In an attempt to review what Marx saw as key elements of capitalism, topics such as surplus value and division of labor must be addressed.

LABOR THEORY OF VALUE, SURPLUS VALUE

A full review of the economic debates in which Marx engaged concerning the labor theory of value is not possible here, nor will I elaborate on what is known today as the "transformation problem." Labor theory of value, surplus value, and exploitation will be defined not in terms of price but in terms of time, as Marx did throughout much of his work. For an account of the principal ways in which he analyzed capitalist society, this procedure will be adequate and not misleading.

Because the worker is forced to sell his labor power and to let it be subject to an alien will, he not only becomes estranged, but also "divests himself (entäussert sich) of labour as the force productive of wealth" (G, p. 307). Through this exchange in which the worker receives wages, the capitalist controls the labor of the worker and becomes the owner of the product of labor (see MEW, 23, pp. 199-200). In the Grundrisse, Marx writes that the "separation between labour and property in the product of labour, between labour and wealth, is thus posited in this act of exchange itself" (G, p. 307; MEW, G, p. 214). He explicitly postulates that labor is the source of wealth
and that, since the product of labor does not belong to the worker, it is the capitalist who appropriates this wealth. The capitalist, of course, does not stockpile his wealth in the form of the product produced by the labor power. The capitalist produces for a market on which he sells the commodities, and in turn, through the medium of money, he accumulates the wealth in the form he desires, be it the means of production or other forms of wealth. In order to accumulate wealth, however, the capitalist must be able to sell his commodities above the cost of production.

Marx assumes that, on the average, commodities are sold above cost. Cost, however, is nothing else but the labor time embodied in a commodity for which the worker is compensated by the particular capitalist, plus the cost of all materials required to produce the commodity. The raw materials in themselves include labor cost and surplus value which one capitalist pays to the other. Generally, an individual capitalist can sell his commodities above cost only if the worker is not fully compensated for the labor performed. Expressed in terms of labor time, it can be said that a particular worker also produces during a certain number of hours without being compensated for this production. The commodities produced during this time are at no labor cost; nevertheless, they are appropriated by the capitalist who can then sell them at whatever price the market will bear. In terms of each particular product, it is therefore possible to say that it contains a portion of labor time for which the worker was not compensated, although he was forced to spend the time in the service of the capitalist as an obligation in return for receiving wages. Marx calls the labor time which the worker performs without compensation surplus labor, and compensated labor he calls necessary labor time. In the following passage, he summarizes his notions of labor value:

The value of every commodity is the product of labour; hence this is also true of the value of the product of the annual labour or of the value of society's annual commodity-product. But since all labour resolves itself 1) into necessary labour-time, in which the labourer reproduces merely an equivalent for the capital advanced in the purchase of his labour-power, and 2) into surplus-labour, by which he supplies the capitalist with a value for which the latter does not give any equivalent, hence surplus-value, it follows that all commodity-value can resolve itself only into these two component parts, so that ultimately it forms a revenue for the working-class in the form of
wages, and for the capitalist class in the form of surplus-value. As for the constant capital-value, i.e., the value of the means of production consumed in the creation of the annual product, it cannot be explained how this value gets into that of the new product (except for the phrase that the capitalist charges the buyer with it in the sale of his goods), but ultimately, since the means of production are themselves products of labour, this portion of value can, in turn, consist only of an equivalent of the variable capital and of surplus-value, of a product of necessary labour and of surplus-labour. The fact that the values of these means of production function in the hands of their employers as capital-values does not prevent them from having “originally,” in the hands of others if we go to the bottom of the matter—even though at some previous time—resolved themselves into the same two portions of value, hence into two different sources of revenue . . . the matter presents itself differently in the movement of social capital, i.e., of the totality of individual capitals, from the way it presents itself for each individual capital considered separately, hence from the standpoint of each individual capitalist. For the latter the value of commodities resolves itself into 1) a constant element (a fourth one, as Adam Smith says), and 2) the sum of wages and surplus-value, or wages, profit, and rent. But from the point of view of society the fourth element of Adam Smith, the constant capital-value, disappears (C2, p. 388; MEW, 24, pp. 383-384).

Once the labor theory of value is accepted, that is, once it is recognized that all wealth and the value of all commodities are a function of the labor time embodied in it,

the independent, material form of wealth disappears and wealth is shown to be simply the activity of men. Everything which is not the result of human activity, of labour, is nature, and, as such, is not social wealth. The phantom of the world of goods fades away and it is seen to be simply a continually disappearing and continually reproduced objectivisation of human labor. All solid material wealth is only transitory materialisation of social labour, crystallisation of the production process whose measure is time, the measure of a movement itself.

The manifold forms in which the various component parts of wealth are distributed amongst different sections of society lose their apparent
independence. Interest is merely a part of profit, rent is merely surplus profit. Both are consequently merged in profit, which itself can be reduced to surplus-value, that is to unpaid labour. The value of the commodity itself, however, can only be reduced to labour-time (TS 3, p. 429; MEW, 26.3, p. 421).

