marxs-capital-vol-2-class-01/](http://davidharvey.org/2012/01/marxs-capital-vol-2-class-01/)

Karl Kautsky's summary and explication of *Capital* volume 1 — [www.marxists.org/archive/kautsky/1903/economic/index.htm](http://www.marxists.org/archive/kautsky/1903/economic/index.htm)

Rosa Luxemburg's summary of *Capital* volumes 2 and 3 — [www.marxists.org/archive/mehring/1918/marx/ch12.htm#s3](http://www.marxists.org/archive/mehring/1918/marx/ch12.htm#s3)

Karl Korsch's introduction to *Capital* volume 1 — [www.marxists.org/archive/korsch/19xx/introduction-capital.htm](http://www.marxists.org/archive/korsch/19xx/introduction-capital.htm)

Nicole Pepperell on the opening chapters of *Capital* volume 1 — [bit.ly/nicole-pep](http://bit.ly/nicole-pep)

*Marx's Capital*, by Ben Fine and Alfredo Saad-Filho, 5th edition — [bit.ly/fine-sf](http://bit.ly/fine-sf)

Harry Cleaver's guide to *Capital* volume 1 — [la.utexas.edu/users/hcleaver/357k/357ksg.html](http://la.utexas.edu/users/hcleaver/357k/357ksg.html)