

Fetishism and the Labour Theory of Value

This paper has grown out of an attempt to make sense of Marx's "labour theory of value". It seemed to me that there is often a lack of clarity about what Marx is trying to do with the theory; that is, a lack of clarity as to what kind of theory it is. Marx himself describes it as a dialectical theory, so in order to bring out the difference between the sort of questions Marx asks and the sort of questions asked by his contemporary "bourgeois economists" it is useful to look at some aspects of the concept "dialectic", especially as it applies to the social sciences. This involves a consideration of the nature of social science. What precisely do the social sciences describe and what kind of explanations do they give?

A society is a collection of people. If each individual behaved randomly and related to other individuals in a random way, there would be no social science. However, they do not behave randomly. Each individual usually displays a pattern of behavior and relations between individuals are patterned. The social sciences describe these observable regularities in interpersonal behavior - whether it be in economic behavior, in family relationships, or in voting behavior. These patterns constitute what is called the "social structure". Different societies have different structures and sub-structures but all societies have a structure.

The question which now arises is: what is the relation between the individual and the social structure in which he lives? On the one hand, as we have seen, the "social structure" is only another name for the way in which individuals behave towards one another, and so is a function of the behavior of each individual, with no independent status of its own. On the other hand, the individual is born into a social structure and adopts behavior patterns characteristic of that structure. The structure exists for him as an external facticity, imposing on him certain constraints, some of which he is conscious of, but many of which he does not notice because he is not aware of any alternative ways of behaving. Thus social structure seems to have what one might describe as an ambiguous ontological status, both depend-

ent on and independent of individual behavior. Two possible explanations can be immediately ruled out:

1) A society of bees has a very rigid, biologically determined structure. However, there is no evidence to suggest that for humans different social behavior patterns are biologically determined. [2]

2) A group of people faced with a problem quickly develops a pattern of relationships suitable for solving the problem.

Here we have a social structure which has been consciously created by the individuals concerned. However, there do not seem to be any social structures of this kind in existence, though it cannot be ruled out as a possibility. Any political theory involves an implicit and explicit answer to the problems we have been discussing - the problem of the nature of the relation between man and society. Rousseau first begins to formulate a solution which deals with the ambiguity of social structure with his distinction between the General Will and the Will of All. The Will of All is the sum of the atomised wills of all the individual wills in society, each seeking its own good irrespective of the needs of the other individuals. The General Will is not an actual existing will. It is the ideal expression of the needs of the society as a whole, or of the preconditions for the continued existence of the society. By making this distinction and by giving primacy to the General Will, Rousseau is not introducing a polar opposition between Individual and Society and subordinating Individual to Society. Rather, he is trying to show that the individual is necessarily involved in a set of relations with his fellows and that he never functions as an independent atom. When he says that the General Will expresses the "real will" of the individual he is pointing to the fact that the practical effect of the carrying out of the will of all is to produce counter-finalities which inhibit the fulfillment of each individual will. If we all assume we are atomic individuals and act in accordance with this assumption, we defeat our own ends. (Environmental pollution is a relevant example of a very clear distinction between the General Will and the effect of giving free rein to the Will of All.) The General Will expresses my real will insofar as whenever I act I assume certain social givens and if my act tends to break down those givens it destroys its own basis. This is analogous to, and presumably the origin of, Kant's Categorical Imperative. But since Rousseau is here thinking in political terms, rather than in individual ethical terms, it is easier to see a concrete contradiction emerging. From Rousseau, then, we see that the individual is a "social individual", that the dichotomy individual/society is a false one. However, Rousseau is unable to conceptualise the complex interrelation between the individual and his fellows in anything other than very general terms. Nor is he able to suggest

delivered to Philosophy Congress. Jan Cape Town 1941

FETISHISM AND THE LABOUR THEORY OF VALUE

BY

RICHARD TURNER, NATAL.

Cg

This paper has grown out of an attempt to make sense of Marx's "labour theory of value". It seemed to me that there is often a lack of clarity about what Marx is trying to do with the theory; that is, a lack of clarity as to what kind of theory it is. Marx himself describes it as a dialectical theory, so in order to bring out the difference between the sort of questions Marx asks and the sort of questions asked by his contemporary "bourgeois economists" it is useful to look at some aspects of the concept "dialectic", especially as it applies to the social sciences. This involves a consideration of the nature of social science. What precisely do the social sciences describe and what kind of explanations do they give?