As soon as the postulate that "the value of the commodity itself can only be reduced to labour-time" is accepted, it also becomes clear why both labor and the means of production are continually devalued. Let us consider Marx’s argument in The Poverty of Philosophy, a work that he repeatedly mentioned in his later writings and that represents the foundation of any of the economic theories which he developed later in his life: "It is important to emphasize the point that what determines value is not the time taken to produce a thing, but the minimum time it could possibly be produced in, and this minimum is ascertained by competition" (CW, 6, p. 136; MEW, 4, p. 95). Since the exchange value of a commodity is based on the minimum labor time, the method and means of production used in the production of commodities are subject to constant change. Thus, if the productivity of labor can be augmented sufficiently through the employment of new methods and/or means of production, the previously used means of production may become obsolete (devalued) before its life-span is exhausted. Similarly, without going into the various contingencies of a particular situation, it is possible to say that, since less labor time is required to produce the same commodity if productivity is increased, labor will be less costly (devalued). Here as well competition will bring about a reduction of wages as a result of a greater abundance of workers.

Competition implements the law according to which the relative value of a product is determined by the labour time needed to produce it. Labour time serving as the measure of marketable value becomes in this way the law of the continual depreciation of labour. . . . There will be depreciation not only of the commodities brought into the market, but also of the instruments of production and of whole plants (CW, 6, p. 135; MEW, 4, pp. 94-95).

In view of the fact that labor devalues, that is, that the workers looking for work become more numerous and therefore replaceable as productivity
increases, the employer also has less, or no, incentive to protect human life and health. This leads Marx to observe that the capitalist mode of production is wasteful both with respect to human resources and to material means:

The capitalist mode of production is generally, despite all its niggardliness, altogether too prodigal with its human material, just as, conversely, thanks to its method of distribution of products through commerce and manner of competition, it is very prodigal with its material means, and loses for society what it gains for the individual capitalist (C3, pp. 86-87; MEW, 25, p. 97).

We have seen that according to Marx the capitalist qua capitalist can exist in his competitive world only if he can appropriate enough products of unpaid labor. This surplus value is generally realized and is transformed into the appropriate form of wealth through exchange. The products of labor are exchanged to recover both fixed and variable expense (capital) as well as to obtain additional capital from the surplus product produced by unpaid labor. Since, under capital, the products of labor are produced for a market, in contrast to personal use by the capitalist or the worker, exchange is of prime importance to the capitalist. Only through exchange can he recover his outlays in constant and variable capital as well as obtain additional capital from the surplus product appropriated. The capitalist, then, produces for exchange, he produces commodities (Waren) in contrast to only use value. He produces for the exchange value\(^2\) of a particular thing, not for its use value. The capitalist produces only commodities, things which in exchange will yield sufficient money, because only through exchange can he both recover his original capital outlays and obtain additional capital. This is not to say that the commodities produced do not also have use value. They obviously do since it is through exchange that individuals satisfy their needs and that, under capital, individuals obtain those products of labor (commodities) that will be of use to them (see MEW, 23, pp. 55, 57, 62; C1, pp. 48, 50, 54). The capitalists’ interest is in the exchange value of commodities, as opposed to their use value, since it is only through exchange and the value obtained therein that the capitalist can recover his additional outlays and enlarge his original capital. When Marx discusses exchange in general, he says that “what . . . concerns producers when they make an exchange, is the question, how much of some
other product they get for their own? In what proportions the products are exchangeable?” (C1, p. 79; MEW, 23, p. 89). This observation is equally applicable for the capitalist, who depends on the exchange of his commodities in order to obtain, through the medium of money, the commodities he requires for his own personal consumption as well as for continuing his process of accumulation.

In summary, it can be said that, under capital, things of use value are exchanged and through this exchange obtain an exchange value. Once things of use value are being exchanged and produced for exchange they are commodities. Commodities contain both a use value and an exchange value. Concerning the distinction between the two kinds of value, Marx notes:

A thing can be of 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 (C1, p. 48; MEW, 23, p. 55).

And concerning the transformation of things with use values into commodities, Marx remarks that

it is only by being exchanged that the products of labor acquire, as values, one uniform social status, distinct from the sensually different ways by which they can exist as objects of utility. This division of a product into a useful thing and a value becomes practically important, only when exchange has acquired such an extension that useful articles are produced for the purpose of being exchanged, and their character as values has therefore to be taken into account, beforehand, during production (MEW, 23, p. 87; translation mine).³

We have seen that Marx distinguishes between two forms of value which a product of labor can assume and that the capitalist who produces for the market is interested in the exchange value of a commodity. “Hence commodities must be realised as values before they can be realised as use-values,” writes Marx, since the commodities will not be brought to market (that is,
they will not be purchasable for use) in case they do not yield the appropriate exchange value (C1, p. 89; MEW, 23, p. 100). As the product of labor assumes a different form of value in exchange, so does the labor embodied in the product.

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; for, so far as it finds expression in value, it does not possess the same characteristics that belong to it as a creator of use-values (C1, pp. 48-49; MEW, 23, p. 56).