A society is a collection of people. If each individual behaved randomly and related to other individuals in a random way, there would be no social science. However, they do not behave randomly. Each individual usually displays a pattern of behavior and relations between individuals are patterned. The social sciences describe these observable regularities in interpersonal behavior - whether it be in economic behavior, in family relationships, or in voting behavior. These patterns constitute what is called the "social structure". Different societies have different structures and sub-structures but all societies have a structure.

The question which now arises is : what is the relation between the individual and the social structure in which he lives? On the one hand, as we have seen, the "social structure" is only another name for the way in which individuals behave towards one another, and so is a function of the behavior of each individual, with no independent status of its own. On the other hand, the individual is born into a social structure and adopts the behavior patterns characteristic of that structure. The structure exists for him as an external facticity, imposing on him certain constraints, some of which he is conscious of, but many of which he does not notice because he is not aware of any alternative ways of behaving. Thus social structure seems to have what one might describe as an ambiguous ^{ontological} status, both dependent on and independent of individual behavior.

Two possible explanations can be immediately ruled out:
1) A society of bees has a very rigid, biologically determined structure. However, there is no evidence to suggest that for humans different social behavior patterns are biologically determined.

any way in which the General Will might be given institutionalised expression. [3] Hegel's concept of "dialectic" is an attempt to provide an adequate way of conceptualising the "social individuality" of the human being. Here I am not interested in the other functions which the concept serves for Hegel, nor am I interested in the general problem of what might be meant by "dialectical logic". I wish only to show how Hegel uses the dialectic to articulate one particular set of relationships. We can start with the general problem of the relation between man and his world. Man is, or can be, rational. The defining characteristic of reason is its universality. That is, by reason a man can discover truths which are valid for other men in other situations. But the individual is also a limited being, tied to and acting from a specific social and physical position in the world. Hegel uses the term "negation" and "negation of the negation" to describe the process whereby the individual moves from particularity to universality. The world is a highly differentiated process of interactions. It is, in an important sense, a unified process. Individual parts of it have no consciousness of themselves as being in any way separate from the rest of the process - that is, they have no self-consciousness. This means, at the most basic level, that he experiences the world as not being himself. This Hegel describes as the first negation. The individual self-consciousness negates the unity of the world by positing its own individuality. However, objectively he is still part of, and dependent on, the world. To give any expression to his Individuality by acting on the world, he has to go beyond this simple affirmation of his independence - he has to understand the world and himself as a product of the world. That is, he has to use his reason to re-situate himself in the world. This is the process which Hegel describes as the "negation of the negation". This "negation of the negation" is not a return to the status quo ante. When it has been achieved my world has been changed from "unity in-itself" to a "unity for-itself"; that is, a unity illuminated by my consciousness of it. On the basis of my new understanding I can embody my individuality in the world. To put it another way, I can embody my freedom in the world. The mere positing of my individuality, the first negation, leaves me still conditioned by all the forces acting upon me, both the forces of nature and social forces, many of them already embodied in the socialisation process through which I have passed. It is only when I understand both how I am being influenced by those forces, and how they related to one another, that I can do anything about them and so establish my individuality in a meaningful way. [4]

Let us now consider what significance this might have for the analysis of society. Hegel is suggesting that at the level of the first negation the individual sees himself as a separate atom in a world of discrete phenomena.

He can describe those phenomena but he does not see the relationships between them, and with him. Just as the afferent [sic] opposition between individual and world is dissolved by showing the dialectical relationship between them, so many “oppositions” between phenomena might be dissolved by showing their interconnections. This, I think, is what is meant by Hegel’s idea of the unity of opposites. In the field of the social sciences, he is suggesting that a certain kind of science accepts “opposites” which are part of a given social reality as being essential elements of all social reality, without trying to discover the origins of these phenomena, without trying to discover the interdependence of the opposites. There are two aspects to Hegel’s dialectical approach:

1) the idea that all social phenomena, including, of course, the “observer”, are interconnected and have to be understood in terms of one another.

2) the idea of the “two levels” of knowledge, corresponding to the negation and to the negation of the negation.