All productive activity is "nothing but the expenditure of human labour-power... productive expenditure of human brains, nerves, and muscles." (C1, p. 51; MEW, 23, p. 58). Although the above is the case, productive activity which produces a thing with a particular use value is qualitatively different from that which produces a different object of utility. Thus, "tailoring and weaving are necessary factors in the creation of the use-values, coat and linen, precisely because these two kinds of labour are of different qualities" (C1, p. 52). With respect to the general definition of productive activity, tailoring and weaving are only "two different modes of expending human labour-power" (C1, p. 51). Nevertheless, these two different modes of productive activity are characteristic of the production of very distinct use values such as coats and linen. If in the production and exchange of commodities exchange value is of prime importance, the mode of expending human labor power also becomes unimportant in the process of exchange. What gives a product a particular use value is the distinct skill that transforms the elements of nature into an object of utility. Thus, use value is created by a particular mode of expending labor power. Exchange value, on the other hand, is not derived from any particular mode of expending labor power. Whether a product will exchange against other goods in certain proportions is not dependent on the quality (mode) of the labor power expended, but on its quantity. Accordingly, commodity production is bound only by the quantity of "productive expenditure of human brains, nerves and muscles" and not by any mode in which human brains, nerves and muscles are expended in the process of production. The mere quantitative expenditure of human brains, nerves, and muscles, however, is an activity of which any individual is capable. It
is simple labor. Since simple labor is the common denominator of all human beings, it is incapable of reflecting the uniqueness of human labor which, through its particular mode, creates a certain use value.

Exchange value, then, is not determined by any particular mode of expended labor power. According to Marx, "The value of a commodity represents human labour in the abstract, the expenditure of human labour in general" (C1, p. 51) (MEW, 23, p. 59). A commodity, he says, "may be the product of the most skilled labour, but its value, by equating it to the product of simple unskilled labour, represents a definite quantity of the latter labour alone" (C1, p. 51). At another place he writes:

On the one hand 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" (C1, p. 53; MEW, 23, p. 61).

For a commodity to be exchanged in certain proportions, it must be compared with other goods. The proportion in which a certain commodity exchanges against other commodities is determined by the quantity of abstract simple labor embodied in it. Essentially, individuals who exchange commodities merely compare the amount of simple labor embodied in each commodity and equate the labor of others on a society-wide scale:

Whenever by an exchange, we equate as values our different products, by that very act, we also equate, as human labour, the different kinds of labour expended upon them. We are not aware of this, nevertheless we do it. Value, therefore, does not stalk about with a label describing what it is (C1, p. 79; MEW, 23, p. 88).

Although exchange is possible on this basis and although the capitalist can recover his initial outlay and augment his total capital on the basis of such exchange, a contradiction is involved. In the act of exchange, two things of different use value are equated and then exchanged in certain proportions as if their use values could be equated. Marx accepts Aristotle's view and, quoting Aristotle, claims that "it is . . . in reality impossible that
such unlike things can be commensurable’—i.e., qualitatively equal.” Nevertheless, individuals do exchange things of different use value in certain proportions as if use value could be equated and quantified. “Such an equalisation can only be something foreign to their real nature” (C1, p. 65; MEW, 23, p. 74), that is, to the real nature of the things with different use values to be exchanged. The contradiction exists insofar as commodities are exchanged for use. Use value is not quantifiable, however. Although a commodity has an exchange value that makes this commodity acquirable for use, what is measured is not the commodity’s use value but the quantity of abstract labor power embodied in it.

In summary, Marx lists three peculiarities that arise when things of unequal use value are exchanged: (1) “Use-value becomes the form of manifestation, the phenomenal form of its opposite, value” (C1, p. 62; MEW, 23, p. 70); (2) “concrete labour becomes the form under which its opposite, abstract human labour, manifests itself” (C1, p. 64; MEW, 23, p.73); and (3) “the labour of private individuals takes the form of its opposite, labour directly social in its form” (C1, p. 64; MEW, 23, p. 73). The labor of private individuals can be said to become social in its form in the sense that private labor must produce use value for others (C1, p. 78; MEW, 23, p. 88). This is so because the worker is forced to produce according to an alien will and because he is prevented from appropriating his own product of labor. Instead, he must produce for a market; he must produce commodities that the capitalist will sell to the highest bidder. The worker must produce commodities which when exchanged will be of utility to others. Just because labor has become social in its form—“although, like all other commodity-producing labour, it is the labour of private individuals”—it manifests itself in products that are “directly exchangeable with other commodities” (C1, p. 64; MEW, 23, p. 73). Accordingly, Marx states in the third volume of Capital:

No producer, whether industrial or agricultural, when considered by himself alone, produces value or commodities. His product becomes a value and a commodity only in the context of definite social interrelations. In the first place, in so far as it appears as the expression of social labour, hence in so far as the individual producer’s labour-time counts as a part of the social labour-time in general; and, secondly, this social character of his labour appears impressed upon his product through
its pecuniary character and through its general exchangeability determined by its price (C3, pp. 638-639; MEW, 25, pp. 651-652).

Since, in order for commodity exchange to occur, it must reduce all qualitatively different private labor to abstract labor (the mere expenditure of human brains, nerves, and muscles), it becomes social in its nature, being based on the most common denominator underlying all labor regardless of its different qualities. However, labor is social not only in its nature, but in distinct ways. From the moment things of utility are produced for exchange,

the labour of the individual producer acquires socially a two-fold character. On the one hand, it must, as a definite useful kind of labour, satisfy a definite social want, and thus hold its place as part and parcel of the collective labour of all, as a branch of a social division of labour that has sprung up spontaneously. On the other hand, it can satisfy the manifold wants of the individual producer himself, only in so far as the mutual exchangeability of all kinds of useful private labour is an established social fact, and therefore the private useful labour of each producer ranks on an equality with that of all others (C1, p. 78; MEW, 23, p. 87); see also MEW, 23, p. 89).

Insofar as a producer can satisfy his manifold wants only by exchanging the product of his labor, he must be indifferent to the use value of the product of his labor. Exchange and exchange value become more important than use value, once commodity exchange has reached a certain scale.

The product is increasingly produced as a commodity in the strict sense of the word, its exchange-value becomes the more independent of its immediate existence as use-value—in other words its production becomes more and more independent of its consumption by the producers and of its existence as use-value for the producers—the more one-sided it itself becomes, and the greater the variety of commodities for which it is exchanged, the greater the kinds of use-values in which its exchange-value is expressed, and the larger the market for it becomes. The more this happens, the more the product can be produced as a commodity; therefore also on an increasingly large scale. The producers' indifference to the use-value of his product is expressed quantitatively
in the amounts in which he produces it, which bear no relation to his own consumption needs, even when he is at the same time a consumer of his own product” (C3, pp. 268-269; MEW, 25, p. 264).

SURPLUS VALUE AND EXPLOITATION

Since all value originates in labor, the worker can be said to work for the capitalist without being compensated fully. He is forced to supply surplus labor, the product of which becomes surplus value on exchange. The capitalist as an individual is the mere personification of capital, while the worker is the mere personification of labor. The capitalist is also constrained in his behavior by competition, that is, by capital as it is personified through other capitalists. Therefore, the rate at which surplus value is extracted depends not so much on the individual capitalist as on capital as a whole and as personified by all its agents. Although the rate at which surplus value is extracted from labor may vary, capital’s “single life impulse, the tendency to create value and surplus-value” (C1, p. 224) remains. Hence, its emphasis is on exchange value and not on use value, since it is only through exchange that surplus value can be realized. The economy comes to a halt not because the needs that are met through use values are satisfied, but because profits that are based on exchange value are not realized (MEW, 25, p. 269):

[C]apitalist production is in itself indifferent to the particular use-value, and distinctive features of any commodity it produces. In every sphere of production it is only concerned with producing surplus-value, and appropriating a certain quantity of unpaid labour incorporated in the product of labour. And it is likewise in the nature of the wage labour subordinated by capital that it is indifferent to the specific character of its labour and must submit to being transformed in accordance with the requirement of capital and to being transferred from one sphere of production to another (C3, p. 195; MEW, 25, p. 205).

Capital’s simple life impulse is the creation of value and surplus value by compelling workers to create surplus in a process of production in which labor controls neither the process of production nor the product of its own labor. In this sense, it is possible to speak of exploitation. Marx states that production founded on capital creates a situation in which man ex-
exploits man (MEW, 23, p. 743), that is, capital exploits labor (MEW, 23, p. 309). It also creates a

system of general exploitation of the natural and human qualities,
a system of general utility, utilising science itself just as much as all
the physical and mental qualities, while there appears nothing higher
in itself, nothing legitimate for itself, outside this circle of social
production and exchange (G, p. 409; MEW, p. 313).

Historically, capitalist production is not the “inventor” of surplus value. Thus, if, historically speaking,

the labourer needs all his time to produce the necessary means of subsistence for himself and his race, he has no time left in which to work gratis for others. Without a certain degree of productiveness in his labour, he has no such superfluous time at his disposal; without such superfluous time, no surplus-labour and therefore no capitalists, no slave-owners, no feudal lords, in one word no class of large proprietors (translation mine; MEW, 23, p. 534). 8

According to Marx, capitalist production is the most effective system of exploitation.

[E]very enterprise engaged in commodity production becomes at the same time an enterprise exploiting labour-power. But only the capitalist production of commodities has become an epoch-making mode of exploitation, which, in the course of its historical development, revolutionises, through the organisation of the labour-process and the enormous improvement of technique, the entire economic structure of society in a manner eclipsing all former epochs (C2, p. 37; MEW, 24, p. 42).

The question may be asked as to why the capitalist system is most successful in exploiting labor power, that is, in appropriating surplus labor. Marx’s answer is unequivocal:

[I]t is . . . clear that in any given economic formation of society, where not the exchange-value but the use-value of the product predominates, surplus-labour will be limited by a given set of wants which may be
greater or less, and that here no boundless thirst for surplus-labour arises from the nature of the production itself. Hence in antiquity over-work becomes horrible only when the object is to obtain exchange-value in its specific independent money-form; in the production of gold and silver (C1, p. 226; MEW, 23, p. 250).

As soon as production becomes primarily production for exchange, certain processes are set in motion which will promote particularly extreme exploitation, which according to Marx can be witnessed under capital and commodity-producing slavery. In a commodity-producing economy, the more immediate community ceases to be the primary consumer of its products. Instead, those whose exchange bid is the highest become the consumers.

Hence the negro labour in the Southern States of the American Union preserved something of a patriarchal character, so long as production was chiefly directed to immediate local consumption. But in proportion, as the export of cotton became of vital interest to these states, the over-working of the negro and sometimes the using up of his life in 7 years of labour became a factor in a calculated and calculating system. It was no longer a question of obtaining from him a certain quantity of useful products. It was now a question of production of surplus-labour itself (C1, pp. 226-227; MEW, 23, p. 250).

Under capital, high wages do not prove the absence of exploitation. The boundless thirst for surplus value exists even then.