The second aspect deals with the specific form in which man is interconnected with other elements of the world. Because he can move from the negation to the negation of the negation, he can become free. I have attempted this rather misty excursion into Hegelian exegesis because it seems to me that it is useful to describe Marx’s approach to society as a dialectic one and that the best way to give some content to the word is by looking at the way in which Hegel develops its use. I think it is very important to stress that I don’t believe that, for example, to describe some phenomenon as the “negation of the negation” is in any way to explain that phenomenon. It no more explains it than it explains it to say, “It is caused”. Perhaps one could call it a mode of explanation, a mode which has to be given content in any given situation, as we might give the term ‘cause’ a content by saying, A is caused by B. Hegel, then, begins to elaborate a scheme for conceptualising the complex interdependence of individual and society. Marx, in *Capital*, is trying to develop this scheme in a concrete way to show how it works in detail in a particular case. [5]

In the *1844 Manuscripts*, Marx criticises classical political economists as follows:

Political economy begins with the fact of private property; it does not explain it. It conceives the material process of private property, as this occurs in reality, in general and abstract formulas which then serve it as laws. It does not comprehend those laws; that is, it does not show how they arise out of private property.

He is asking, firstly, that private property, as the basis of a capitalist economy, should be explained, rather than merely be taken for granted; secondly, that instead of just describing the laws of the economy one should inquire as to how they arise out of the nature of private property. To put it another way, the “bourgeois economist” investigating the operation of the market, asks a particular set of questions for a particular purpose. He sees that exchange occurs via the price mechanism, and he wants to know precisely how prices are arrived at in the market. He wants to know how to increase sales, what the likely effect on profit and sales of raising or lowering prices will be, and so on. He formulates laws which describe the relation between these and other factors, and which can be used to predict the effect of changes in one, on changes in the others. Marx is here asking a different set of questions. Instead of starting from the existence of a market, he wants first to ask why there should be exchange at all. That is, what are the conditions for the existence of a market and, in particular, what social relations between individuals underly the existence of the market. Only when one has answered this question is it possible to know what can be done about the observed effects of the existence of a market economy, in particular the divisions between capitalists and workers and the consequences of this for the workers, which he first describes in the opening sections of the *1844 Manuscripts*. Burke wrote,

The laws of commerce are the laws of nature, and therefore the laws of God (qtd *Cap.* 1 p. 843).

Marx wants primarily not to describe the laws, but to find out whether Burke’s account of their nature is true. In chapter 1 of *Capital*, Marx investigates the concepts, “commodity” and “value”. A commodity is an object, a use-value, produced for exchange. By exploring the notion of “value” Marx is asking why it is that commodities can be exchanged, what it is in a commodity which makes it exchangeable. He is not asking about wealth since he specifically distinguishes value and wealth: “An increase in the amount of material wealth may take place while the magnitude of the value of this wealth falls.” (*Capital* 15). Value is a relational term whereas “wealth” is not. [6] The problem is that as useful objects, use-values, commodities differ qualitatively from one another, whereas the process of exchange is a quantitative one. However, it is at least a minimum requisite for a commodity’s exchangeability that it be a use-value. Furthermore, it must be a use-value to someone other than the producer - it must have a social utility. This implies a social division of labour - different people must be producing different things for exchange to occur (division of labour is a

necessary, but not a sufficient, condition for exchange - there is division of labour within a factory, but no exchange). Since exchange is based on division of labour, Marx argues that we should investigate the nature of labour to see if we can discover there, the quantitative measure which determines exchange. Different kinds of objects are of course, produced by qualitatively different kinds of labour. Nevertheless, they all use up a certain amount of the available labour power of the society and in this sense are qualitatively the same.

Tailoring and weaving are formative elements in the production of the use-values coat and linen, for the very reason that the two kinds of labour differ in quality; but they are substantial constituents of the coat-values and the linen-value only insofar as their specific qualities as tailoring and weaving are disregarded, and only insofar as both have the same quality of being human labour. (*Cap* 14)

By “labour” Marx does not mean just “expenditure of energy”. To count as ‘labour’ energy must be expended in the production of commodities - that is, of social use-values for exchange. Moreover, it must be “socially necessary labour” - that is, it must not be “wasted” in comparison with the amount of energy other people expend in producing the same objects. “Labour”, therefore, is defined relationally in social terms. That is, “labour” in the sense in which Marx is using the term, is an activity which only occurs in a social context. It is a way of being related to other individuals in society. In commodity productions

the labour of private producers does really acquire a two-fold social character. On the one hand, such labour must, as definitely useful labour, satisfy a definite social demand, thus taking its place as a constituent of the general aggregate of labour, as part of the spontaneously developed system of the social division of labour. On the other hand, such labour can only satisfy the manifold wants of the producers who perform it, insofar as each particular kind of individual or private useful labour is exchangeable for every other particular kind, because each ranks equally with the other. (*Cap.* 46-47) [7]