[T]he whole capitalist system of production turns on the prolongation of this gratis labour [i.e., surplus-labour] by extending the working day or by developing the productivity, i.e., the greater intensity of labour power, etc., that, consequently, the system of wage labour is a system of slavery, and indeed a slavery which becomes more severe in proportion as the social productive forces of labour develop, whether the worker receives better or worse payment (CGP, p. 15; MEW, 19, p. 26; see also MEW, EB 1.T., p. 473).

As capitalist commodity production becomes increasingly efficient and widespread, exploitation also increases under capital, just as it did under slavery which became increasingly commodity-producing.
DISCUSSION

Marx maintains that commodity production was present in most historical periods, because at least some use value was produced for exchange and for use by communities other than one's own. He argues that in historical periods with commodity production such production was based on exploitation. Although he may be correct in the historical sense, it is conceivable that commodity production could exist without exploitation, and vice versa. Hypothetically speaking, for example, commodity production could exist without exploitation wherever isolated producers whose labor productivity is high enough produce some of their products specifically for a market. It could also exist in a society where the total product of labor is collectively appropriated, providing the community as a whole also produces for exchange. On the other hand, exploitation alone could take place even if no products are specifically produced for exchange as long as some numbers of the society have the power to coerce others into producing more than they need and are able to appropriate this surplus.

Engels has a comment on this topic. When Marx states that in order for a worker to produce a commodity “he must not only produce use-values, but use-values for others, social use-values,” Engels interjects as follows:

And not only for others, without more. The medieval peasant produced quit-rent-corn for his feudal lord and tithe-corn for his parson. But neither the quit-rent-corn nor the tithe-corn became commodities by reason of the fact that they had been produced for others. To become a commodity a product must be transferred to another, whom it will serve as a use-value, by means of an exchange (C1, p. 48; MEW, 23, p. 55).9

I am inserting the parenthesis because its omission has often given rise to the misunderstanding that every product that is consumed by some one other than its producer is considered in Marx a commodity (C1, p. 48)

It can therefore be concluded that the quit-rent-corn consumed by the feudal lord, although the product of exploitation, is neither a commodity nor the result of commodity production. Not all quit-rent-corn may be consumed, however, in which case it may be exchanged for other things
and thus assume the nature of a commodity. This exchange may be accidental in the sense that only the corn left over after the lord’s consumption, if any, may be exchanged. Exchange may also be planned, in which case the amount of quit-rent-corn demanded from the peasant is set at a level that will predictably allow for exchange. In this sense, the peasant, as labor under capital, is forced to produce things specifically for exchange, the difference being that the peasant’s livelihood does not completely depend on the exchange of his total product. Rather, the peasant reproduces his labor for himself, while the worker under capital is prevented from doing so, so much so that even his existence comes to be threatened (TS3, p. 416; MEW, 26.3, p. 408). Only the peasant’s surplus, and not his total product, is appropriated by another class. The surplus product produced may be appropriated to a greater or lesser extent, thus reflecting a higher or lower level of exploitation, or more or less commodity production. Engels’ remark should not be understood to mean that, under feudalism, commodity production did not exist. It should merely indicate that not all the products of surplus labor become commodities, even though they are appropriated and consumed by individuals other than the producers.

Marx’s examples suggest that for him commodity-producing slavery and the capitalist mode of production primarily lend themselves to a boundless thirst for surplus labor. While exploitation was often quite horrible under feudalism, we must conclude that Marx does not believe that there existed a boundless thirst for surplus labor under feudalism which arose directly “from the nature of the production itself.”

Here it may be objected that the feudal lords were in competition for land and that, therefore, each individual feudal lord was also constrained by the actions of all the members of his class. According to Marx, the individual capitalist also does not determine the level of surplus labor extracted from the workers and the level of recklessness brought upon them. He, too, is constrained in his action by competition, that is, by capital (personified in the capitalists) as a whole. Similarly, it may be argued that the level of exploitation in feudalism was set and determined not by the wants of any particular lord, but by the level of competition among the lords. Furthermore, since there was competition for land, theoretically, as under capital, a boundless thirst for surplus labor could develop depending on the level and nature of competition. No doubt, the burden on the peasants was often extreme. Why, then, according to Marx,
did this boundless thirst not develop under feudalism? Aside from the fact that the acquisition of land did not totally depend on the level of surplus labor extracted, as is shown by feudal marriage strategies, the extraction of surplus labor itself was limited by the fact that the bulk of the population controlled the means of production needed to reproduce itself. Thus, although surplus labor in its various forms needed to be made available to the lord, the production through which the feudal population secured its own existence was not dependent on the lord, and a degree of human autonomy was preserved.

This can be said neither of slavery nor of labor under capital. Marx's analogies of wage labor with slavery illustrate this fact. Because of this autonomy, productive activity could not be subject to the will of the lords and the development of commodity production was limited. Although commodity production did occur, it was limited in scale. As a result, exploitation, according to Marx, never reached the intensity it did under capital and commodity-producing slavery. Both capital and slavery systematically destroyed the health of the producers and reduced their life expectancy.

THE INABILITY TO APPROPRIATE ONE'S PRODUCT OF LABOR AND ITS CONSEQUENCES

Under capital, the worker, in exchange for a wage, is prevented from appropriating the product of his labor. He is forced to produce in excess of what he is being compensated, and he is engaged in commodity production rather than in the production of use values to be consumed without prior exchange. Therefore, unlike feudal production, under capital the producer's total product belongs to the capitalist and is produced not for use but for exchange. That part of the total product which results from uncompensated labor (i.e. surplus labor) for the capitalist is also exchanged, and through this exchange takes on a form desirable for the capitalist. The capitalist can augment his capital, if he does not consume the surplus value, which he will again advance in a constant form as means of production and materials and a variable form as wages. In this operation, the capitalist is subject to competition which, in turn, influences the form in which capital is put back into circulation.

The manner in which capital is advanced and put into circulation determines the conditions of production to which the workers are subject. It
can readily be seen that, under capital, the worker loses all control over
the state of things inasmuch as he must sell his labor in order to exist
and, consequently, inasmuch as he is prevented from controlling the
product of his labor. Since he does not own any means of production
and must sell whatever is left to him—his labor power—he even depends on
the capitalists to advance capital so that he can sell his labor power in re­
turn for a livelihood. The capital advanced in the form of wages is simply
objectified labor—labor that the capitalists appropriated from the workers
in the first place. The worker can therefore be said to have become de­
pendent on the product of his own labor even for his livelihood, in addi­
tion to being dependent in terms of the conditions of production. The
product of his own labor confronts him in a way that he does not con­
trol in any way, not even to the extent that he can secure his existence.
The product of his own labor, owned by and mediated through the capital­
ist in every way, confronts him as an alien force.

In the 1844 Manuscripts, Marx already remarks that capital is accumu­
lated labor, which constitutes wealth. Wealth in a society is advanced “when
the capitals and the revenues of a country are growing.” This is possible
only because

more and more of his products are being taken away from the worker,
that to an increasing extent his own labour confronts him as another
man’s property and that the means of his existence and his activity
are increasingly concentrated in the hands of the capitalist” (CW, 3,

The fact that the product is being taken away from the worker means “that
it exists outside him, independently, as something alien to him, and that
it becomes a power on its own confronting him. It means that the life which
he has conferred on the object confronts him as something hostile and
alien” (CW, 3, p. 272; MEW, EB 1.T., p. 512). As more and more of
the producer’s product is taken away from him, the worker is increasingly con­
fronted not only by his own labor as another man’s property, but by the
fact that exchange relations become ever more uncontrollable. Thus, the
more numerous the products are that are being taken away from him, the
more expanded commodity production, the more extended commodity
production has become. As the market is continually extended, “its
interrelations and the conditions regulating them assume more and more
the form of a natural law working independently of the producer, and become ever more uncontrollable” (C3, p. 245; MEW, 25, p. 255). Marx even goes so far as to say that, for the worker, capital “piles up dangerously over and against him.” The consequences are premature death, the worker's decline to a machine, more competition, and, for some, even starvation and beggary (CW, 3, p. 238; MEW, EB 1.T., p. 474).

The observable phenomenon of capital accumulation and its consequences for those who produce the wealth being accumulated are summarized by a passage from the Grundrisse:

[A]ll the progress of civilization, or in other words every increase in the powers of social production (gesellschaftliche Produktivkräfte), if you like, in the productive powers of labour itself—such as results from science, inventions, division and combination of labour, improved means of communication, creation of the world market, machinery etc.—enriches not the worker but rather capital; hence it only magnifies again the power dominating over labour; increases only the productive power of capital. Since capital is the antithesis of the worker, this merely increases the objective power standing over labour. The transformation of labour (as living, purposive activity) into capital is, in itself, the result of the exchange between capital and labour, in so far as it gives the capitalist the title of ownership to the product of labour (and command over the same) (G, p. 308; MEW, G, p. 215).12

Marx compares the fact that the laborer, through the capitalist, is controlled by his own product of labor to religion: “as in religion, man is governed by the products of his own brain, so in capitalist production, he is governed by the products of his own hand” (C1, p. 582; MEW, 23, p. 649). On the other hand, Marx observes that in bourgeois society one can misleadingly think that the individual has great freedom, while in fact the opposite is the case.

[P]recisely the slavery of civil society is in appearance the greatest freedom because it is in appearance the fully developed independence of the individual, who considers as his own freedom the uncurbed movement, no longer bound by a common bond or by man, of the estranged elements of his life, such as property, industry, religion, etc., whereas actually this is his fully developed slavery and inhumanity (CW, 4, p. 116; MEW, 2, p. 123).
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One manifestation of capital's domination of labor and of the workers' confrontation with the product of their labor and conditions of production as powers independent and alien to them can be seen in the development and nature of the division of labor. Thus, a particular division of labor emerges with commodity production. It can be said that

[T]o all the different varieties of values in use there correspond as many different kinds of useful labour, classified according to the order, genus, species, and variety to which they belong in the social division of labour. This division of labour is a necessary condition for the production of commodities, but it does not follow, conversely, that the production of commodities is a necessary condition for the division of labour. In the primitive Indian community there is social division of labour, without production of commodities (C1, p. 49; MEW, 23, p. 56).

It is not only in Capital that Marx made this observation concerning the origin and nature of the division of labor. As was shown earlier, estrangement occurs when man must subject his will to an alien will in order to gain an existence and when, as a result, he is also prevented from appropriating the product of his own labor. The product of his own labor, capital, confronts him in its various forms as constant and variable capital. As a result, certain conditions of labor are imposed on the worker:

Labour is only an expression of human activity within alienation, of the manifestation of life as the alienation of life, the division of labour, too is therefore nothing else but the estranged, alienated positing of human activity as a real activity of the species or as activity of man as a species-being (CW, 3, p. 317; MEW, EB 1.T., p. 557).