Commodities are exchangeable, therefore, in virtue of being products of human labour. Labour itself is quantifiable in terms of labour time, which serves, therefore, as a means of value. “Value” expresses the relation between the activities of the different producers. The exchange is the method of co-ordinating the activity of the different producers in such a way that they satisfy their collective needs. It is nothing more than a social relation between producers. Thus what Marx is trying to show with his “labour theory of value” is that the whole complex set of relations and laws which make up the market have no independent status of their own. They are

simply an expression of the relation between individuals, and hence are at least in theory controllable by those individuals. That is, they are not, as believed, laws of nature. However, Marx suggests, those laws and relations are experienced as external facticities by the individuals concerned, and hence as independent of human control. To explain why this occurs, Marx investigates the role of money in the process. In the actual market situation, value is expressed in money terms.

Everyone knows so much, at least, that commodities have a value-form common to them all, the money-form; i.e. they know that the money-form contrasts markedly with the manifold bodily forms of their use-value. But here we are confronted by a task which bourgeois economics has never ever tried to undertake. We have to discover the origin of the money form; to trace the development of the expression of value contained in the value ratio of commodities; to follow this up from its simplest and most inconspicuous configuration to the glaringly obvious money form. Then the enigma of money will cease to be an enigma. (*Cap.* 17),

Marx is here suggesting that the simple exchange relation between my product and yours, between my labour and yours, is veiled by the money-form, in such a way that the money-form itself becomes fetishised. In order to dispose of this fetishisation, it is necessary to show how the money-form grows out of the simpler forms of exchange. Marx sees four stages in this process:

A.) Elementary, Isolated or Accidental Form of Value.

20 yds linen = 1 Coat (rel[ative?] value form (equivalent form))

The linen which I produce is only useful to me insofar as it is a use-value for somebody else - that is, insofar as it conforms to the pattern of the social division of labour. The coat, here fills the role of what Marx calls the “equivalent form”. [8]

He writes:

The body of the commodity that serves as the equivalent figures as the materialisation of human labour in the abstract, and is at the same time the product of some specifically useful concrete labour. This concrete labour becomes, therefore, the medium for expressing abstract human labour But because this concrete labour, tailoring in our sense, ranks as, and is directly identified with undifferentiated human labour, it also ranks as identical with any other source of labour and therefore with that embodied in the linen. Consequently, although, like all other commodity producing labour, it is the labour of private individuals, yet at the same time it ranks as labour directly social in character. (*Cap.* 27-28).

Two points should be noted here. Firstly, the stress on the social character of the labour; secondly, the idea that the equivalent figures as abstract labour, rather than as a use-value, in the exchange. It is this that lays the basis

for the switch to money as purely abstract representation of abstract human-labour.

However, before the money stage is reached there are two further forms:

B.) The total or Expanded Form.

20 yds Linen = 1 coat
40 lbs coffee
2 oz gold

This is merely the sum of all the elementary exchange equations into which the linen can enter. It brings the linen into a "social relation" with "the whole world of commodities" (*Cap 35*).

C.) The Generalised Form of Value.

1 coat
40 lbs coffee = 20 yds linen
2 oz gold

In this form the values of all commodities are inter-comparable in terms of their relation to linen. Marx writes:

This discloses the fact that the reality of the value of the commodities, inasmuch as it is nothing other than the 'social existence' of these things, can only secure expression through their generalised social interrelations; i.e. that the form of their value must therefore be a socially recognised form. (*Cap 39*).

The manufacture of linen has become "the generalised phenomenal form of indifferenced human labour". (*Cap 39*). This one commodity has taken on a special status. The equations into which it enters are [not?] really reversible, as the earlier forms were. [9]

D.) The Money Form - gold replaces linen as the general equivalent.

Gold is only able to confront other commodities as money, because it has previously confronted them as a commodity. (*Cap 43*).

That is, the money form is only a generalisation of the simple exchange of the product of my labour for the product of your labour. Money merely represents their exchangeability. In its abstractness it is, for Marx, a perfect representation of the abstract human labour which is the basis of labour. To summarise, Marx is trying to show that the market situation is nothing but a set of relationships between men. It has, as it were, no independent ontological status. However, it appears to be a set of relationships between objects, governed by natural laws which are constraining on the people who have produced the objects. That is, it appears to be a process which works independently. Why is this? In his account of the nature of commodities, Marx writes

only such products can become commodities with regard to each other as result from different kinds of labour, each kind being carried on independently and for the account of private individuals.

(a) More precisely, commodity production is production on the basis of private property, by separate individuals. Instead of the division of labour being mediated by direct contact between these individuals, they come into contact only via the market. It is therefore the separation of individuals through the institution of private property which gives the market and the laws of the market their apparently independent status.