Estrangement from the product of one's labor, as well as the accompanying division of labor based on alienated labor, can exist only if private property exists. Without the institution of private property, the private appropriation of the products of the labor of others would be impossible, and the worker could not become dependent on the capitalist's resources for his existence. Likewise, since the division of labor under capital is expressive of "nothing else but the estranged, alienated positing of human activity," it is also dependent and rests on private property (CW, 3, p. 321; MEW, EB 1.T., p. 561).13
In the *Grundrisse*, Marx postulates that “exchange and division of
labour reciprocally condition one another” (G, p. 158; MEW, G, p. 76).
With capital’s boundless thirst for surplus value, realized, in part, by in-
creasing the volume of commodities exchanged, the division of labor
increases and the increased division of labor further enhances an expan-
sion of exchange. Marx observes that, through this process, which has a
momentum of its own, the amount of simple labor in a society also in-
creases. “Just as in bourgeois society,”¹⁴

a general or a banker plays a great part, but mere man, on the other
hand, a very shabby part, so here with mere human labour. It is the
expenditure of simple labour-power, i.e., of the labour-power which,
on an average, apart from any special development, exists in the organ-
ism of every ordinary individual. Simple average labour, it is true,
varies in character in different countries and at different times, but in
a particular society it is given. Skilled labour counts only as simple
labour intensified, or rather, as multiplied simple labour, a given
quantity of skilled being considered equal to a greater quantity of
simple labour. Experience shows that this reduction is constantly
being made (C1, p. 51; MEW, 23, p. 59).

An illustration from *The Poverty of Philosophy* may make this point
somewhat clearer: “[W]hat characterises the division of labour inside
modern society is that it engenders specialties, specialists, and with them
craft-idiocy” (CW, 6, p. 190; MEW, 4, p. 157). And in *Capital* Marx
writes that “not only is the detail work distributed to the different in-
dividuals, but the individual himself is made the automatic motor of a
fractional operation.” (C1, p. 340; MEW, p. 340).

NOTES

1. Consider the following statement in this context:

It would be wrong to say that labour which produces use-values is the only
source of the wealth produced by it, that is of material wealth. Since labour
is an activity which adapts for some purpose or other, it needs material as a
prerequisite. Different use-values contain very different proportions of labour
and natural products, but use-value always comprises a natural element (CPE,
p. 36; MEW, 13, p. 23).
2. It should be kept in mind that when Marx speaks of exchange value, he often merely uses the word \textit{Wert} (value). Also, when writing exchange value rather than value only, the following passage in \textit{Capital} is of importance:

When at the beginning of this chapter, we said, in common parlance, that a commodity is both use-value and exchange-value, we were, accurately speaking, wrong. A commodity is a use-value or object of utility, and a value. It manifests itself as this two-fold thing, that it is, as soon as its value assumes an independent form—viz., the form of exchange value. It never assumes this form when isolated, but only when placed in a value or exchange relation with another commodity of a different kind. When once we know this, such a mode of expression does no harm; it simply serves as an abbreviation (C1, p. 66; MEW, 23, p. 75; see also Engels' comment in C1, p. 48; MEW, 23, p. 55).

3. The word \textit{sinnlich} (sensual) remains untranslated in C1, p. 78. This is a lack inasmuch as man assesses the utility of an object through sense perception, while value is not determined through sense perception.

4. For Marx, skilled labor is labor that, through some training, requires faculties that go beyond the mere expenditure of human brains, nerves, and muscles. Since training requires an initial expenditure, skilled labor, he states, commands higher wages. It is not that its real wages are higher and that therefore the surplus product produced by it less; it is exploited to the same degree (MEW, 23, pp. 212, 360; MEW, 25, pp. 151, 311).

The above concepts must be viewed with some skepticism. As Marx writes in a footnote:

The distinction between skilled and unskilled labour rests in part on pure illusion, or to say the least, on distinctions that have long since ceased to be real, and that survive only by virtue of a traditional convention; in part on the helpless condition of some groups of the working-class, a condition that prevents them from exacting equally with the rest the value of their labour-power. Accidental circumstances here play so great a part, that these two forms of labour sometimes change places. Where, for instance, the physique of the working class has deteriorated, and is, relatively speaking, exhausted, which is the case in all countries with a well developed capitalist production, the lower forms of labour, which demand great expenditure of muscle, are in general considered as skilled, compared with much more delicate forms of labour; the latter sink down to the level of unskilled labour (C1, p. 192; MEW, 23, p. 212).

5. For additional elaboration or commentary on social labour, see C1, pp. 78, 80; MEW, 23, pp. 88, 90; and C3, pp. 81-82, 88, 104, 516; MEW, 25, pp. 92, 99, 113, 533. Among other things, in MEW 25, Marx directly relates credit, waste of human lives, and so on to the social nature of labor, that is, that all production is commodity production.
In this context, it is useful to point out the meaning of terms such as "average simple labor," "average labor," "universal labor," "cooperative labor," "directly associated labor," and "common labor":

1. "Einfache Durchschnittsarbe it" is "simple labour power . . . which, on an average, apart from any special development, exists in the organism of every ordinary individual" (C1, p. 51; MEW, 23, p. 59 and see also p. 213).

2. Durchschnittsarbe it (average labor) can also mean "average paid labor" (see MEW, 25, p. 311).

3. Allgemeine Arbeit (universal labor) and gemeinschaftliche Arbeit (cooperative labor):

   Both kinds play their role in the process of production, both flow one into the other, but both are also differentiated. Universal labour is all scientific labour, all discovery and all inventions. This labour depends partly on the utilisation of the labours of those who have gone before. Cooperative labour, on the other hand, is the direct co-operation of individuals (C3, p. 104; MEW, 25, p. 114).

4. Marx uses vergesellschaftete Arbeit inconsistently. Thus, it can mean "associated labor, or common labor" as is required, for example, to operate big machinery (C1, pp. 364-365; MEW, 23, p. 407). It can also mean "directly associated" labor as is made clear in the sentence "Owen pre-supposed directly associated labour, a form of production that is entirely inconsistent with the production of commodities" (C1, pp. 97-98; MEW, 23, pp. 109-110).

6. The capitalist does not buy labor power in order to satisfy, through the product of this labor, his personal wants or needs. He buys it for the production of surplus value (C1, p. 580; MEW, 23, p. 647).

7. Marx makes the same observation elsewhere:

   The real barrier of capitalist production is capital itself. It is that capital and its self-expansion appear as the starting and the closing point, the motive and the purpose of production; that production is only production for capital and not vice versa, the means of production are not mere means for a constant expansion of the living process of the society of producers (C3, p. 250; MEW, 25, p. 260).

8. Translation mine insofar as I render braucht by "needs" instead of by "wants."

Capital has not invented surplus-labour. Wherever a part of society possesses the monopoly of the means of production, the labourer, free or not free, must add to the working-time necessary for its own maintenance an extra working-time in order to produce the means of subsistence for the owners of the means of production, whether this proprietor be the Athenian aristocrat, Etruscan theocrat, civis Romanus, Norman baron, American slave-owner, Wallachian Boyard, modern landlord or capitalist (C1, p. 226; MEW, 23, pp. 249-250).
9. However, it would be incorrect to infer that commodity production only characterizes capitalist society. In the second volume of *Capital*, Marx mentions that commodities can be produced under various modes of production:

No matter whether commodities are the output of production based on slavery, of peasants (Chinese, Indian ryots), of communes (Dutch East Indies), of state enterprise (such as existed in former epochs of Russian history on the basis of serfdom) or of half-savage hunting tribes, etc.—as commodities and money they come face to face with the money and commodities in which the individual capital presents itself. (C2, p. 113; MEW, 24, p. 113).

In the third volume of *Capital*, we can read:

No matter what the basis on which products are produced, which are thrown into circulation as commodities—whether the basis of the primitive community, of slave production, of small peasant and petty bourgeois, or the capitalist basis, the character of products as commodities is not altered. . . . The extent to which products enter trade and go through the merchants' hands depends on the mode of production, and reaches its maximum in the ultimate development of capitalist production, where the product is produced solely as a commodity, and not as a direct means of subsistence (C3, p. 325; MEW, 25, p. 337).

10. In *Theories of Surplus-Value* (Vol. III), Marx again states that accumulation is "the conversion of surplus-value into capital." The unpaid labor embodied in surplus labor, which has been converted into capital, confronts the worker as

the totality of the objective conditions of labour. In this form it confronts him as an alien property with the result that the capital which is antecedent to his labour, appears to be independent of it. . . . the conditions of labour confront the individual worker in an ever more gigantic form and increasingly as social forces, the chance of his taking possession of them himself as is the case in small-scale industry disappears (TS3, pp. 352-353; MEW, 26.3, pp. 344-345; see also CW, 3, p. 275 and MEW, EB 1.T., p. 515 as referred to on p. 34 of the present text).

11. For reasons which, according to Marx, are inherent in capitalism but which cannot be addressed here.

12. The following quotes may further illustrate the nature of the dominating forces controlling the worker. The worker is confronted with

capital, as master over living labour capacity, as value endowed with its own might and will . . . "All this," says Marx, "arose from the act of exchange, in which he exchanged his living labour capacity for an amount of objectified labour, except that this objectified labour—these external conditions of his being, and the independent externality (Ausserinhmsein) (to him) of these ob-
jective conditions—now appear as posited by himself, as *his own product*, as his own self-objectification as well as the objectification of himself as a power independent of himself, which moreover rules over him, rules over him through his own actions (G, p. 453; MEW, G, p. 357).

One manifestation of the condition that the worker is dominated by his own product in such a way that everything has an alien will and is independent of him is for Marx the worker's attitude toward that which dominates him independent of his will.

*Finally*, we have earlier seen that, in fact, the labourer looks at the social nature of his labour, at its combination with the labour of others for a common purpose, as he would at an alien power; the condition of realising this combination is alien property, whose dissipation would be totally indifferent to him if he were not compelled to economise with it. The situation is quite different in factories owned by the labourers themselves. (C3, p. 85; MEW, 25, pp. 95-96).

If landed property became *people's property* then the whole basis of capitalist production would go, the foundation on which rests the confrontation of the worker by the conditions of labour as an independent force (TS2, p. 97; MEW, 26.2, p. 97).

13. Later, I discuss to what extent estrangement is dependent only on capital rather than on private property as such, of which capital is merely one historical form.

14. C1, p. 51, leaves out bourgeois, although it is contained in MEW, 23, p. 59.