A commodity is therefore a mysterious thing, simply because in it the social character of men's labour appears to them as an objective character stamped upon the product of that labour, because 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. It is a definite social relation between men that assumes, in their eyes, the fantastic form of a relation between things [deleted:] In order, therefore, to find analogy, we must have recourse to the mist-enveloped regions of the religious world. In [this] world, the productions of the human brain appear as independent beings endowed with life, and entering into a relation both with one another and the human race. So it is the world of commodities with the products of men's hands.[end deletion] This I call the fetishism which attaches itself to the products of labour, so soon as they are produced as commodities, and which is therefore inseparable from the production of commodities (*Cap* 42). [10]

Marx introduces the concept “fetishism” to describe the status of the laws of political economy. They are not “natural” laws, but only appear as such in the contrast of human separation. But in this context they do act as independent laws and impose real constraint on human behavior. This introduces a kind of determinism into human history. The process whereby “the market” becomes an independent entity is part of what Marx describes as “alienation”. What he is suggesting, therefore, is that it is under conditions of alienation that men experience social structures as “external facticities” and are conditioned by the laws which describe the social structures and their patterns of change. The development of capitalist society, which Marx considers in the rest of *Capital*, he sees occurring not as the result of a set of inexorable external laws, but rather as the result of laws which depend for their continued operation on people continuing to fetishise them. He writes:

The life process of society, this meaning the material process of production, will not lose its veil of mystery until it becomes a process carried out by a free association of producers, under their conscious and purposive control. (*Cap 54*)

- that is, the laws will only operate as long as men are ignorant of their roots. To conclude, I'd like to look very briefly, and in very general terms, at some other aspects of Marx's social theory, in the hope that this will bring out the significance of the account so far. I started off by discussing the question of the relationship between the individual and the social structure. This question is important because it is tied in with the problem of freedom, i.e. of how an individual can embody his freedom by changing his situation. How does Marx handle the concepts "freedom" and "change"? Let me first make the obvious, but important, point that he is arguing that in a capitalist society important limitations are placed on human freedom, even within a context of democratic rights. Although in such a society men have escaped from the obvious social constraints imposed by the arbitrary rule of absolute monarchy, they are still subject to hidden social constraints resulting from the particular way that they are related to other people in that sort of society. That is, the Idea of the independence of the individual vis-à-vis society is an illusion. The problem of maximising individual freedom then becomes one of trying to find mediations between an individual and his fellows which will take into account their necessary independence and at the same time preserve their autonomy.

This is a description, in the most general terms possible, of what Marx means by "communism". But the central problem of freedom is: how does one go about breaking out of the condition of fetishisation? There seems to be a vicious circle involved. Individual behavior creates the social structure, but once it has been created it tends to maintain itself, as it were, through a socialisation process which produces individuals who behave in the sort of way which suits the social structure. What might lead individuals to change their behavior patterns, and so to change the social structure? Marx's theory is that the internal laws of development of any given structure may give rise to conditions in which that structure can no longer survive. This could happen because individuals, though in a state of alienation, remain dialectically related to the world, and so remain in a learning relationship with the world. As the world, or the social structure, changes the individual may have to readjust his attitude to it, which may involve coming to recognise its real nature. Even if it does not, it involves a change in consciousness and so a change in behavior patterns. The change in consciousness which is brought about by trying to handle a changing situation

is crucial. It is only because their consciousness changes that men can act to restructure the situation - that is, they can carry out a revolution. A useful way of describing the relations between freedom and determinism here is to say that Marx believes that a revolution becomes possible when certain kinds of social conditions obtain - possible only, because a revolution is a free act but one which only occurs given motivation and the possibility of a change in consciousness. Investigating the logic of a particular (fetishised) social structure can show whether or not it is probable that such conditions will obtain in the future. That is, one cannot predict revolutions but one predict the probability of the possibility of revolutions. I am expressing all this in very general terms because I am here more interested in the nature of Marx's theory than its specific content. I have tried to illustrate the problem Marx was dealing with by showing its origin in Rousseau and Hegel. What I describe as the "ambiguous ontological status of social structure" rests upon the dialectical, conditioned-conditioning, relations between the individual and his society, and in particular rests on the way in which certain phenomena become fetishised in this situation. The theory of fetishisation is an attempt to explain the nature of "social laws". As such it is crucial to an understanding of Marx's writings - both his earlier and his more mature writings.